

Prudential Disclosures

Police Credit Union

ABN 30 087 651 205

As at 31 December 2008

Police Credit Union Ltd.

ABN: 30 087 651 205

Capital Structure

For the financial year ended 30 June 2008

	Consolidated \$
Tier 1 Capital	
Reserves	12,072,231
Retained Earnings, including current year earnings	23,314,047
Less Deductions from Tier 1 Capital required by APS 110	2,300,284
Tier 2 Capital (net of deductions)	601,299
Total Capital Base	<u>33,687,293</u>

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Capital Adequacy

at 31 December 2008

	Consolidated \$
Capital Requirements (in terms of risk-weighted assets) for:	
Credit Risk by Portfolio	
Residential Mortgages	128,420,615
Other Retail	59,547,162
Corporate	6,039,602
Other ADI's	14,394,690
All Other	14,753,514
Total Credit Risk	<u>223,155,583</u>
Market Risk	0
Operational Risk	36,589,392
Total Capital Requirements for Consolidated Group (\$)	<u>259,744,975</u>
Capital Ratio for Consolidated Group	13.92%
Tier 1 Capital Ratio for Consolidated Group	13.67%

Credit Risk Exposure

For the quarter ended 31 December 2008

Exposure by type	Gross \$ Value as at end of the period	Gross \$ average for the period
Cash and Cash Equivalents		
Authorised Deposit taking Institutions	6,328,336	4,785,792
Receivables (other)		
All Other	1,788,921	1,183,726
Derivatives		
Banks	-	124,255
Loans		
Residential Mortgages	337,008,424	328,846,570
Other Retail	67,603,783	70,169,221
Authorised Deposit taking Institutions	64,142,445	58,509,981
Total	476,871,909	463,619,546

Impaired / past due facilities, provisions and losses

at 31 December 2008

Impaired / past due facilities	\$
Residential Mortgages	2,126
Other Retail	270,931
Specific Impairment allowances	
Other Retail	114,400

Impairment Losses

for the quarter ended 31 December 2008

Charges for loan impairment

Other Retail:	
Write-offs	159,195
Recoveries of amounts previously written off	54,082
Specific allowances reduced	113,679

General Reserve for Credit Losses	1,203,714
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