



**ABN 14 087 650 771**

**QUARTERLY PRUDENTIAL CAPITAL DISCLOSURES**

**30 SEPTEMBER 2022**

# Prudential Disclosures

## For the quarter ended 30 September 2022

### INTRODUCTION

As a locally incorporated ADI using the standardised approach under Basel III regulatory requirements, Illawarra Credit Union Ltd ("the Credit Union") is required to disclose information about their capital and risk exposure under Australian Prudential Standard APS 330.

### CAPITAL MANAGEMENT

The Credit Union calculates capital requirements by analysing various major risks faced by the Credit Union and ensuring appropriate levels of capital are maintained to cover those risks. Major risks considered include credit risk, interest rate risk, liquidity risk, operational risk, reputational risk and economic risk. The Credit Union's Risk Management framework presents information about the Credit Union's exposure to each of the above risks, the objectives, policies and processes for measuring and managing risk, the management of capital, and incorporates rules and ratios established by the Australian Prudential Regulation Authority.

The Credit Union has complied with all external capital requirements, as well as maintaining healthy capital ratios in order to support our ongoing business activities.

Capital Adequacy	30th Sep 2022	30th Jun 2022
<b>Capital requirements - Credit Risk</b>	<b>Risk Weighted Assets</b>	<b>Risk Weighted Assets</b>
	<b>\$'000</b>	<b>\$'000</b>
- Claims secured by residential mortgages	284,149	263,840
- Other retail loans	14,149	13,482
- Claims on ADI's & Banks	17,006	19,542
- Corporate claims	-	-
- Other claims	10,476	9,906
- Other non-market off balance sheet exposures	1,520	4,216
<b>Capital requirements - Credit Risk</b>	<b>327,300</b>	<b>310,986</b>
<b>Capital requirements - Market Risk</b>	<b>-</b>	<b>-</b>
<b>Capital requirements - Operational Risk</b>	<b>43,587</b>	<b>43,587</b>
<b>TOTAL Risk Weighted Assets</b>	<b>370,887</b>	<b>354,573</b>
<b>Common Equity Tier 1 Ratio</b>	<b>13.39%</b>	<b>13.64%</b>
<b>Tier 1 Capital Ratio</b>	<b>13.39%</b>	<b>13.64%</b>
<b>Total Capital Ratio</b>	<b>13.41%</b>	<b>13.66%</b>

### General Reserve for Credit Losses

	<b>\$'000</b>
as at 30th September 2022	51
as at 30th June 2022	69

# Prudential Disclosures

## For the quarter ended 30 September 2022

Credit Risk as at 30th September 2022	Total Gross Exposure	Average Gross Exposure (Qtr)
	\$'000	\$'000
-Cash items	107	134
-ADI's & Banks	69,163	79,559
-Loans: Residential secured	768,893	734,500
-Loans: Other	18,490	18,181
-Loans: Total	787,383	752,680
-Other	10,476	9,125
-Other non-market off balance sheet exposures	70,895	73,351
Total exposures	938,024	914,847

Credit Risk as at 30th September 2022	Impaired	Past Due	Collective Provision	Collective Expense	Collective Charge	Specific Provision	Specific Charge
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
-Cash items							
-ADI's & Banks							
-Loans: Residential secured		3,287					
-Loans: Investment secured		1,054					
-Loans: Other	836	110	146	-	27	146	27
-Loans: Total	836	4,451	146	-	27	146	27
-Other							
-Other non-market off balance sheet exposures							
Total exposures	836	4,451	146	-	27	146	27

Credit Risk as at 30th June 2022	Total Gross Exposure	Average Gross Exposure (Qtr)
	\$'000	\$'000
-Cash items	146	144
-ADI's & Banks	89,293	93,098
-Loans: Residential secured	715,995	701,743
-Loans: Other	16,427	16,419
-Loans: Total	732,422	718,161
-Other	9,906	9,139
-Other non-market off balance sheet exposures	70,359	74,359
Total exposures	902,126	894,900

Credit Risk as at 30th June 2022	Impaired	Past Due	Collective Provision	Collective Expense	Collective Charge	Specific Provision	Specific Charge
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
-Cash items							
-ADI's & Banks							
-Loans: Residential secured		3,753					
-Loans: Investment secured		-					
-Loans: Other	872	73	119	0	23	119	23
-Loans: Total	872	3,827	119	0	23	119	23
-Other							
-Other non-market off balance sheet exposures							
Total exposures	872	3,827	119	0	23	119	23