

APS 330 Common Disclosure		
30 June 2015		
Common Equity Tier 1 capital: instruments and reserves A\$		A\$
1	Directly issued qualifying ordinary shares (and equivalent for mutually-owned entities) capital	-
2	Retained earnings	17,939,455
3	Accumulated other comprehensive income (and other reserves)	945,875
4	Directly issued capital subject to phase out from CET1 (only applicable to mutually-owned companies)	-
5	Ordinary share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-
6	Common Equity Tier 1 capital before regulatory adjustments	18,885,330
Common Equity Tier 1 capital : regulatory adjustments		
7	Prudential valuation adjustments	-
8	Goodwill (net of related tax liability)	-
9	Other intangibles other than mortgage servicing rights (net of related tax liability)	- 423,940
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	- 255,441
11	Cash-flow hedge reserve	-
12	Shortfall of provisions to expected losses	-
13	Securitisation gain on sale (as set out in paragraph 562 of Basel II framework)	-
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-
15	Defined benefit superannuation fund net assets	-
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	-
17	Reciprocal cross-holdings in common equity	-
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the ADI does not own more than 10% of the issued share capital (amount above 10% threshold)	- 220,133
19	Significant investments in the ordinary shares of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	-
20	Mortgage service rights (amount above 10% threshold)	-
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-
22	Amount exceeding the 15% threshold	-
23	of which: significant investments in the ordinary shares of financial entities	-
24	of which: mortgage servicing rights	-
25	of which: deferred tax assets arising from temporary differences	-
26	National specific regulatory adjustments (sum of rows 26a, 26b, 26c, 26d, 26e, 26f, 26g, 26h, 26i and 26j)	-
26a	of which: treasury shares	-
26b	of which: offset to dividends declared under a dividend reinvestment plan (DRP), to the extent that the dividends are used to purchase new ordinary shares issued by the ADI	-
26c	of which: deferred fee income	-
26d	of which: equity investments in financial institutions not reported in rows 18, 19 and 23	-
26e	of which: deferred tax assets not reported in rows 10, 21 and 25	-
26f	of which: capitalised expenses	-
26g	of which: investments in commercial (non-financial) entities that are deducted under APRA prudential requirements	-
26h	of which: covered bonds in excess of asset cover in pools	-
26i	of which: undercapitalisation of a non-consolidated subsidiary	-
26j	of which: other national specific regulatory adjustments not reported in rows 26a to 26i	-
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-
28	Total regulatory adjustments to Common Equity Tier 1	- 899,514
29	Common Equity Tier 1 Capital (CET1)	17,985,816

Additional Tier 1 Capital: instruments		
30	Directly issued qualifying Additional Tier 1 instruments	-
31	of which: classified as equity under applicable accounting standards	-
32	of which: classified as liabilities under applicable accounting standards	-
33	Directly issued capital instruments subject to phase out from Additional Tier 1	-
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	-
35	of which: instruments issued by subsidiaries subject to phase out	-
36	Additional Tier 1 Capital before regulatory adjustments	-
Additional Tier 1 Capital: regulatory adjustments		
37	Investments in own Additional Tier 1 instruments	-
38	Reciprocal cross-holdings in Additional Tier 1 instruments	-
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the ADI does not own more than 10% of the issued share capital (amount above 10% threshold)	-
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-
41	National specific regulatory adjustments (sum of rows 41a, 41b and 41c)	-
41a	of which: holdings of capital instruments in group members by other group members on behalf of third parties	-
41b	of which: investments in the capital of financial institutions that are outside the scope of regulatory consolidations not reported in rows 39 and 40	-
41c	of which: other national specific regulatory adjustments not reported in rows 41a and 41b	-
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-
43	Total regulatory adjustments to Additional Tier 1 capital	-
44	Additional Tier 1 capital (AT1)	-
45	Tier 1 Capital (T1=CET1+AT1)	17,985,816
Tier 2 Capital: instruments and provisions		
46	Directly issued qualifying Tier 2 instruments	-
47	Directly issued capital instruments subject to phase out from Tier 2	-
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group T2)	-
49	of which: instruments issued by subsidiaries subject to phase out	-
50	Provisions	315,159
51	Tier 2 Capital before regulatory adjustments	315,159
Tier 2 Capital: regulatory adjustments		
52	Investments in own Tier 2 instruments	-
53	Reciprocal cross-holdings in Tier 2 instruments	-
54	Investments in the Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the ADI does not own more than 10% of the issued share capital (amount above 10% threshold)	-
55	Significant investments in the Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	-
56	National specific regulatory adjustments (sum of rows 56a, 56b and 56c)	-
56a	of which: holdings of capital instruments in group members by other group members on behalf of third parties	-
56b	of which: investments in the capital of financial institutions that are outside the scope of regulatory consolidation not reported in rows 54 and 55	-
56c	of which: other national specific regulatory adjustments not reported in rows 56a and 56b	-
57	Total regulatory adjustments to Tier 2 capital	-
58	Tier 2 capital (T2)	315,159
59	Total capital (TC=T1+T2)	18,300,975
60	Total risk-weighted assets based on APRA standards	70,766,532

