

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 March 2010

Holiday Coast Credit Union's capital requirements for credit, market and operational risk for the period 1 January 2010 to 31 March 2010 were as follows:

Credit Risk	31-Mar-10 Risk- Weighted Amount (\$)
Asset Portfolio	
Residential Mortgage	121,772,324
Other Retail Loans	15,938,641
Corporate Loans	20,670,228
Claims on other ADIs and Banks	16,592,482
All other assets and claims	13,763,616
Total Credit Risk	<u>188,737,291</u>
Market Risk	
Market Risk requirement	-
Operational Risk	
Operational Risk requirement	<u>23,873,868</u>
Total requirements for credit, market and operational risk	<u>212,611,159</u>

Capital Adequacy Ratio

Total Capital Ratio for the Credit Union	15.20%
Tier 1 Capital Ratio for the Credit Union	13.06%

Credit Risk Quarterly Disclosures for the quarter ended: 31 March 2010

Holiday Coast Credit Union's total gross credit risk exposures and the average gross exposures for the period 1 January 2010 to 31 March 2010 were as follows:

	Gross Exposure (\$)	Average Gross Exposure (\$)
Credit Risk Exposures		
Residential Mortgage	296,038,265	295,043,085
Other Retail Loans	18,017,379	16,887,747
Corporate Loans	20,670,228	20,759,078
Total Loans	<u>334,725,872</u>	<u>332,689,910</u>
Investments with other ADIs and Banks	79,962,620	81,703,567
Commitments and other non-market off-balance sheet exposures	8,283,057	8,247,591
Debt securities	-	-
Over-the-counter derivatives	-	-
Total	<u>422,971,549</u>	<u>422,641,068</u>

	Gross balance (\$)	Impaired Facilities (\$)	Past Due (\$)	Specific Provision (\$)	Movement in Specific Provision (\$)	Write-offs (\$)
Impaired Facilities						
Residential Mortgage	296,038,265	2,517,736	3,415,281	344,341	162,392	-
Other Retail Loans	18,017,379	822,819	669,987	677,515	223,944	46,123
Corporate Loans	20,670,228	11,487	109	11,106	463	-
Total Loans	<u>334,725,872</u>	<u>3,352,042</u>	<u>4,085,377</u>	<u>1,032,962</u>	<u>386,799</u>	<u>46,123</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.