

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 September 2009

	\$
Tier 1 capital	
General reserves	1,900,000
Retained and current years earnings	91,305
Less deductions from tier 1 capital	
- Non subsidiary entities	3,428
Tier 1 capital (net of deductions)	1,987,877
Tier 2 capital	
Tier 2 capital (net of deductions)	76,760
Total capital base	2,064,637

Table 2
Capital Adequacy
as at 30 September 2009

	Risk weighted exposure
	\$
Capital requirements -	
for credit risk	
Claims on banks and ADIs (deposits, bank bills)	4,425,744
Loans and advances - Claims secured by residential mortgage	2,245,735
Past Due claims	118,971
Claims on private sector counterparties	333,481
Investment in Premises, plant and equipment	369,274
Other assets	70,714
Guarantees	99,900
Commitments for loans and advances	
- Loans approved not advanced	19,538
- Loan redraw facilities	141,555
for operational risk	917,119
Total risk weighted exposures	8,742,031
Capital adequacy ratio	
- on net tier 1 capital	22.74%
- on total capital base	23.62%

Table 3
Credit risk
For the three month period ended 30 September 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	9,623,297	10,185,807	-	-	-	-
Loans and advances						
On balance sheet:						
-secured by residential mortgage	5,523,332	5,491,549	-	118,971	-	-
- other retail	169,817	155,473	-	-	-	-
- commercial	162,337	164,528	-	-	-	-
Off balance sheet commitments						
- loans approved not advanced	19,538	28,513	-	-	-	-
- loan redraw limits	283,110	276,159	-	-	-	-
Total loans and advances	5,855,486	5,811,550	-	-	-	-

The general reserve for credit losses is \$60,000 at reporting date.