Capital ratios and buffers		
61	Common Equity Tier 1 (as a percentage of risk-weighted assets)	25.415709%
62	Tier 1 (as a percentage of risk-weighted assets)	25.415709%
63	Total capital (as a percentage of risk-weighted assets)	25.861060%
64	Buffer requirement (minimum CET1 requirement of 4.5% plus capital conservation buffer of 2.5% plus any countercyclical buffer requirements expressed as a percentage of risk-weighted assets)	7.00%
65	of which: capital conservation buffer requirement	2.50%
66	of which: ADI-specific countercyclical buffer requirements	-
67	of which: G-SIB buffer requirement (not applicable)	-
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk-weighted assets)	17.861060%
National minima (if different from Basel III)		
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	-
70	National Tier 1 minimum ratio (if different from Basel III minimum)	-
71	National total capital minimum ratio (if different from Basel III minimum)	-
Amount below thresholds for deductions (not risk-weighted)		
72	Non-significant investments in the capital of other financial entities	-
73	Significant investments in the ordinary shares of financial entities	-
74	Mortgage servicing rights (net of related tax liability)	-
75	Deferred tax assets arising from temporary differences (net of related tax liability)	-
Applicable caps on the inclusion of provisions in Tier 2		
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	315,159
77	Cap on inclusion of provisions in Tier 2 under standardised approach	884,582
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	-
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)		
80	Current cap on CET1 instruments subject to phase out arrangements	-
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-
82	Current cap on AT1 instruments subject to phase out arrangements	-
83	Amount excluded from AT1 instruments due to cap (excess over cap after redemptions and maturities)	-
84	Current cap on T2 instruments subject to phase out arrangements	-
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-

**APS 330 Regulatory capital reconciliation
As at 30 JUNE 2015**

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015

	Table 1	2015 \$'000
ASSETS		
Cash and liquid assets		5,845
Receivables due from financial institutions		38,987
Receivables		261
Prepayments		57
Loans and advances to members		94,066 *1
Available for sale investments (Cuscal Shares)	54	220
Property, plant and equipment		865
Taxation assets	10	255
Intangibles	9	<u>424</u>
TOTAL ASSETS		<u>140,980</u>
LIABILITIES		
Deposits from members		119,723 *2
Creditor accruals and settlement accounts		1,468
Provisions		118
Taxation liabilities		<u>471</u>
TOTAL LIABILITIES		<u>121,780</u>
NET ASSETS		<u>19,200 *1</u>
MEMBERS' EQUITY		
Other reserves	50 & 76	315
Profit After Income Tax	3	946
Retained Earnings 30th June 2014	2	17,948
Transfer from Retained Earnings to Reserves	2	- 9
Retained profits		<u>18,885</u>
TOTAL MEMBERS' EQUITY		<u>19,200</u>

Footnote *1

The General Reserve for Credit Losses of \$315,159 is netted off from loans outstanding for APRA purposes. This results in lower equity for APRA purposes of \$315,159

Footnote *2

Member Withdrawable Shares of \$137,992 are classified separately for APRA purposes. Financial Statements include the member withdrawable shares in deposits

Table 2:

