

FIRST CHOICE CREDIT UNION LTD
PUBLIC DISCLOSURES 30 JUNE 2019
COMMON DISCLOSURE TEMPLATE

First Choice Credit Union is using the post 1 January 2018 common disclosure template when making its capital disclosures so as to fully apply the Basel III regulatory adjustments as implemented by the Australian Prudential Regulatory Authority (APRA).

Common Equity Tier 1 capital: instruments and reserves		AUD (\$)
1	Directly issued qualifying ordinary shares (and equivalent for mutually-owned entities) capital	n/a
2	Retained Earnings	7,194,087
3	Accumulated other comprehensive income (and other reserves)	267,139
4	<i>Directly issued capital subject to phase out from CET1 (only applicable to mutually-owned companies)</i>	n/a
5	Ordinary share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	n/a
6	Common Equity Tier 1 capital before regulatory adjustments	7,461,226
Common Equity Tier 1 capital: regulatory adjustments		
7	Prudential valuation adjustments	n/a
8	Goodwill (net of related tax liability)	n/a
9	Other intangibles other than mortgage servicing rights (net of related tax liability)	100,159
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	0
11	Cash-flow hedge reserve	n/a
12	Shortfall of provisions to expected losses	n/a
13	Securitisation gain on sale (as set out in paragraph 562 of Basel II)	n/a
14	Gains and losses due to changes in own credit risk on fair valued liabilities	n/a
15	Defined benefit superannuation fund net assets	n/a
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	n/a
17	Reciprocal cross-holdings in common equity	n/a
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)	n/a
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)	n/a
20	Mortgage service rights (amount above 10% threshold)	n/a
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	37,248
22	Amount exceeding the 15% threshold	n/a
23	of which: significant investments in the ordinary shares of financial	n/a
24	of which: mortgage servicing rights	n/a
25	of which: deferred tax assets arising from temporary differences	n/a
26	National specific regulatory adjustments (sum of rows 26a, 26b, 26c, 26d, 26e, 26f, 26g, 26h, 26i and 26j)	78,638
26a	of which: treasury shares	0
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	0
26c	of which: deferred fee income	0
26d	of which: equity investments in financial institutions not reported in rows	78,638
26e	of which: deferred tax assets not reported in rows 10, 21 and 25	0
26f	of which: capitalised expenses	0
26g	of which: investments in commercial (non-financial) entities that are deducted under APRA prudential requirements	0
26h	of which: covered bonds in excess of asset cover in pools	0
26i	of which: undercapitalisation of a non-consolidated subsidiary	0
26j	of which: other national specific regulatory adjustments not reported in rows 26a to 26i	0
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	n/a
28	Total regulatory adjustments to Common Equity Tier 1	216,045
29	Common Equity Tier 1 Capital	7,245,181

Additional Tier 1 Capital: instruments		
30	Directly issued qualifying Additional Tier 1 instruments	n/a
31	of which: classified as equity under applicable accounting standards	n/a
32	of which: classified as liabilities under applicable accounting standards	n/a
33	<i>Directly issued capital instruments subject to phase out from Additional Tier 1</i>	n/a
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)	n/a
35	<i>of which: instruments issued by subsidiaries subject to phase out</i>	n/a
36	Additional Tier 1 Capital before regulatory adjustments	0
Additional Tier 1 Capital: regulatory adjustments		
37	Investments in own Additional Tier 1 instruments	n/a
38	Reciprocal cross-holdings in Additional Tier 1 instruments	n/a
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)	n/a
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)	n/a
41	National specific regulatory adjustments (sum of rows 41a, 41b & 41c)	n/a
41a	of which: holdings of capital instruments in group members by other group members on behalf of third parties	n/a
41b	of which: investments in the capital of financial institutions that are outside the scope of regulatory consolidations not reported in rows 39	n/a
41c	of which: other national specific regulatory adjustments not reported in rows 41a and 41b	n/a
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	n/a
43	Total regulatory adjustments to Additional Tier 1 capital	0
44	Additional Tier 1 capital (AT1)	0
45	Tier 1 Capital (T1=CET1 + AT1)	7,245,181

