

Capital Adequacy and Risk Disclosures
Quarterly Update as at 31 December 2011

Police Association Credit Co-operative Limited (Police Credit) is an Authorised Deposit-taking Institution ("ADI") subject to regulation by the Australian Prudential regulation Authority ("APRA") under the authority of the Banking Act 1959.

This update of Police Credit's Capital Adequacy and risk disclosures has been prepared in accordance with APRA prudential standard APS 330

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Credit Risk for the 3 month period ended 31 December 2011	Gross Exposures at reporting date	Average Gross Exposures at reporting date	Impaired facility	90 days past due	Specific provisions balance	Charge for specific provisions & write-offs for the period
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Deposits with ADI's (Inc cash)	299,852	304,686	-	-	-	-
Loans and Advances						
- Secured by Residential Mortgages	729,732	715,434	-	-	-	-
- Other member loans	60,088	60,376	710	-	534	44
General Reserve for Credit Losses	347					

Capital Structure	\$'000
Tier 1 capital	
Reserves	15,000
Retained earnings	95,833
Deductions from tier 1 Capital	(3,552)
Total Tier 1 Capital	107,281
Total Tier 2 Capital	-
Total Capital Base	107,281

Capital Adequacy	Risk Weighted Exposure
Capital requirements for	\$'000
Credit Risk	
Deposits with banks and ADI's	76,668
Loans and advances	
Claims secured by residential mortgage	314,162
Other member loans	60,289
Other assets	704
Operational Risk	61,542
Total Risk Weighted Exposures	513,365
Capital Adequacy Ratio	
On Net Tier 1 Capital	20.90%
On Total Capital Base	20.90%