

# Happy Retirement Superannuation Fund Investment Strategy

## Objectives

The Trustees consider this Investment Strategy to fulfill the principal objective of maximising Member returns having regard to risk and is consistent with the investment objectives of the Fund which are as follows:

1. To achieve a long-term rate of return in excess of the CPI. It is expected that year-on-year returns might vary.
2. To provide retirement benefit for the Members.
3. To ensure sufficient assets will be available to meet benefit payments when due to be paid (solvency).
4. To ensure sufficient liquid assets will be available to meet benefit payments and liabilities as and when those payments are due to be paid (liquidity).
5. The Fund has a relatively long-time horizon.

## Statement on Risk

Investment risk is borne by the Members, as fluctuation in investment returns will affect the level of the Member's benefits on withdrawal.

## Diversification

Diversification will be given appropriate consideration. The Trustees recognise that diversification may result in significant reduction to return volatility while maintaining the level of anticipated return.

## Ability to pay expenses

Sufficient cash flow will be maintained to discharge administration expenses and other outgoings. The Fund is a defined contribution fund and the Members are entitled to the accumulation of contributions and earnings in the Members' account on withdrawal. As the members are in accumulation mode, there are no current requirements for member benefits to be made. When one, or both members, reach retirement or dies, member benefits and liquidity will be considered as required.

## Investment Strategy and Percentages

The Trustees can invest within Australia or overseas in the following asset classes at the discretion of the trustees:

- Shares and related investments
- Managed Investments, Unit Trusts, Separately Managed Accounts and related investments
- Physical Metals and Commodities
- Bank operating accounts, cash, bonds, debentures, fixed term deposits and term deposits
- Other assets considered appropriate by the Trustees and permitted by the Trust Deed and Superannuation Law

The Trustees consider that no specific percentage range for each of the above asset classes should be adopted but each asset should be considered on its own investment merits.

## Insurance Consideration

The Trustees note the requirement for the Fund to consider insurance for the benefit of Members. However due to the member's personal and superannuation levels, member age and other lesser factors the Trustees do not want in superannuation insurance in the near future.

Signed by the Trustees:



Peter Richard McMullen

18-5-2020

Date



Katrina Lisa Merrells

18-5-2020

Date