Capital instruments		
1	Issuer	N/A
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
	Governing law(s) of the instrument	N/A
3	<i>Regulatory treatment</i>	N/A
4	Transitional Basel III rules	N/A
5	Post-transitional Basel III rules	N/A
6	Eligible at solo/group/group & solo	N/A
7	Instrument type (ordinary shares/preference shares/subordinated notes/other)	N/A
8	Amount recognised in Regulatory Capital (Currency in mil, as of most recent reporting date)	N/A
9	Par value of instrument	N/A
10	Accounting classification	N/A
11	Original date of issuance	N/A
12	Perpetual or dated	N/A
13	Original maturity date	N/A
14	Issuer call subject to prior supervisory approval	N/A
15	Optional call date, contingent call dates and redemption amount	N/A
16	Subsequent call dates, if applicable	N/A
	<i>Coupons/dividends</i>	N/A
17	Fixed or floating dividend/coupon	N/A
18	Coupon rate and any related index	N/A
19	Existence of a dividend stopper	N/A
20	Fully discretionary, partially discretionary or mandatory	N/A
21	Existence of step up or other incentive to redeem	N/A
22	Noncumulative or cumulative	N/A
23	Convertible or non-convertible	N/A
24	If convertible, conversion trigger (s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write down feature	N/A
31	If write-down, write-down trigger(s)	N/A
32	If write-down, full or partial	N/A
33	If write-down, permanent or temporary	N/A
34	If temporary write-down, description of write-up mechanism	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	N/A
36	Non-compliant transitioned features	N/A
37	If yes, specify non-compliant features	N/A

Table 3: APS 330 Risk exposures and assessment						
Quarter ended 30 June 2015						
Capital Adequacy				Gross Balance	Risk Weighted Value	Capital Requirement (8%)
(a)	Capital requirements (in terms of risk-weighted assets) for:			(\$,000)	(\$,000)	(\$,000)
	• credit risk (excluding securitisation) by portfolio; and	Cash		779	-	-
		Funds on Deposit with other ADI's		44,052	11,786	943
		Mortgage Secured Loans (With Lenders Mortgage Insurance)		56,586	794,025	63,522
		Mortgage Secured Loans (Without Lenders Mortgage Insurance)		64,849	22,697	1,816
		Past Due Claims		208	208	17
		Other Loans		20,891	20,891	1,671
		Fixed Assets		1,252	1,252	100
		Other Assets		775	775	62
		Margin Lending Against Unlisted Instruments		-	-	-
		Off Balance Sheet		9,884	2,474	198
	• securitisation.					-
(b)	Capital requirements (in terms of risk-weighted assets) for equity exposures in the IRB approach (simple risk-weighted method).			N/A	N/A	N/A
(c)	Capital requirements (in terms of risk-weighted assets) for market risk.			-	-	-
(d)	Capital requirements (in terms of risk-weighted assets) for operational risk.			-	7,680	614
(e)	Capital requirements (in terms of risk-weighted assets) for interest rate risk in the banking book (IRRBB) (IRB/AMA approved Australian-owned ADIs only).			N/A	N/A	N/A
(f)	Common Equity Tier 1, Tier 1 and Total Capital ratio for the consolidated banking group.			CET1	T1	TC
				25.4157%	25.4157%	25.8611%
Table 4:						
Credit Risk						
(a)	Total gross credit risk exposures, plus average gross exposure over the period, broken down by:			Balance Sheet Value	Off Balance Sheet Commitments	Average Balance Sheet for the quarter
				(\$,000)	(\$,000)	(\$,000)
	• major types of credit exposure; and,	Loans		94,334	9,884	99,237
	• separately, by portfolio	Household Mortgage Secured Loans		75,551	2,161	74,775
		Household Other Loans		16,456	251	16,571
		Commercial Term Loans		1,009	-	963
		Overdrafts / Revolving Credit		1,317	1,816	1,275
		Loan Redraw Facilities		-	5,656	5,654
		Total		94,334	9,884	99,237
						30/06/2015
						31/03/2015
(b)	By portfolio: Impaired, Past Due & Provisions	Total Portfolio Balance	Impaired Facilities	Past Due Facilities	Specific Provisions	Specific Provisions & Write Offs For Previous Quarter
		(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)
	portfolio	Household Mortgage Secured Loans	75,551	-	32	-
		Household Other Loans + Overdrafts	17,773	318	-	267
		Commercial Term Loans	1,009	-	-	-
		Total	94,334	318	32	267
(c)	The general reserve for credit losses.			As At 30 June 2015 (\$,000)		\$ 315,159
Table 5						
Securitisation Exposures						
(a)	Summary of current period's securitisation activity, including the total amount of exposures securitised (by exposure type) and recognised gain or loss on sale by exposure type.					\$ -
(b)	Aggregate amount of:					
	• on-balance sheet securitisation exposures retained or purchased broken down by exposure type; and					\$ -
	• off-balance sheet securitisation exposures broken down by exposure type.					\$ -

