

Risk exposures and assessment

Quarterly Disclosures for the period ended: **30-Jun-18**

Capital Adequacy

Holiday Coast Credit Union's capital requirements (in terms of risk-weighted assets) for credit, market and operational risk for the period 1 April 2018 to 30 June 2018 were as follows:

	<i>Risk-Weighted Amount (\$)</i>
<i>Credit Risk by Asset Portfolio</i>	
Residential Mortgage	159,390,267
Other Retail Loans	16,017,569
Corporate Loans	18,650,371
Claims on Australian Government	-
Claims on other ADIs and Banks	31,823,510
All other assets and claims	19,087,037
Total Credit Risk	244,968,754
<i>Market Risk</i>	
Market Risk requirement	-
<i>Operational Risk</i>	
Operational Risk requirement	33,674,184
Total requirements for credit, market and operational risk	278,642,938
Capital Adequacy Ratios for the Credit Union	
Common Equity Tier 1	13.49%
Tier 1	14.04%
Total Capital Ratio	14.48%

Credit Risk Exposures

HCCU's total gross credit risk exposures and the average gross exposures for the period 1 April 2018 to 30 June 2018 were as follows:

	<i>Gross Exposure (\$)</i>	<i>Average Gross Exposure (\$)</i>
<i>Credit Risk Exposures</i>		
Residential Mortgage	419,559,470	418,069,538
Other Retail Loans	18,077,649	18,087,273
Corporate Loans	18,650,371	18,963,802
Total Loans	456,287,490	455,120,613
Investments with Australian Government	1,000,000	1,000,000
Investments with other ADIs and Banks	141,762,549	142,978,826
Commitments and other non-market off-balance sheet exposures	32,089,711	31,517,057
Debt securities	-	-
Over-the-counter derivatives	-	-
Total Other	174,852,260	175,495,883
Total	631,139,750	630,616,496

<i>Loan Portfolio</i>	<i>Gross balance</i> (\$)	<i>Impaired</i> <i>Facilities</i> (\$)	<i>Past Due</i> (\$)	<i>Specific</i> <i>Provision</i> (\$)	<i>Charge for</i> <i>Specific</i> <i>Provision</i> (\$)	<i>Write-offs</i> (\$)
Residential Mortgage	419,559,470	342,083	4,050,427	-	-	-
Other Retail Loans	18,077,649	102,834	304,852	12,253	(21,571)	19,345
Corporate Loans	18,650,371	27	154,600	11	(18)	-
Total Loans	456,287,490	444,944	4,509,879	12,264	(21,589)	19,345

Note: A facility is past due when a contracted payment has not been met when due or it is otherwise outside contracted arrangements and is not impaired.

General Reserve for Credit Losses

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The balance of the general reserve for credit losses at the end of the quarter was: 1,225,000

Securitisation Exposures

A summary of the current quarter's activities and balances with regards to securitised loans is as follows:

Loans Securitised during the quarter

-

On-Balance Sheet Securitisation Exposures

Claims secured by Residential Mortgage 48,778,404

Off-Balance Sheet Securitisation Exposures

Claims Secured by Residential Mortgage 1,171,520

Total **49,949,924**

Notes:

- The above disclosures should also be read in conjunction with the Capital Adequacy and Securitisation disclosures contained within the Credit Union's Annual Report for the year ended 30 June 2018.
- Balances have been determined in accordance with APRA reporting requirements which differ from the requirements of Australian Accounting Standards