



Public Disclosure of Prudential Information as at 30 June 2014

In accordance with APRA Prudential Standard APS 330.

Australian Unity Limited is the top corporate entity in the group to which this disclosed information applies. [ABN 30 087 652 079. Big Sky Building Society AFSL: 237994.]

In the capital disclosures below, Big Sky Building Society is using the post January 2018 common disclosure template. Big Sky Building Society is fully applying the Basel III regulatory adjustments as implemented by APRA.

Common Equity Tier 1 Capital: instruments and reserves		\$'000s	Reconciliation reference
1	Directly issued qualifying ordinary shares	2,000	Balance sheet
2	Retained earnings including current year earnings	4,913	Table A
3	Accumulated other comprehensive income (and other reserves)	40,630	Table A
4	<i>Directly issued capital subject to phase out from CET1</i>	-	
5	Ordinary share capital issued by subsidiaries and held by third parties	-	
6	Common Equity Tier 1 capital before regulatory adjustments	47,543	
Common Equity Tier 1 capital: regulatory adjustments			
7	Prudential valuation adjustments	-	
8	Goodwill (net of related tax liability)	-	
9	Other intangibles other than mortgage servicing rights (net of related tax liability)	-	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	
11	Cash-flow hedge reserve	-	
12	Shortfall of provisions to expected losses	-	
13	Securitisation gain on sale	-	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-	
15	Defined benefit superannuation fund net assets	-	
16	Investments in own shares	-	
17	Reciprocal cross-holdings in common equity	-	
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the ADI does not own more than 10% of the issued share capital	-	
19	Significant investments in the ordinary shares of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	-	
20	Mortgage service rights	-	
21	Deferred tax assets arising from temporary differences (net of related tax liability)	-	
22	Amount exceeding the 15% threshold	-	
23	of which: significant investments in the ordinary shares of financial entities	-	
24	of which: mortgage servicing rights	-	
25	of which: deferred tax assets arising from temporary differences	-	
26	National specific regulatory adjustments	1,443	
26a	of which: treasury shares	-	
26b	of which: offset to dividends declared under a dividend reinvestment plan (DRP), to the extent that the dividends are used to purchase new ordinary shares issued by the ADI	-	
26c	of which: deferred fee income	-	
26d	of which: equity investments in financial institutions not reported in rows 18, 19 and 23	-	
26e	of which: deferred tax assets not reported in rows 10, 21 and 25	841	Balance sheet
26f	of which: capitalised expenses	602	
26g	of which: investments in commercial (non-financial) entities that are deducted under APRA prudential requirements	-	
26h	of which: covered bonds in excess of asset cover in pools	-	
26i	of which: undercapitalisation of a non-consolidated subsidiary	-	



26j	of which: other national specific regulatory adjustments not reported in rows 26a to 26i	-	
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	
28	Total regulatory adjustments applied to Common Equity Tier 1	1,443	
29	Common Equity Tier 1 Capital (CET1)	46,100	
Additional Tier 1 Capital: instruments			
30	Directly issued qualifying Additional Tier 1 instruments	-	
31	of which: classified as equity under applicable accounting standards	-	
32	of which: classified as liabilities under applicable accounting standards	-	
33	<i>Directly issued capital instruments subject to phase out from Additional Tier 1</i>	-	
34	Additional Tier 1 instruments issued by subsidiaries and held by third parties	-	
35	<i>of which: instruments issued by subsidiaries subject to phase-out</i>	-	
36	Additional Tier 1 Capital before regulatory adjustments	-	
Additional Tier 1 Capital: regulatory adjustments			
37	Investments in own Additional Tier 1 instruments	-	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	-	
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the ADI does not own more than 10% of the issued share capital	-	
40	Significant investments in the ordinary shares of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	-	
41	National specific regulatory adjustments	-	
41a	of which: holdings of capital instruments in group members by other group members on behalf of third parties	-	
41b	of which: investments in the capital of financial institutions that are outside the scope of regulatory consolidations not reported in in rows 39 and 40	-	
41c	of which: other national specific regulatory adjustments not reported in rows 41a and 41b	-	
42	Regulatory adjustments applied to Additional Tier 1 capital due to insufficient Tier 2 to cover deductions	-	
43	Total regulatory adjustments to Additional Tier 1 capital	-	
44	Additional Tier 1 capital (AT1)	-	
45	Tier 1 Capital (T1=CET1+AT1)	46,100	
Tier 2 Capital: instruments and provisions			
46	Directly issued qualifying Tier 2 instruments	-	
47	<i>Directly issued capital instruments subject to phase out from Tier 2</i>	-	
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group T2)	-	
49	<i>of which: instruments issued by subsidiaries subject to phase out</i>	-	
50	Provisions	1,595	Table A
51	Tier 2 Capital before regulatory adjustments	1,595	
Tier 2 Capital: regulatory adjustments			
52	Investments in own Tier 2 instruments	-	
53	Reciprocal cross-holdings in Tier 2 instruments	-	
54	Investments in the Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the ADI does not own more than 10% of the issued share capital	-	
55	Significant investments in the Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	-	
56	National specific regulatory adjustments	-	
56a	of which: holdings of capital instruments in group members by other group members on behalf of third parties	-	



56b	of which: investments in the capital of financial institutions that are outside the scope of regulatory consolidation not reported in rows 54 and 55	-
56c	of which: other national specific regulatory adjustments not reported in rows 56a and 56b	-
57	Total regulatory adjustments to Tier 2 capital	-
58	Tier 2 capital (T2)	1,595
59	Total capital (TC=T1+T2)	47,695
60	Total risk-weighted assets based on APRA standards	323,406