Table 18

Remuneration	
(a)	The Remuneration Committee consists of 3 directors (Mr Keith Carmody, Mr Adrian Hanrahan and Mr Kevin Cloake) who are responsible for assessing any movements in remuneration levels and making recommendations to the Board on Board remuneration levels, for subsequent consideration by members. The Board has currently chosen to utilise the latest available “Non-Bank Financial Institutions – Remuneration Surveys” provided by McGuirk Management Consultants Pty Ltd as a basis for determining proposed Director and management remuneration levels. The Board however, retains the discretion to engage alternate and/or additional resources or consultants to research any potential market relativity movements. There are five managers included as per the prudential standard including General Manager (1), Assistant General Manager (1), Operations Manager (1) and Loans Manager (1). There are no material risk takers.
(b)	Objectives of the remuneration policy include ensuring that the Credit Union’s remuneration arrangements align with its circumstances and advance the Credit Union’s mission of serving its members, compliance with the Prudential Standard in relation to its remuneration arrangements and, in particular, that performance based components of remuneration and promote a responsible remuneration culture that enables the Credit Union to engage and retain suitable staff, while also encouraging positive performance and contributions from all employees. The Credit Union recognises the special position of its risk and financial control personnel in carrying out their functions; particularly, in implementing and monitoring the Credit Unions risk management system. In addition to the other requirements of this policy, the remuneration of risk and financial control personnel must not compromise the independence of these personnel in carrying out their functions.
(c)	Risk mitigation (currently no performance components paid) The Credit Union’s policy is to mitigate the risk that the remuneration of employees may conflict with the objectives of this policy by: <ul style="list-style-type: none"> • limiting the performance component of Senior Management’s (General Manager & Assistant General Manager, both being employed via contract) remuneration to a maximum of 5% of their total remuneration cost (TRC) and all other individuals to 5% of their gross annual salary amount; • making the payment of any performance based component of remuneration entirely discretionary by the Credit Union; • not considering the payment of any discretionary remuneration until the end of the relevant financial year statements have been audited and accepted by the board; • reviewing all employment contracts against the objectives of this policy with a view to renegotiating them when next due to be renewed or extended.
(d)	Performance measures used during the measurement period include but not limited to Customer Satisfaction, Return on assets, Growth (Assets, Loans & Deposits), Delinquency, Liquidity, Capital Adequacy, and Profitability. Payment of any performance based component of remuneration is entirely discretionary by the Credit Union for institution-wide targets and individual performance separately and are only
(e)	There is no deferral or vesting of variable remuneration
(f)	Cash based bonuses are the only form of variable remuneration that the credit union has paid in the past to a maximum of 5% of gross package, consistent across all employees.

Information relating to the bodies that oversee remuneration.

- the name, composition and mandate of the main body overseeing remuneration;
- the name of external consultants whose advice has been sought, the body by which they were commissioned, and in what areas of the remuneration process;
- a description of the scope of the ADI’s Remuneration Policy (e.g. by regions, business lines), including the extent to which it is applicable to foreign subsidiaries and branches; and
- a description of the types of persons considered as material risk takers and as senior managers as defined in paragraph 17 of this Prudential Standard, including the number of persons in each group.

Information relating to the design and structure of remuneration processes. Disclosures must include:

- an overview of the key features and objectives of remuneration policy;
- whether the Remuneration Committee reviewed the ADI’s Remuneration Policy during the past year, and if so, an overview of any changes that were made; and
- a discussion of how the ADI ensures that risk and financial control personnel (as defined in paragraph 48(b) of CPS 510) are remunerated independently of the businesses they oversee.