Tier 2 Capital: instruments and provisions		
46	Directly issued qualifying Tier 2 instruments	n/a
47	<i>Directly issued capital instruments subject to phase out from Tier 2</i>	n/a
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)	n/a
49	<i>of which: instruments issued by subsidiaries subject to phase out</i>	n/a
50	Provisions	447,443
51	Tier 2 Capital before regulatory adjustments	447,443
Tier 2 Capital: regulatory adjustments		
52	Investments in own Tier 2 instruments	n/a
53	Reciprocal cross-holdings in Tier 2 instruments	n/a
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)	n/a
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.	n/a
56	National specific regulatory adjustments (sum of rows 56a, 56b and 56c) of which: holdings of capital instruments in group members by other group members on behalf of third parties	n/a
56a	of which: investments in the capital of financial institutions that are outside the scope of regulatory consolidations not reported in rows 54	n/a
56b	of which: other national specific regulatory adjustments not reported in rows 56a and 56b	n/a
56c		n/a
57	Total regulatory adjustments to Tier 2 capital	0
58	Tier 2 capital (T2)	447,443
59	Total capital (TC=T1+T2)	7,692,624
60	Total risk-weighted assets based on APRA standards	39,851,403
Capital ratios and buffers		
61	Common Equity Tier 1 (as a percentage of risk-weighted assets)	18.18%
62	Tier 1 (as a percentage of risk-weighted assets)	18.18%
63	Total capital (as a percentage of risk-weighted assets)	19.30%
64	Buffer requirement (minimum CET1 requirements 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	<i>of which: capital conservation buffer requirements</i>	2.50%
66	<i>of which: ADI-specific countercyclical buffer requirements</i>	0.00%
67	<i>of which: G-SIB buffer requirement (not applicable)</i>	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk-weighted assets)	11.30%
National minima (if different from Basel III)		
69	National Common Equity Tier 1 minimum ratio (if different from Basel III)	
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	n/a
73	Significant investments in the ordinary shares of financial entities	n/a
74	Mortgage service rights (net of related tax liability)	n/a
75	Deferred tax assets arising from temporary differences (net of related tax liability)	0
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)	447,443
77	Cap on inclusion of provisions in Tier 2 under standardised approach	447,443
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	n/a
79	Cap for inclusion of provisions in tier 2 under internal ratings-based	n/a
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)		
80	<i>Current cap on CET1 instruments subject to phase out arrangements</i>	n/a
81	<i>Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)</i>	n/a
82	<i>Current cap on AT1 instruments subject to phase out arrangements</i>	n/a
83	<i>Amount excluded from AT1 instruments due to cap (excess over cap after redemptions and maturities)</i>	n/a
84	<i>Current cap on T2 instruments subject to phase out arrangements</i>	n/a
85	<i>Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)</i>	n/a

REGULATORY CAPITAL RECONCILIATION

First Choice Credit Union Ltd Audited Balance Sheet as at 30 June 2019

	\$	Mapping to Common Disclosure Template Item #
ASSETS		
Cash and liquid assets	3,564,493	
Receivables	159,806	
Prepayments	30,716	
Loans and advances to members	41,633,927	
Investment Securities	25,109,131	
Property, plant and equipment	966,470	
Intangibles	100,159	9
Deferred tax assets	54,497	21
TOTAL ASSETS	71,619,199	
LIABILITIES		
Deposits from members	63,153,043	
Creditor accruals and settlement accounts	467,317	
Current tax liabilities	5,177	
Provisions	67,744	
Deferred tax liabilities	17,249	21
TOTAL LIABILITIES	63,710,530	
NET ASSETS	7,908,669	
MEMBERS' EQUITY		
Asset revaluation reserve	267,139	3
Reserve for credit losses	447,443	50/76/77
Retained Earnings	7,194,087	2
TOTAL MEMBERS' EQUITY	7,908,669	

Reconciliation capital item 21

Item 21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	37,248
Balance Sheet	Deferred tax assets	54,497
	Deferred tax liabilities	(17,249)
		37,248

FIRST CHOICE CREDIT UNION LTD
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MAIN FEATURES OF CAPITAL INSTRUMENTS

At the current time First Choice has no capital instruments included as part of regulatory capital.

