

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: 30 September 2009

Holiday Coast Credit Union's capital requirements for credit, market and operational risk for the period 1 July 2009 to 30 September 2009 were as follows:

Credit Risk	30-Sep-09 Risk- Weighted Amount (\$)
Asset Portfolio	
Residential Mortgage	121,316,076
Other Retail Loans	14,466,009
Corporate Loans	25,819,494
Claims on other ADIs and Banks	18,007,246
All other assets and claims	14,425,706
Total Credit Risk	<u>194,034,531</u>
Market Risk	
Market Risk requirement	-
Operational Risk	
Operational Risk requirement	<u>22,575,343</u>
Total requirements for credit, market and operational risk	<u>216,609,874</u>

Capital Adequacy Ratio

Total Capital Ratio for the Credit Union	14.69%
Tier 1 Capital Ratio for the Credit Union	12.59%

Credit Risk Quarterly Disclosures for the quarter ended: 30 September 2009

Holiday Coast Credit Union's total gross credit risk exposures and the average gross exposures for the period 1 July 2009 to 30 September 2009 were as follows:

	Gross Exposure (\$)	Average Gross Exposure (\$)
Credit Risk Exposures		
Residential Mortgage	289,312,353	289,385,930
Other Retail Loans	16,294,070	15,361,851
Corporate Loans	25,819,494	25,978,842
Total Loans	<u>331,425,917</u>	<u>330,726,623</u>
Investments with other ADIs and Banks	78,036,838	69,701,454
Commitments and other non-market off-balance sheet exposures	8,541,592	7,905,680
Debt securities	-	-
Over-the-counter derivatives	-	-
Total	<u>418,004,347</u>	<u>408,333,758</u>

	Gross balance (\$)	Impaired Facilities (\$)	Past Due (\$)	Specific Provision (\$)	Movement in Specific Provision (\$)	Write-offs (\$)
Impaired Facilities						
Residential Mortgage	289,312,353	682,751	2,881,822	214,934	28,607	-
Other Retail Loans	16,294,070	434,938	484,386	414,411	13,647	21,241
Corporate Loans	25,819,494	9,994	192,201	7,509	1,898	-
Total Loans	<u>331,425,917</u>	<u>1,127,684</u>	<u>3,558,408</u>	<u>636,854</u>	<u>44,152</u>	<u>21,241</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.