

DOUGLAS BENNETT SUPERANNUATION FUND

Investment Strategy

Trustees

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**Date Prepared: 10 June 2022
Review: At least annually**

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1. Purpose of Investment Strategy

- To comply with Regulation 4.09 of the Superannuation Industry (Supervision) Regulations 1994 (SISR) which requires Trustee(s) of an SMSF to prepare, regularly review and implement an investment strategy for their Fund.
- To provide the Members of the Fund with income on retirement.
- To ensure the Fund remains compliant with the regulatory body and maintains its concessional taxation status.
- To set out the general and specific investment objectives for the Fund, and to detail the investment strategy the Trustee(s) will adopt to achieve these investment objectives.

2. General Objectives

- 1) The Trustee(s) will at all times act prudently to pursue the maximum rate of return possible of the members' assets in the Fund, subject to acceptable risk parameters of the risk profile taking into account the risks associated with the holding of different types of investments.
- 2) The Trustee(s) will ensure to provide diversification in assets and asset classes of the Fund that maintains the acceptable level of risk and anticipated level of return.
- 3) The Trustee(s) will invest to ensure the Fund has sufficient liquidity to meet current cash liabilities including tax liabilities, insurance premiums, expenses (related to the operation of the Fund) and the payment of any member benefits that may become due.

The Trustee(s), when determining the current and future liquidity of the Fund, has taken into consideration the following factors:

- The number and age of the members of the Fund;
 - The retirement plans of each member, and the means by which each member will seek to access their superannuation benefits upon retirement;
 - Anticipated future contributions by the members of the Fund;
 - The current investment asset spread of the Fund;
 - The actual and potential cash liabilities of the Fund over the next rolling 3-year period.
- 4) The Trustee(s) will shield the Fund from undue risk.
 - 5) The Trustee(s) will ensure that all investments are authorised under the Fund's Trust Deed and are made for the sole purpose of providing benefits to members and the dependants of members and are made in accordance with the legislative requirements applicable to complying superannuation funds.

3. Specific Objectives

Having considered the profile of the Fund and the member's needs and circumstances, the Trustee(s) has nominated the following as the specific investment objectives of the Fund:

Growth

- As a Growth investor, to achieve a return to the Fund of at least 3.80% p.a. more than inflation before tax and expenses. Hence, the objective is to aim for a return of 5.80% p.a. averaged over the next ten years.
- To have the probability of zero or negative returns in any 12 Month period of less than one in 4.4 years; and
- To have sufficient liquidity to meet liabilities as and when they fall due.

Investment Spread of the Fund

In order to achieve the specific investment objectives of the Fund, and having taken into consideration the risks associated with each type of investment, the Trustee(s) will invest in a portfolio of assets according to market conditions and within the below asset spread:

Asset Type	% Investment Spread of the Asset
Alternative	0% - 15%
Domestic Cash	0% - 100%
Domestic Equity	0% - 90%
Domestic Fixed Interest	0% - 30%
Domestic Property	0% - 30%
Domestic Direct Property	0% - 0%
Domestic Unlisted Property	0% - 35%
International Equity	0% - 55%
International Property	0% - 10%

The Trustee(s) has determined that in order to achieve the investment objectives of the Fund, the Trustee(s) may at any time, so long as they document such a decision, alter the investment spread of the Fund's assets. This will involve a continual review of the investment spread of the Fund's assets to ensure the return on investment within the Fund meets, as closely as possible, the investment objectives of the Fund.

4. Fund Profile

Fund structure:	Self Managed Superannuation Fund
Current size of the Fund:	\$709,033.39

The members are prepared to forego concerns about short-term volatility in anticipation of earning better long-term investment returns than those currently available from cash and fixed interest investments. To that end, there will be a preference for share market and property market investments.

The investment risk is borne by the members, and it is the intention of the Trustee(s) to not keep any investment reserves in order to smooth returns from year to year.

5. Borrowing

In order to seek higher returns, the Trustee(s) may borrow money under a limited recourse borrowing arrangement, such as provided for under section 67A Superannuation Industry (Supervision) Act 1993

(SISA), e.g. through a bare trust. The borrowed monies must be applied for the purpose of purchasing a single acquirable asset.

6. Liquidity - Anticipated Benefit Payments

Existing members	Jeanette Bennett Frederick Douglas
Time Horizon of Fund	24.24 years

Age	Numbers of members
40 years and under	0
41 - 49 years	0
50 - 59 years	0
60 - 64 years	1
65 - 69 years	0
70 years and over	1

Statement of liquidity

- Lump sum and/or pension payments will be made. The Trustee(s) will monitor the liquidity position to ensure that there will be sufficient liquid assets to meet the payment of benefits as and when they fall due. The Trustee(s) will monitor the liquidity position of the Fund to ensure that there will be sufficient liquid assets to meet the benefit payments as they fall due.

7. Liquidity - General

Sufficient cash flow will be maintained to discharge Fund expenses and other outgoings and to ensure that the Fund will be able to meet its obligations to the member(s) and other creditors at all times.

8. Insurance

The Trustee(s) has considered whether the Fund should hold contracts of insurance that provide insurance cover for members of the Fund as required under Regulation 4.09 SISR. The decision whether to take out insurance has been made with consideration for the personal circumstances of the members and any personal insurance cover already held (or intended to be held) outside superannuation.

- Based on current personal and financial circumstances, no insurance cover is required to be held in the Fund for the member(s).

9. Reserves Management Strategy

At this stage, the Trustee(s) does not intend to maintain investment reserves within the Fund. All profits and/or losses will be allocated to individual members at the end of each financial year.

However, when required, the Trustee(s) does permit the use of a 'contribution reserve', which allows for the short-term holding of contributions for no more than 28 days from the end of the month in which the contribution was received. Subject to the Cash-asset- class allocation limits defined under point 3, the amount held in the contribution reserve will be held fully in cash for the short period between receipt by the Fund and its allocation to the individual member.

10. Implementation of Investment Strategy

All investments held by the Fund will be held proportionately for every member of the Fund. Investments will not be segregated between individual members.

11. Review and Monitoring of Investment Strategy

The Trustee(s) will monitor and review the Fund's investment activities on a regular basis and will communicate with the members should they feel that any change in strategy is necessary in order to achieve the Fund's objective.

12. Signatures

This Investment Strategy has been formulated after having regard to the whole of the circumstances of the fund.

The investment strategy will be implemented from **10 June 2022** and will continue until it is revoked or replaced.

The powers to change, review, or edit this Investment Strategy remains with the Trustee(s).

Signed on behalf of the Trustee(s):



Jeanette Bennett
Trustee



Frederick Douglas
Trustee