

Traditional Credit Union (the “Credit Union”) as an Authorised Deposit-Taking Institution (“ADI”) is regulated by the Australian Prudential Regulatory Authority (APRA). APRA is the prudential regulator of the Australian financial services industry. The fundamental role of APRA is to ensure the stability of the financial industry, primarily through the establishment and enforcement of prudential standards.

This report has been prepared by the Credit Union to meet its disclosure requirements under the APRA Prudential Standard (“APS”) 330 Capital Adequacy: Public Disclosure of Prudential Information. Under APS 330, the Credit Union is required to disclose information about its capital and risk exposure. These disclosures show the assets of Credit Union, their appropriate risk weighing and the capital base. Capital Adequacy is calculated as total regulatory capital base divided by risk weighted assets.

The Credit Union is using post January 2018 capital disclosure template because it is fully applying the Basel III regulatory adjustments as implemented by APRA.

**Table 1: Capital Adequacy**

	<b>31-Dec-18</b>
Capital Structure	
• Gross Tier 1 Capital	\$5,032,897
• Total Deductions from Tier 1 Capital	485,946
Net Tier 1 Capital and Total Capital base	\$4,546,951
Total Risk Weighted Exposures	\$3,517,264
<b>Net Tier 1 Capital and Regulatory Ratio</b>	<b>129.28%</b>

	<b>30-Sep-18</b>
Capital Structure	
• Gross Tier 1 Capital	\$4,801,067
• Total Deductions from Tier 1 Capital	509,387
Net Tier 1 Capital and Total Capital base	\$4,291,680
Total Risk Weighted Exposures	\$3,539,214
<b>Net Tier 1 Capital and Regulatory Ratio</b>	<b>121.26%</b>

**Table 2: Credit Risk**

As at 31 December 2018	Gross Exposures	Risk Weighted Value	Impaired Facilities	Past Due 90 Days	Specific Provisions	Charge for Specific Provisions and Write-Offs During the Period
Cash items	\$530,923	-	-	-	-	-
Deposits in highly rated ADIs	\$9,882,130	\$1,976,426	-	-	-	-
Deposits in unrated ADIs	\$2,449,309	\$489,862	-	-	-	-
Loans and advances	\$196,527	\$101,646	\$94,882	\$62,103	\$67,862	\$4,065
Fixed assets	\$155,034	\$155,034	-	-	-	-
Other assets	\$154,396	\$154,396	-	-	-	-
<b>Total Risk Weighted Assets for Credit Risk</b>		\$2,877,364				
<b>Total Risk Weighted Assets for Operational Risk</b>		\$639,900				
<b>Total Risk Weighted Assets</b>		<b>\$3,517,264</b>	<b>\$94,882</b>	<b>\$62,103</b>	<b>\$67,862</b>	<b>\$4,065</b>

<b>General Reserve for Credit Losses</b>	\$0
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As at 30 September 2018	Gross Exposures	Risk Weighted Value	Impaired Facilities	Past Due 90 Days	Specific Provisions	Charge for Specific Provisions and Write-Offs During the Period
Cash items	\$814,144	-	-	-	-	-
Deposits in highly rated ADIs	\$10,080,983	\$2,016,197	-	-	-	-
Deposits in unrated ADIs	\$2,444,069	\$488,814	-	-	-	-
Loans and advances	\$154,040	\$81,986	\$72,055	\$38,910	\$49,876	(\$160,424)
Fixed assets	\$185,215	\$185,215	-	-	-	-
Other assets	\$186,352	\$186,352	-	-	-	-
<b>Total Risk Weighted Assets for Credit Risk</b>		\$2,958,564				
<b>Total Risk Weighted Assets for Operational Risk</b>		\$580,650				
<b>Total Risk Weighted Assets</b>		<b>\$3,539,214</b>	<b>\$72,055</b>	<b>\$38,910</b>	<b>\$49,876</b>	<b>(\$160,424)</b>

<b>General Reserve for Credit Losses</b>	\$0
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