

## Capital Disclosure as at 31 MARCH 2019

This report has been prepared by Cairns Penny Savings & Loans in accordance with the disclosure requirements under Australian Prudential Regulation Authority (APRA) Australian Prudential Standard 330 Public Disclosures (APS 330).

|  | 31-Mar-19        | 31-Dec-18        |
|--|------------------|------------------|
| <b>Capital Structure</b>                               | \$               | \$               |
| <b>Common Equity Tier 1 capital</b>                    |                  |                  |
| Current year & retained earnings                       | 9,396,384        | 9,320,503        |
| General Reserve  | 6,217            | 6,179            |
| Regulatory Adjustments to Common Equity Tier 1 capital | (192,311)        | (198,846)        |
| <b>Common Equity Tier 1 capital</b>                    | <u>9,210,290</u> | <u>9,127,836</u> |
| Tier 2 capital net of deductions                       | <u>300,000</u>   | <u>300,000</u>   |
| <b>Total Regulatory Capital</b>                        | <b>9,510,290</b> | <b>9,427,836</b> |

|   | 31-March-2019      |                      |                 |                           |                            | 31-December-2018   |                      |                 |                           |                            |
|---|--------------------|----------------------|-----------------|---------------------------|----------------------------|--------------------|----------------------|-----------------|---------------------------|----------------------------|
|   | Gross Value        | Risk Weighted Value  |                 |                           |                            | Gross Value        | Risk Weighted Value  |                 |                           |                            |
| <b>Capital Adequacy</b>                               |                    |                      |                 |                           |                            |                    |                      |                 |                           |                            |
| <i>Credit risk</i>                                    |                    |                      |                 |                           |                            |                    |                      |                 |                           |                            |
| On balance sheet                                      |                    |                      |                 |                           |                            |                    |                      |                 |                           |                            |
| Cash and claims on ADI's                              | 44,702,926         | 16,962,626           |                 |                           |                            | 41,597,428         | 16,114,284           |                 |                           |                            |
| Claims secured against eligible residential mortgages | 61,379,135         | 21,843,609           |                 |                           |                            | 57,157,601         | 20,323,105           |                 |                           |                            |
| Past due claims                                       | 854                | 854                  |                 |                           |                            | 1,965              | 1,965                |                 |                           |                            |
| Other assets  | 2,177,673          | 2,177,673            |                 |                           |                            | 2,444,157          | 2,444,157            |                 |                           |                            |
| <b>Total</b>  | <b>108,260,588</b> | <b>40,984,762</b>    |                 |                           |                            | <b>101,201,151</b> | <b>38,883,511</b>    |                 |                           |                            |
| Off balance sheet                                     |                    |                      |                 |                           |                            |                    |                      |                 |                           |                            |
| Guarantees  | 429,912            | 4,900                |                 |                           |                            | 422,985            | 4,900                |                 |                           |                            |
| Other commitments                                     | 12,248,594         | 2,685,216            |                 |                           |                            | 12,393,153         | 2,729,748            |                 |                           |                            |
| <b>Total</b>  | <b>12,678,506</b>  | <b>2,690,116</b>     |                 |                           |                            | <b>12,816,138</b>  | <b>2,734,649</b>     |                 |                           |                            |
| <b>Total RWA for credit risk</b>                      |                    | <b>43,674,878</b>    |                 |                           |                            |                    | <b>41,618,160</b>    |                 |                           |                            |
| Securitisation  |                    | -                    |                 |                           |                            |                    | -                    |                 |                           |                            |
| Market risk   |                    | -                    |                 |                           |                            |                    | -                    |                 |                           |                            |
| <b>Total RWA for operational risk</b>                 |                    | <b>6,701,171</b>     |                 |                           |                            |                    | <b>6,701,171</b>     |                 |                           |                            |
| Total capital ratio                                   |                    | 18.88%               |                 |                           |                            |                    | 19.51%               |                 |                           |                            |
| Tier 1 capital ratio                                  |                    | 18.28%               |                 |                           |                            |                    | 18.89%               |                 |                           |                            |
| <b>Credit Risk Exposure</b>                           |                    |                      |                 |                           |                            |                    |                      |                 |                           |                            |
| <i>Gross exposures by portfolio</i>                   | <b>Total Gross</b> | <b>Average Gross</b> |                 |                           |                            | <b>Total Gross</b> | <b>Average Gross</b> |                 |                           |                            |
| Loan balances   |                    |                      |                 |                           |                            |                    |                      |                 |                           |                            |
| - Households  | 59,703,651         | 57,776,223           |                 |                           |                            | 55,848,794         | 55,926,645           |                 |                           |                            |
| - Commercial  | 3,413,382          | 3,261,514            |                 |                           |                            | 3,109,646          | 3,080,839            |                 |                           |                            |
| Commitments   |                    |                      |                 |                           |                            |                    |                      |                 |                           |                            |
| - Loans approved not yet advanced                     | 4,021,996          | 4,092,748            |                 |                           |                            | 4,163,500          | 4,572,569            |                 |                           |                            |
| - Balances available for redraw                       | 6,468,485          | 6,550,656            |                 |                           |                            | 6,632,827          | 6,557,891            |                 |                           |                            |
| - Guarantees  | 429,912            | 426,449              |                 |                           |                            | 422,985            | 430,850              |                 |                           |                            |
| - Undrawn overdrafts & credit facilities              | 1,758,113          | 1,677,470            |                 |                           |                            | 1,596,826          | 1,663,153            |                 |                           |                            |
|   | <b>Balances</b>    | <b>Impaired</b>      | <b>Past due</b> | <b>Specific Provision</b> | <b>Charges/ Write-offs</b> | <b>Balances</b>    | <b>Impaired</b>      | <b>Past due</b> | <b>Specific Provision</b> | <b>Charges/ Write-offs</b> |
| Households  | 59,703,651         | 854                  | 0               | 916                       | 1,080                      | 55,848,794         | 0                    | 421,750         | 0                         | 0                          |
| Commercial  | 3,413,382          | 0                    | 0               | 5,500                     | 0                          | 3,109,646          | 0                    | 0               | 5,500                     | 0                          |
|   | <b>63,117,033</b>  | <b>854</b>           | <b>0</b>        | <b>6,416</b>              | <b>1,080</b>               | <b>58,958,440</b>  | <b>0</b>             | <b>421,750</b>  | <b>5,500</b>              | <b>0</b>                   |
| General Reserve for credit losses                     | 300,000            |                      |                 |                           |                            | 300,000            |                      |                 |                           |                            |