

## Waters Family Superannuation Fund

### INVESTMENT STRATEGY

#### INVESTMENT OBJECTIVE

The investment objective is to provide positive investment returns from income or capital appreciation of investments over the medium to long term. The trustee acknowledges the possibility that negative returns may occur when investing in long term growth assets and considers this acceptable for a long term investment perspective.

#### MEMBER PROFILE

The members have approximately 10 years to retirement and therefore have taken a long term approach and invested the majority of assets in growth investments

#### 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

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

Majority of assets invested in:

- Shares in listed Australian Companies
- Cash

Note: A small proportion of fund assets may be invested in companies which whilst not yet profitable are considered to have prospects for capital appreciation.

## 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 low, the asset classes meets the growth requirements and the level of risk is acceptable given the low to medium expected rate of return.

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

## DIVERSIFICATION

The trustee intends to hold 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.

01/07/2018

  
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Geoffrey Waters

  
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Joanne Waters