FIRST CHOICE CREDIT UNION LTD
PUBLIC DISCLOSURES 30 SEPTEMBER 2019

RISK EXPOSURES AND ASSESSMENT
CAPITAL ADEQUACY

Capital requirements (in terms of risk-weighted assets by portfolio)

	Assets 30/09/2019	Risk Weighted Assets 30/09/2019	Assets 30/06/2019	Risk Weighted Assets 30/06/2019
	\$	\$	\$	\$
Cash	323,698	0	297,757	0
Claims on ADIs	30,377,882	12,379,151	28,454,412	11,102,978
Eligible Residential Mortgages	32,633,518	13,415,899	31,751,991	13,143,324
Past Due Loans	54,642	54,642	54,336	54,336
Other claims on private sector counterparties (other loans)	9,585,318	9,585,318	9,827,601	9,827,601
Fixed Assets	961,382	961,382	966,469	966,469
Other Assets	84,374	84,374	33,037	33,037
Securitised assets	0	0	0	0
Loans not yet funded	1,627,686	583,015	2,022,254	735,136
Loans available for redraw and undrawn overdraft facilities	3,209,143	0	2,982,036	0
Irrevocable standby commitments	2,361,791	0	2,277,496	0
Total capital requirements (in terms of risk-weighted assets) for credit risk and securitisation		37,063,781		35,862,881
Total capital requirements (in terms of risk-weighted assets) for operational risk		3,988,523		3,988,523
Total capital requirements (in terms of risk-weighted assets)		41,052,304		39,851,404
Common Equity Tier 1 ratio		17.75%		18.18%
Tier 1 ratio		17.75%		18.18%
Total Capital ratio		18.84%		19.30%

FIRST CHOICE CREDIT UNION LTD
PUBLIC DISCLOSURES 30 SEPTEMBER 2019

RISK EXPOSURES AND ASSESSMENT
CREDIT RISK

TOTAL GROSS CREDIT RISK EXPOSURE AND AVERAGE GROSS EXPOSURE OVER PERIOD

	Gross Credit Risk Exposure 30-Sep-19 \$	Average Gross Exposure over the period 30-Sep-19 \$	Gross Credit Risk Exposure 30-Jun-19 \$	Average Gross Exposure over the period 30-Jun-19 \$
Gross exposures by portfolio				
Authorised Deposit Taking Institutions	30,377,882	28,721,124	28,454,412	28,809,845
Loans	42,309,424	41,164,657	41,664,629	39,988,080
Commitments	7,198,620	7,252,281	7,281,786	7,212,346
Other non-market off-balance sheet exposures	-	-	-	-

FIRST CHOICE CREDIT UNION LTD
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RISK EXPOSURES AND ASSESSMENT
CREDIT RISK
CREDIT RISK BY PORTFOLIO

Credit Exposure	Balance	Balance	Impaired	Impaired	Past Due	Past Due	Specific	Specific	Specific	Specific	Write Offs	Write Offs
	30/09/2019	30/06/2019	30/09/2019	30/06/2019	30/09/2019	30/06/2019	Provision	Provision	Provision	Provision	30/09/2019	30/06/2019
ADIs	30,377,882	28,454,412	-	-	-	-	-	-	-	-	-	-
Residential mortgages	33,056,393	32,182,014	-	-	-	-	-	-	-	-	-	-
Other retail	8,803,838	8,960,749	54,480	55,427	-	-	35,946	30,701	5,245	22,097	-	86,349
Corporate	449,193	521,866	-	-	-	-	-	-	-	-	-	-
Total Loans	42,309,424	41,664,629	54,480	55,427	-	-	35,946	30,701	5,245	22,097	-	86,349
Commitments	7,198,620	7,281,786	-	-	-	-	-	-	-	-	-	-
Other non-market off-balance sheet exposures	-	-	-	-	-	-	-	-	-	-	-	-
Total Exposures	79,885,926	77,400,827	54,480	55,427	-	-	35,946	30,701	5,245	22,097	-	86,349

FIRST CHOICE CREDIT UNION LTD
PUBLIC DISCLOSURES 30 SEPTEMBER 2019

RISK EXPOSURES AND ASSESSMENT
CREDIT RISK
GENERAL RESERVE FOR CREDIT LOSSES

	30-Sep-19	30-Jun-19
	\$	\$
General Reserve for credit losses	447,443	447,443

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RISK EXPOSURES AND ASSESSMENT
Securitisation Activity

a) Summary of current period's securitisation activity:

Total amount of exposures securitised	Nil
Recognised gain or loss on sale	n/a - no sales

b) Aggregate on-balance sheet and off-balance sheet exposures

	30-Sep-19	30-Jun-19
	\$	\$
On-balance sheet securitisation exposures retained or purchased by exposure type	-	-
On-balance sheet securitisation exposures retained or purchased by exposure type - mortgage secured housing loan	-	-