

Overview of Capital Adequacy

Holiday Coast Credit Union Ltd, as an Authorised Deposit-Taking Institution (ADI), is regulated by the Australian Prudential Regulation Authority (APRA).



APRA has prescribed a minimum capital requirement for ADIs of 8%.

Capital Adequacy Quarterly Disclosures for the quarter ended: 31 December 2009

Holiday Coast Credit Union's capital requirements for credit, market and operational risk for the period 1 October 2009 to 31 December 2009 were as follows:

Credit Risk	31-Dec-09 Risk- Weighted Amount (\$)
Asset Portfolio	
Residential Mortgage	119,783,765
Other Retail Loans	16,339,445
Corporate Loans	21,392,336
Claims on other ADIs and Banks	17,888,811
All other assets and claims	13,506,127
Total Credit Risk	<u>188,910,484</u>
Market Risk	
Market Risk requirement	-
Operational Risk	
Operational Risk requirement	<u>23,873,866</u>
Total requirements for credit, market and operational risk	<u>212,784,350</u>

Capital Adequacy Ratio

Total Capital Ratio for the Credit Union	15.19%
Tier 1 Capital Ratio for the Credit Union	13.05%

Credit Risk Quarterly Disclosures for the quarter ended: 31 December 2009

Holiday Coast Credit Union's total gross credit risk exposures and the average gross exposures for the period 1 October 2009 to 31 December 2009 were as follows:

	Gross Exposure (\$)	Average Gross Exposure (\$)
Credit Risk Exposures		
Residential Mortgage	290,577,325	289,025,757
Other Retail Loans	18,365,416	16,689,621
Corporate Loans	21,392,336	23,218,022
Total Loans	<u>330,335,077</u>	<u>328,933,400</u>
Investments with other ADIs and Banks	83,444,512	80,740,675
Commitments and other non-market off-balance sheet exposures	8,212,125	8,376,859
Debt securities	-	-
Over-the-counter derivatives	-	-
Total	<u>421,991,714</u>	<u>418,050,934</u>

	Gross balance (\$)	Impaired Facilities (\$)	Past Due (\$)	Specific Provision (\$)	Movement in Specific Provision (\$)	Write-offs (\$)
Impaired Facilities						
Residential Mortgage	290,577,325	1,593,508	3,201,367	181,949	(32,985)	-
Other Retail Loans	18,365,416	623,323	533,330	453,571	39,160	60,556
Corporate Loans	21,392,336	13,840	643,719	10,643	3,134	-
Total Loans	<u>330,335,077</u>	<u>2,230,671</u>	<u>4,378,416</u>	<u>646,163</u>	<u>9,309</u>	<u>60,556</u>

General Reserve for Credit Losses

The balance of the general reserve for credit losses at the end of the quarter was: (\$)
700,000

Note: The above disclosures should also be read in conjunction with the Capital Adequacy disclosures contained within the Credit Union's Annual Report for the year ended 30 June 2009.