Description of the ways in which current and future risks are taken into account in the remuneration processes. Disclosures must include:

- an overview of the key risks that the ADI takes into account when implementing remuneration measures;
- an overview of the nature and type of the key measures used to take account of these risks, including risks difficult to measure (values need not be disclosed);
- a discussion of the ways in which these measures affect remuneration; and
- a discussion of how the nature and type of these measures has changed over the past year and reasons for the change, as well as the impact of changes on remuneration.

Description of the ways in which the ADI seeks to link performance during a performance

- an overview of the main performance metrics for the ADI, top-level business lines and individuals;
- a discussion of how amounts of individual remuneration are linked to institution-wide and individual
- a discussion of the measures the ADI will in general implement to adjust remuneration in the event

Description of the ways in which the ADI seeks to adjust remuneration to take account of longer-term

- a discussion of the ADI’s policy on deferral and vesting of variable remuneration and, if the fraction
- a discussion of the ADI’s policy and criteria for adjusting deferred remuneration before vesting and

Description of the different forms of variable remuneration that the ADI utilises and the rationale for

- an overview of the forms of variable remuneration offered (i.e., cash, shares and share-linked
- a discussion of the use of the different forms of variable remuneration and, if the mix of different

Remuneration						
(g)	<ul style="list-style-type: none"> Number of meetings held by the main body overseeing remuneration during the financial year and the remuneration paid to its members. 	1 meeting. Remuneration committee directors receive no additional remuneration compared to directors who are not on remuneration committee				
(h)	<ul style="list-style-type: none"> The number of persons having received a variable remuneration award during the financial year. 	Nil				
	<ul style="list-style-type: none"> Number and total amount of guaranteed bonuses awarded during the financial year. 	Nil				
	<ul style="list-style-type: none"> Number and total amount of sign-on awards made during the financial year. 	Nil				
	<ul style="list-style-type: none"> Number and total amount of termination payments made during the financial year. 	Nil				
(i)	<ul style="list-style-type: none"> Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms. 	Nil				
	<ul style="list-style-type: none"> Total amount of deferred remuneration paid out in the financial year. 	Nil				
(j)	<ul style="list-style-type: none"> Breakdown of the amount of remuneration awards for the financial year in accordance with Table 18A below to show: 	(\$,000)				
	<ul style="list-style-type: none"> – fixed and variable; 	<table border="1"> <tr> <td>Fixed</td> <td>534</td> </tr> <tr> <td>Variable</td> <td>\$ -</td> </tr> </table>	Fixed	534	Variable	\$ -
Fixed	534					
Variable	\$ -					
	<ul style="list-style-type: none"> – deferred and non-deferred; and 	<table border="1"> <tr> <td>Deferred</td> <td>Nil</td> </tr> <tr> <td>Non-Deferred</td> <td>534</td> </tr> </table>	Deferred	Nil	Non-Deferred	534
Deferred	Nil					
Non-Deferred	534					
	<ul style="list-style-type: none"> – the different forms used (cash, shares and share-linked instruments and other forms). 	<table border="1"> <tr> <td>Cash</td> <td>512</td> </tr> <tr> <td>Motor Vehicle</td> <td>22</td> </tr> </table>	Cash	512	Motor Vehicle	22
Cash	512					
Motor Vehicle	22					
(k)	Quantitative information about persons' exposure to implicit (e.g. fluctuations in the value of shares or performance units) and explicit adjustments (e.g. malus, clawbacks or similar reversals or downward revaluations of awards) of deferred remuneration and retained remuneration:					
	<ul style="list-style-type: none"> Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and/or implicit adjustments. 	Nil				
	<ul style="list-style-type: none"> Total amount of reductions during the financial year due to ex post explicit adjustments. 	Nil				
	<ul style="list-style-type: none"> Total amount of reductions during the financial year due to ex post implicit adjustments. 	Nil				
Total value of remuneration awards for the current financial year						
		Unrestricted (\$,000)	Deferred (\$,000)			
Fixed remuneration						
	<ul style="list-style-type: none"> Cash-based 	512	N/A			
	<ul style="list-style-type: none"> Shares and share-linked instruments 	-	N/A			
	<ul style="list-style-type: none"> Other 	22	N/A			
Variable remuneration						
	<ul style="list-style-type: none"> Cash-based 	N/A	N/A			
	<ul style="list-style-type: none"> Shares and share-linked instruments 	N/A	N/A			
	<ul style="list-style-type: none"> Other 	N/A	N/A			