

## Risk exposures and assessment

Quarterly Disclosures for the period ended: **30-Sep-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 July 2018 to 30 September 2018 were as follows:

	<i>Risk-Weighted Amount (\$)</i>
<b>Credit Risk by Asset Portfolio</b>	
Residential Mortgage	158,026,152
Other Retail Loans	17,475,137
Corporate Loans	17,316,586
Claims on Australian Government	-
Claims on other ADIs and Banks	35,121,211
All other assets and claims	19,083,443
<b>Total Credit Risk</b>	<b>247,022,529</b>
<b>Market Risk</b>	
<b>Market Risk requirement</b>	<b>-</b>
<b>Operational Risk</b>	
<b>Operational Risk requirement</b>	<b>33,674,184</b>
<b>Total requirements for credit, market and operational risk</b>	<b>280,696,713</b>
<b>Capital Adequacy Ratios for the Credit Union</b>	
Common Equity Tier 1	13.61%
Tier 1	14.15%
<b>Total Capital Ratio</b>	<b>14.59%</b>

### Credit Risk Exposures

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

	<i>Gross Exposure (\$)</i>	<i>Average Gross Exposure (\$)</i>
<b>Credit Risk Exposures</b>		
Residential Mortgage	420,226,943	419,622,529
Other Retail Loans	19,742,456	19,357,138
Corporate Loans	17,316,586	17,680,974
<b>Total Loans</b>	<b>457,285,985</b>	<b>456,660,641</b>
Investments with Australian Government	1,000,000	1,000,000
Investments with other ADIs and Banks	158,251,056	154,108,325
Commitments and other non-market off-balance sheet exposures	32,885,982	29,529,676
Debt securities	-	-
Over-the-counter derivatives	-	-
<b>Total Other</b>	<b>192,137,038</b>	<b>184,638,001</b>
<b>Total</b>	<b>649,423,023</b>	<b>641,298,642</b>

<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	420,226,943	72,882	4,975,038	-	-	-
Other Retail Loans	19,742,456	51,686	427,423	15,615	10,235	6,873
Corporate Loans	17,316,586	35	151,000	14	3	-
<b>Total Loans</b>	<b>457,285,985</b>	<b>124,603</b>	<b>5,553,461</b>	<b>15,629</b>	<b>10,238</b>	<b>6,873</b>

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** (\$)

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:

<b>Loans Securitised during the quarter</b>	7,184,941
<b>On-Balance Sheet Securitisation Exposures</b>	
Claims secured by Residential Mortgage	49,500,160
<b>Off-Balance Sheet Securitisation Exposures</b>	
Claims Secured by Residential Mortgage	999,348
<b>Total</b>	<b>50,499,508</b>

**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