

# **Investment Strategy - Gupta Family Superannuation Fund**

## **Objectives:**

The objective of the fund is to:

- Provide superannuation benefits to members and their dependants to meet their retirement needs.
- Ensure that appropriate mixes of investments are held by the fund to support these needs
- Ensure the fund has sufficient liquidity at all times to meet all commitments
- Maximise the tax effectiveness of fund investments thereby delivering the best long term after tax return for members.

The Investment objective of the trustees is to aim to achieve real medium to longer-term growth. In recognition of the 5-10 year investment time frame of members the fund will have an appropriate mix of growth and income producing assets in the portfolio.

## **Investment Choice:**

The Trustees have determined the fund's investment may include but not be limited to all or one of the following:

- Direct equities, stocks and derivatives and including the participation in dividend reinvestment program, right issues and the like, including the use of geared instalment warrants:
- Managed investments and associated products:
- Bank and other financial institution securities including Term Deposits, Debentures, Secured and Unsecured Notes and Bonds:
- Property investments
- Any other investment that the trustees may feel prudent to achieve the objective of the fund.

The Trustee may from time to time decide to seek professional advice from Accountants, Solicitors or Financial Planners in the formulation or implementation of this or any future investment strategy.

In formulating this strategy the trustees have taken into consideration relevant features of the various investments in accordance with both the fund's objectives and appropriate legislation.

While drafting this investment strategy, the trustees have taken into account all of the circumstances of the fund, including:

- the risks involved in making each investment;
- the likely return from making each investment;
- the range and diversity of investments;
- any risks coming from limited diversification;
- the liquidity of the fund's investments;
- the ages and preferences of its members;
- expected cash flow requirements; and
- the ability of the fund to meet its existing and prospective liabilities such as paying benefits to its members.

## **Policies:**

*The policies adopted by the Trustees in order to achieve these objectives are:*

- Regular monitoring of the performance of the fund's investment, to oversee the overall investment mix and the expected cash flow requirements of the fund.
- Balancing the fund's investment portfolio due to changes in market conditions, by further sale and purchase of investments.

The Trustees aim will always be to ensure that they follow the investment strategy, however, the Trustees will at all times reserve the right to change the investment mix depending on the market situation and opportunities available to strengthen its Objectives.

A copy of the Investment Strategy of the fund will be available to members of the fund on request.

### **Risk profile and risk tolerance:**

The Fund has a medium to long time horizon. Further the members are prepared to endure a reasonable level of volatility of returns in expectation of long term growth. The members have existing equity and property investments outside superannuation and are familiar with the variability of both returns and capital values which are associated with such investments.

Members understand

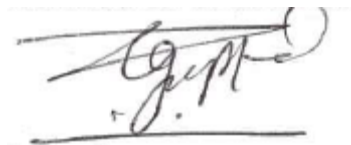
- the trade-off between investment risk and long term capital and income growth and have indicated capital preservation, stability and growth is a priority
- Investment risk is borne by the members, as fluctuation in investment returns will affect the level of the members benefits on withdrawal

### **Insurance:**

- Additional insurance is not deemed appropriate as the members have significant assets inside and outside superannuation with no significant outstanding liabilities.
- The members who are producing most income have appropriate insurance outside the fund via employer super fund (Mercer Australia for Ajay Gupta an insurance cover over \$500K)

### **Liquidity:**

The Members of the Gupta Family Superannuation Fund are aged 56 and 52 and have significant assets outside of superannuation. At the present time neither expect to access their superannuation prior to age. Accordingly there is no anticipated benefit payment in the next 10 years or so. Cash in excess of anticipated liquidity requirement will be invested in accordance with the Fund's investment strategy.



Date: 25.08.2020

(Ajay Gupta)



Date: 25.08.2020

(Anita Gupta)