

# Wardies Retirement Kitty

## Projected Investment Strategy

For the year ended 30 June 2022

---

### Background

The Trustees of the Fund have devised this Investment strategy for the Fund considering the objective of the Fund and in line with the governing rules of the Fund and superannuation law. Through this investment strategy the Trustees are seeking to maximise the superannuation benefits for all its members of the Fund having regard to risk and reward of each type of investment.

Among other things, the Trustees have considered and determined that the Fund's current asset mix of assets are appropriate for its members for the financial year. Trustees have given regard to the members age and their in-ability to withdraw from the Fund their superannuation interests for retirement purposes in devising a strategy for the next financial year.

There are two members in the Fund. Mathew Ward is 42 years of age and will be in accumulation phase for the next 18 years. His member balance as at 30 June 2021 was \$144,786.74. Sheena Ward is 42 years of age and will also be in accumulation phase for the next 18 years. Her member balance as at 30 June 2021 was \$273,436.26.

### Investment Objective

To maximise returns and minimise the risks of investment of the Fund's assets in managing and providing superannuation benefits to members and their dependants in meeting their retirement needs.

To ensure all investments are consistent with the governing rules of the Fund and appropriate Superannuation Legislations and the Fund's investment strategy.

The Trustees has decided to invest in a BT Panorama Portfolio to diversify the Fund. The purchase of the underlying managed investments will be implemented progressively in four equal instalments from August 2021 to November 2021 to ease into the market. The Trustees believe that this is an appropriate strategy for all the members.

### Risk & Return on Investments

Each investment decision will be made with due regard to the associated, risk and expected return. With this in mind, the Trustees will, from time to time, seek professional investment advice in order to assist in the process of determining what investments are suitable for the Fund and also taking into account the concerns of the members.

The overall strategy is to maximise the returns of the Fund's investments and minimise the exposure of risk from any particular investment, the Fund will try to maintain a diversified portfolio.

Considering the low returns on cash & money market and fixed interest investments, the Trustees have decided that they will not invest much of the Fund in this asset class.

Further, considering the current high share market locally in Australia and overseas, the Trustees have decided that they will not invest much of the Fund in this asset class.

In making a decision on the types of investments made by the Fund, the Trustees have consulted with the members in this regard. They have taken into account the members overall risk profile and their concerns about various investment opportunities.

After discussions with the members of the Fund, the Trustees have determined that they will invest most of the Fund in a BT Panorama Portfolio of managed funds and keep some cash for Fund expenses, future investment opportunities and unforeseen circumstances.

#### **Liquidity of Fund's Assets**

Each investment decision will be made with due regard to the cash flow requirements of the Fund. The Trustees will consider the liabilities (current and prospective) of the Fund and ensure adequate cash is maintained by the Fund to meet its liabilities as and when they fall due.

The Fund's liquidity needs will be considered at the time of each investment and also during the regular review of the Fund's portfolio and investment strategy.

The Trustees have considered and determined that the current investment provides the Fund with all the necessary expenses of the Fund for the next year.

The Trustees are aware that once members reach pension age, are temporarily or permanently disabled or they will need to withdraw from the Fund due to compassionate or other grounds, the Fund will need higher cash flows.

#### **Asset Class**

The Fund's asset classes as at the beginning of the year (1st July 2020) and as close of the year (30th June 2021) are as below with the Trustees asset allocation for the following year:

<b>Asset Class</b>	<b>Assets 1/07/2020 \$</b>	<b>Assets 30/06/2021 \$</b>	<b>Target Range (% of Total Fund Assets)</b>			
Australian Shares			10	% -	40	%
International Shares			10	% -	40	%
Cash	0	424,660	0	% -	40	%
Australian Fixed Interest			0	% -	30	%
International Fixed Interest			0	% -	30	%
Mortgages			0	% -	20	%
Direct Property			0	% -	20	%
Listed Property			0	% -	20	%
Other	0	0	0	% -	10	%

**Insurance Cover**

The Trustees will assess the need of insurance for all members and will seek financial insurance advice where necessary to ensure all members are adequately insured. Insurance policies may be held by the Fund or by members personally.

**Review**

This Fund's strategy will be reviewed regularly and updated if any modifications are required.

Approved at meeting of Trustees dated: 17 / 08 / 2021



---

Mathew Ward  
Director of Trustee Company  
Multiward Pty Ltd



---

Sheena Ward  
Director of Trustee Company  
Multiward Pty Ltd

# Wardies Retirement Kitty

## Projected Investment Strategy – Memorandum of Resolution

For the year ended 30 June 2022

---

**ADOPTION OF INVESTMENT STRATEGY:** The investment strategy for the financial year 2021 - 22, formulated by the Trustees of the Fund to achieve investment objectives of the Fund having regard to the whole of the circumstances of the Fund was tabled. The following was discussed:

### 1. Risk & Return on Investments

Have Trustees considered the risk involved in making, holding and realising a single asset class with risk to likely return of the Fund, having regard to its objectives and its expected cash flow requirements for the next financial year.

### 2. Risk Associated with limited diversification

Have Trustees considered lack of diversification in this investment strategy, all associated risks due to inadequate diversification and considered the following:

- Current volatility and investment climate in local and international share market - loss of capital;
- Low interest rates offered by deposit taking entities & Banks;
- Age of members, members wishes etc;
- Quality of the current property investment, rental return.

### 3. Liquidity of the Fund's Assets

Have Trustees considered the liquidity of the Fund's investments having regard to its expected cash flow requirements in the next two years and considered the following;

- Ability of the Fund to discharge its existing and future liabilities;
- Ability of the Fund to make any LRBA loan repayments considering anticipated contributions from members;
- Cash inflow and Fund expenses from past investment performance of the Fund.

**RESOLUTION:** It was resolved to adopt the Investment Strategy as set out in the attached document and implement the strategy for the following year.

**CLOSURE:** Signed as a true record –

Date: 17 / 08 / 2021



Mathew Ward  
Director of Trustee Company  
Multiward Pty Ltd



Sheena Ward  
Director of Trustee Company  
Multiward Pty Ltd