

**STRON FUNDS**

**MINUTES OF A MEETING OF THE TRUSTEE(S) HELD ON 24<sup>th</sup>  
MARCH 2022 AT 25 BOYD ST DONCASTER VIC 3108**

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**PRESENT:**

Sam Tran  
Wenjie Wang

**MINUTES OF PREVIOUS  
MEETING:**

The minutes of the previous meeting of the Trustee were read and confirmed.

**CONTRIBUTIONS  
RECEIVED:**

It was resolved that the contributions during the year be allocated to members on the basis of the schedule provided by the principal fund employer.

**PURCHASES OF  
ASSETS:**

It was resolved that having regard to the composition of the fund's existing investments, the fund's investment strategy and its present liquidity, the purchase of the assets identified in the schedule hereto be confirmed.

**SALES OF ASSETS:**

It was resolved that having regard to the composition of the fund's existing investments, the fund's investment strategy and its present liquidity, the sales of the assets identified in the schedule hereto be confirmed.

**ALLOCATION OF NET  
INCOME:**

It was resolved that the net income of the fund be proportionally allocated to members based on the member's daily fund balance.

**REPORTS AND  
STATEMENTS:**

The Statement of Financial Position, Operating Statement, and Notes thereto, Trustee's Declaration, Auditor's Report, Members Statements, Income Tax and Regulatory Return for the period ended 30 June 2021 were tabled.

It was resolved that:

(a) The Statement of Financial Position, Operating Statement and Notes thereto, Auditor's Report and Members Statements be adopted by the Trustee and the Trustee be authorised to sign the Trustee Declaration,

(b) The Income Tax and Regulatory Return be adopted and signed by a representative of the trustee, and

(c) The Trustee's Declaration be adopted and signed by the trustee.

**REVIEW OF  
INVESTMENT  
STRATEGY:**

It was resolved that the fund's existing investment strategy has be reviewed by the trustee who, after considering:

(i) the risk involved in making, holding and realising, and the likely return from, the fund's investments having regard to its objectives and its expressed cash flow requirements,

(ii) the composition of the fund's investments as a whole including the extent to which the investments are diverse or involve the funds being exposed to risks from inadequate diversification,

(iii) the liquidity of the fund's investments having regard to its expected cash flow requirements, and

(iv) the ability of the fund to discharge its existing and prospective liabilities,

is satisfied that the said investment strategy requires no further modification or adaptation at this time.

**TRUSTEE STATUS:**


Each of the trustee(s) confirmed that they are qualified to act as trustee(s) of the fund and that they are not disqualified persons as defined by Section 126K of the SIS Act.

AUDITOR:

It was resolved that SUPER AUDITS of 702/20 Hindmarsh Square Adelaide SA 5000 act as auditor of the fund for the next financial year.

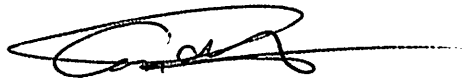
CLOSURE:

There being no further business the meeting was closed.

  
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Sam Tran

Chairperson.

  
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Wenjie Wang

Member.

# STRON FUNDS INVESTMENT STRATEGY

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## INVESTMENT OBJECTIVE

The investment objective is to provide investment returns which will at least be equivalent to the annual inflation rate plus 2%.

## MEMBER PROFILE

The members have approximately 20 years to retirement and therefore have taken a long term approach and invested the majority of assets in growth investments.

The members will be retiring in the next 20-30 years. For this reason the Trustee will adopt a long term approach in selecting investments as growth will continue to be required over the long term to support any pensions. Where significant profits are achieved in the shorter term they may be realised and reinvested

## INSURANCE CONSIDERATIONS

The trustee has considered whether it is appropriate to hold insurance cover for the members of the fund.

The trustee has resolved that the members currently do not require any cover for insurance within the fund.

The trustee has taken in account various factors when considering insurance cover. This includes the age of the members, policies held outside superannuation, the member's personal circumstances and their financial position.

## INVESTMENT STRATEGY

In order to meet the investment objective the trustee will invest the fund's assets as follows:

Majority of assets invested in:

- Australian Property
- US Index Funds
- Australian Index Funds

Smaller allocations of assets invested in:

- Cash

## RISKS

Each asset class apart from cash has an inherent risk of between medium and high risk, however this risk will be controlled through adherence to the adopted diversification policy below. Short term fluctuations are acceptable given the long term investment perspective.

Although the overall risk profile is medium to high risk, the asset classes meets the growth requirements and the level of risk is acceptable given the medium to high expected rate of return over the long term.

It must be noted that the Trustee continues to believe that the risk and return profile of cash is minimal.

The majority of assets are in capital stable (e.g. interest bearing) investments as members require high liquidity. The overall risk is low and the expected return is low to medium which is acceptable given the short term outlook.

#### **DIVERSIFICATION**

The trustee intends to hold various investments across the asset classes selected above. Due to the number of assets held, the amount invested, the characteristics of the current membership and diversification within each asset class, it is considered that overall diversification is appropriate. The Trustee will regularly review the assets in order to confirm that an acceptable range of investments is held from a diversification perspective.

#### **LIQUIDITY**

The Trustee is of the opinion that the investment strategy is structured in such a manner that the Fund is sufficiently liquid to discharge its current and future liabilities.

The liabilities the Trustee will generally be required to meet in the short term are relatively minor in nature. These generally comprise of investment purchases, accounting & audit fees and tax payable.

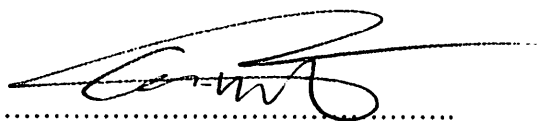
The Trustee does not expect the membership of the Fund to fall in the short term. In the longer term, the Trustees appreciate the reality of needing to either sell the investments or distribute them in specie to enable the Trustees to meet their benefit payment obligations.

#### **STRATEGY REVIEW**

The Trustee will regularly review the investment strategy to determine whether it remains appropriate. This will ensure any changes to the circumstances of the fund and its members are reflected in the strategy.



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Sam Tran  
Director of Trustee – Stron Funds Pty Ltd



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Wenjie Wang  
Director of Trustee – Stron Funds Pty Ltd

**Date: 01/07/2020**