Capital ratios and buffers

61	Common Equity Tier 1 (as a percentage of risk-weighted assets)	14.25%
62	Tier 1 (as a percentage of risk-weighted assets)	14.25%
63	Total capital (as a percentage of risk-weighted assets)	14.75%
64	Buffer requirement (minimum CET1 requirement of 4.5% plus capital conservation buffer of 2.5% plus any countercyclical buffer requirements expressed as a percentage of risk-weighted assets)	7.00%
65	<i>of which: capital conservation buffer requirement</i>	2.50%
66	<i>of which: ADI-specific countercyclical buffer requirement</i>	-
67	<i>of which: G-SIB buffer requirement (not applicable)</i>	N/A
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk-weighted assets)	7.25%

National minima (if different from Basel III)

69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	N/A
70	National Tier 1 minimum ratio (if different from Basel III minimum)	N/A
71	National total capital minimum ratio (if different from Basel III minimum)	N/A

Amounts below thresholds for deductions (not risk weighted)

72	Non-significant investments in the capital of other financial entities	-
73	Significant investments in the ordinary shares of financial entities	-
74	Mortgage servicing rights (net of related tax liability)	-
75	Deferred tax assets arising from temporary differences (net of related tax liability)	-

Applicable caps on the inclusion of provisions in Tier 2

76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	-
77	Cap on inclusion of provisions in Tier 2 under standardised approach	-
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	-

Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)

80	<i>Current cap on CET1 instruments subject to phase out arrangements</i>	-
81	<i>Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)</i>	-
82	<i>Current cap on AT1 instruments subject to phase out arrangements</i>	-
83	<i>Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)</i>	-
84	<i>Current cap on T2 instruments subject to phase out arrangements</i>	-
85	<i>Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)</i>	-



Regulatory Balance Sheet	\$'000	Reconciliation reference
ASSETS		
Cash and cash equivalents	13,719	
Trade and other receivables	2,285	
Financial assets at fair value through profit or loss	37,087	
Held-to-maturity investments	70,045	
Loans and advances	576,580	
Deferred tax assets	841	Row 26e
Property, plant & equipment	281	
Intangible assets	602	
	701,440	
LIABILITIES		
Trade and other payables	5,382	
Interest bearing liabilities	646,000	
Provisions	754	
Other liabilities	166	
	652,302	
Net assets	49,138	
EQUITY		
Contributed Equity	2,000	Row 1
Reserves	42,225	Table A
Retained earnings	4,913	Table A
	49,138	

Reconciliation between common disclosure template and regulatory balance sheet		
Table A	Per balance sheet	Reconciliation reference
Reserves		
General reserve	10,998	Row 3
Reserve for credit losses	1,595	Row 50
Business combination reserve	29,632	Row 2
	42,225	
Retained earnings	4,913	Row 2

Capital Adequacy	Risk Weighted Exposure at 30 June 2014	Risk Weighted Exposure at 31 March 2014
	\$,000	\$,000
Credit Risk		
• Deposits with banks and ADIs	33,926	34,085
• Loans and advances		
○ Claims secured by residential mortgage	200,447	197,706
○ Other members loans	10,248	26,047
○ Commercial	26,510	
○ Government		
○ Commitments for loans and advances		
- Loans approved not advanced	4,968	5,841
- Loan redraw facilities	6,997	6,948
- Guarantees	-	-
Cash and Claims		
Other Assets	4,057	4,053
Operational Risk	36,252	35,060
Other Charges Prescribed by APRA		
Total Risk Weighted Exposures	323,406	309,742
Capital Adequacy Ratio		
• Common Equity Tier 1 ratio	14.25%	14.66%
• Tier 1 ratio	14.25%	14.66%
• Total capital ratio	14.75%	15.16%



Credit Risk Exposure for 3 month period ended 30 June 2014	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
	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000
Deposits with banks or ADIs	118,998	123,540	-	-	-	-
Loans and advances:						
On balance sheet:						
- secured by residential mortgage	538,500	535,209	282	1,318	20	20
- other members loans	11,570	19,620	316	299	237	59
- commercial	26,510	-	-	-	-	-
- government	-	-	-	-	-	-
Off balance sheet commitments						
- loans approved not advanced	9,753	11,864	-	-	-	-
- loan redraw limits	-	-	-	-	-	-
- revocable line of credits undrawn	33,110	32,871	-	-	-	-
- irrevocable loan drawdowns	41,710	40,776	-	-	-	-
- irrevocable standby commitments	22,344	22,192	-	-	-	-
Total loans and advances	683,487	662,531	1,617	598	257	79

The general reserve for credit losses at 30 June 2014 is (\$000):

\$1,595

Credit Risk Exposure for 3 month period ended 31 March 2014	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
	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000
Deposits with banks or ADIs	128,081	124,895	-	-	-	-
Loans and advances:						
On balance sheet:						
- secured by residential mortgage	531,918	520,659	110	1,440	-	-
- other members loans	27,425	29,606	258	276	221	20
- commercial	-	-	-	-	-	-
- government	-	-	-	-	-	-
Off balance sheet commitments						
- loans approved not advanced	13,975	15,278	-	-	-	-
- loan redraw limits	-	-	-	-	-	-
- revocable line of credits undrawn	32,631	32,532	-	-	-	-
- irrevocable loan drawdowns	39,842	40,022	-	-	-	-
- irrevocable standby commitments	22,050	21,652	-	-	-	-
Total loans and advances	667,841	659,750	1,698	386	221	20

The general reserve for credit losses at 31 March 2014 is (\$000):

\$1,526