



## Capital Disclosures

Under APS330 Capital Adequacy: Public Disclosure of Prudential Information, the following information is required to be disclosed on the Credit Union's website.

As a financial institution, Southern Cross Credit Union must hold sufficient capital to support all material risks it is exposed to. In addition, it has capital plans in place to manage its position into the future.

Capital Structure	at Jun 2010
<b>Tier 1 Capital</b>	
General Reserves	216,804
Capital Profits Reserve	229,102
Retained Earnings	27,287,215
<b>Gross Tier 1 Capital</b>	<b>27,733,121</b>
<b>Deductions from Tier 1 Capital</b>	
Deferred Tax Assets	(233,164)
Intangible Assets - Software Costs	(391,055)
Equity share in other ADI (50%)	(288,334)
<b>Total Deductions from Tier 1 Capital</b>	<b>(912,553)</b>
Net Tier 2 Capital	1,805,812
<b>Total Capital Base</b>	<b>28,626,380</b>

Capital Adequacy Requirements for:	at Jun 2010
<b>Credit Risk (in terms of risk weighted assets)</b>	
Claims on other ADI's	8,397,584
Claims secured by residential mortgage	99,323,297
Other loan claims held in the banking book	38,724,295
All other claims	3,311,336
<b>Total Credit Risk (risk weighted assets)</b>	<b>149,756,512</b>
<b>Market Risk</b>	<b>0</b>
<b>Operational Risk</b>	<b>18,751,598</b>
<b>Total Risk Weighted Assets</b>	<b>168,508,111</b>
<b>Total Capital Ratio</b>	<b>16.99%</b>
Tier 1 Capital Ratio	15.92%

Credit Risk	at Jun 2010
<b>(a) Gross Credit Risk</b>	
<b>On Balance Sheet</b>	
Deposits held with other ADI's	41,987,921
Loans secured against eligible residential mortgages	227,603,013
Other loans	38,307,468
Fixed Assets	1,540,409
Other Assets	1,685,605
<b>Off Balance Sheet</b>	
Loans approved not advanced	2,771,225
Redraw facilities available	23,461,563
Undrawn Credit Commitments	7,560,077
Interest rate contracts	55,322
<b>Total Gross Credit Risk</b>	<b>344,972,603</b>
<b>(b) Impaired and past due facilities</b>	<b>152,156</b>
Specific provision	69,301
<b>(c) General reserve for credit losses</b>	<b>1,823,025</b>