

# Lutheran Laypeople's League of Australia Limited

ABN: 25 044 678 441



## Annual Regulatory Capital Reconciliation as at 30 June 2020

### 1. Regulatory capital reconciliation

	As per audited financial statements \$	Regulatory scope of consolidation \$	Capital disclosure template reference
<b>Assets</b>			
Cash and cash equivalents	78,128,573	78,128,573	
Investments	1,033,483,120	1,033,483,120	
Loans receivable	297,901,362	297,901,362	
<i>of which: Collective provisions</i>	<i>445,000</i>	<i>445,000</i>	50
Trade and other receivables	84,941	84,941	
Property and equipment	7,670,831	7,670,831	
Intangible assets	328,889	328,889	9
Other assets	4,247,807	4,247,807	
<b>Total assets</b>	<b>1,421,845,523</b>	<b>1,421,845,523</b>	
<b>Liabilities</b>			
Deposits	1,279,626,620	1,279,626,620	
Trade and other payables	2,387,607	2,387,607	
Provisions	826,378	826,378	
Other liabilities	1,209,807	1,209,807	
<b>Total liabilities</b>	<b>1,284,050,412</b>	<b>1,284,050,412</b>	
<b>Net assets</b>	<b>137,795,111</b>	<b>137,795,111</b>	
<b>Equity</b>			
Accumulated funds	11,693,221	11,693,221	
<i>of which: Retained earnings</i>		<i>11,693,221</i>	2
Reserves	126,101,890	126,101,890	
<i>of which: General reserve for credit losses</i>		<i>3,000,000</i>	50
<i>of which: Reserves included in CET1 Capital</i>		<i>123,101,890</i>	3
<b>Total equity</b>	<b>137,795,111</b>	<b>137,795,111</b>	

## 2. Capital disclosures

Annual Regulatory Capital Reconciliation as at 30 June 2020		AUD \$ m
<b>Common Equity Tier 1 capital: instruments and reserves</b>		
2	Retained earnings	11.69
3	Accumulated other reserves	123.10
6	Common Equity Tier 1 Capital before regulatory adjustments	134.80
<b>Common Equity Tier 1 capital: regulatory adjustments</b>		
9	Other intangibles other than mortgage servicing rights (net of related tax liability)	0.33
28	Total regulatory adjustments to Common Equity Tier 1 Capital	0.33
29	<b>Common Equity Tier 1 Capital (CET1)</b>	<b>134.47</b>
44	Additional Tier 1 Capital (AT1)	-
45	<b>Tier 1 Capital (T1=CET1+AT1)</b>	<b>134.47</b>
<b>Tier 2 Capital: instruments and provisions</b>		
50	Provisions	3.44
51	Tier 2 Capital before regulatory adjustments	3.44
57	Total regulatory adjustments to Tier 2 Capital	-
58	<b>Tier 2 capital (T2)</b>	<b>3.44</b>
59	<b>Total Capital (TC=T1+T2)</b>	<b>137.91</b>
60	<b>Total risk-weighted assets based on APRA standards</b>	<b>754.17</b>
<b>Capital ratios and buffers</b>		
61	Common Equity Tier 1 (as a percentage of risk-weighted assets)	17.83%
62	Tier 1 (as a percentage of risk-weighted assets)	17.83%
63	Total capital (as a percentage of risk-weighted assets)	18.29%
64	Buffer requirement (minimum CET1 requirement of 4.5% plus capital conservation buffer of 2.5% plus and countercyclical buffer requirements expressed as a percentage of risk-weighted assets)	7.00%
65	<i>of which: capital conservation buffer requirement</i>	2.50%
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk-weighted assets)	10.83%
<b>Applicable caps on the inclusion of provisions in Tier 2</b>		
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	3.45
77	Cap on inclusion of provisions in Tier 2 under standardised approach	8.19



Capital Adequacy & Credit Risk Disclosures - Quarter ended 30 June 2020

1. Capital adequacy

	30-Jun-20 \$	31-Mar-20 \$
	Risk Weighted Assets	Risk Weighted Assets
Capital requirements (in terms of risk-weighted assets) for:		
Credit Risk by <b>portfolio</b>		
Bank	335,684,651	367,173,318
Securitisation	14,480,267	5,733,089
All Other	319,842,999	313,410,040
Total Credit Risk	670,007,916	686,316,447
Operational risk	84,166,988	85,003,750
<b>Total Capital Requirements</b>	<b>754,174,904</b>	<b>771,320,197</b>
Common Equity Tier 1 Capital Ratio	17.83%	17.51%
Tier 1 Capital Ratio	17.83%	17.51%
<b>Level 1 Total Capital Ratio</b>	<b>18.29%</b>	<b>17.78%</b>

2. Credit Risk

	30-Jun-20 \$		31-Mar-20 \$	
	Gross Exposures	Average Gross Exposures	Gross Exposures	Average Gross Exposures
<b>Gross Exposures By Exposure Type and Portfolio</b>				
<b>Loans and undrawn commitments</b>				
All Other	328,117,904	327,688,306	323,791,711	324,664,686
<b>Cash and deposits</b>				
Bank and ADI	437,421,602	505,099,891	584,525,523	663,070,820
<b>Debt securities</b>				
Bank and ADI	606,121,433	581,898,536	527,299,554	506,910,088
<b>Other on-balance sheet exposures</b>				
All Other	7,757,904	8,256,531	7,403,646	8,716,718
<b>Total</b>	<b>1,379,418,843</b>	<b>1,422,943,265</b>	<b>1,443,020,434</b>	<b>1,503,362,312</b>

Provisions at:	30-Jun-20 \$	31-Mar-20 \$
General Reserve for Credit Losses	3,000,000	2,100,000
Collective Provisions	445,000	-
<b>Total</b>	<b>3,445,000</b>	<b>2,100,000</b>

3. Securitisation

	30-Jun-20 \$		31-Mar-20 \$	
	Activity for period	Gain or loss on sale	Activity for period	Gain or loss on sale
<b>Summary of securitisation activity</b>				
Investments in RMBS securities	43,735,888	-	14,302,044	-
<b>Total</b>	<b>43,735,888</b>	<b>-</b>	<b>14,302,044</b>	<b>-</b>

	30-Jun-20 \$	31-Mar-20 \$
	Total Exposures	Total Exposures
<b>Aggregate on-balance sheet securitisation exposures</b>		
RMBS securities held	72,401,333	28,665,445
<b>Total securitisation exposures</b>	<b>72,401,333</b>	<b>28,665,445</b>