

APS 330 Capital Adequacy: Market Exposure
Latvian Australian Credit Co-operative Society Ltd
Disclosure of risk management practices and capital adequacy
Latvian Australian Credit Co-operative Society Ltd and its subsidiaries

Table 1
Capital structure
as at 30 June 2009

	\$
Tier 1 capital	
General reserves	1,900,000
Retained and current years earnings	40,440
Less deductions from tier 1 capital	
- Non subsidiary entities	5,247
Tier 1 capital (net of deductions)	1,935,193
Tier 2 capital	
Tier 2 capital (net of deductions)	89,941
Total capital base	2,025,134

Table 2
Capital Adequacy
as at 30 June 2009

	Risk weighted exposure \$
Capital requirements - for credit risk	
Claims on banks and ADIs (deposits, bank bills)	4,256,160
Loans and advances - Claims secured by residential mortgage	2,216,736
Past Due claims	119,305
Claims on private sector counterparties	291,817
Investment in Premises, plant and equipment	380,446
Other assets	19,382
Guarantees	99,900
Commitments for loans and advances	
- Loans approved not advanced	47,256
- Loan redraw facilities	130,777
for operational risk	924,696
Total risk weighted exposures	8,486,475
Capital adequacy ratio	
- on net tier 1 capital	22.80%
- on total capital base	23.86%

Table 3
Credit risk
For the three month period ended 30 June 2009

	Gross exposures at reporting date	Average gross exposures for the period	Impaired facilities	90 days past due	Specific provisions balance	Charge for specific provisions and write-offs for the period
	\$	\$	\$	\$	\$	\$
Claims on banks or ADIs	10,478,469	10,254,271	-	-	-	-
Loans and advances						
On balance sheet:						
-secured by residential mortgage	5,364,087	5,465,224	-	-	-	-
- other retail	127,037	158,530	-	-	-	-
- commercial	163,726	166,022	-	-	-	-
Off balance sheet commitments						
- loans approved not advanced	-	-	-	-	-	-
- loan redraw limits	261,554	276,084	-	-	-	-
Total loans and advances	5,654,850	5,789,776	-	-	-	-

The general reserve for credit losses is \$75,000 at reporting date.