

Investment Strategy

Beverley Family Superannuation Fund

Trustee

Leslie Super Pty Ltd - ACN 609 882 984

Investment Objective

The trustee has formulated the following investment objectives and strategy in accordance with Section 52(2)(F) of the Superannuation Industry (Supervision) Act 1993 (SISA) and SIS Regulation 4.09 (SISR).

The investment objective is to provide investment returns of inflation (CPI) plus 5% over rolling 7-year periods.

Member Profile

David Peter Leslie (DOB: 4 January 1952) and Bettina Key Leslie (1 October 1951) are directors of the corporate trustee – Leslie Super Pty Ltd.

Peter and Tina are the two members of the fund. Peter and Tina have retired and draw a pension from the Beverley Family Superannuation Fund.

The whole of the fund's circumstances have been considered in formulating these investment objectives such as membership profile (for example, members age, acceptance of risk and investment expectations), benefit design, tax position, fund size, liquidity and likelihood of future contributions and withdrawals.

Investment Strategy

The proposed investment strategy for the Beverley Family Superannuation Fund encompasses:

- An investment strategy that embraces dynamic asset allocation. Dynamic asset allocation ensures the trustee is unconstrained and able to purchase assets driven by valuations.
- The strategy is conscious of the liquidity requirements to meet Peter and Tina's minimum pension.
- A diversified portfolio across asset classes and across securities within those asset classes. The neutral, minimum and maximum bounds to be allocated to these asset classes is shown below:

Asset Class	Neutral	Maximum	Minimum
Cash	5.00%	100.00%	0.00%
Australian Fixed Interest	5.00%	80.00%	0.00%
International Fixed Interest	5.00%	80.00%	0.00%
Australian Equities	25.00%	70.00%	0.00%
International Equities	40.00%	70.00%	0.00%
Australian Property	5.00%	25.00%	0.00%
International Property and Infrastructure	5.00%	25.00%	0.00%
Alternatives	10.00%	50.00%	0.00%

- A diversity of professional fund managers to ensure diversification of manager risk.
- An investment portfolio that is tax aware and focused on after tax returns as opposed to just gross returns.
- A mixture of direct equity investments and managed funds, as appropriate.
- Implementation through a WRAP platform where appropriate to minimise administration and aid efficiency.
- A portfolio that is continually cognisant of its "fee budget" by managing costs in all aspects of the value chain – platform, investment consultant and investment managers.

The Trustee believes the investment process matters. Deciding on the best way to invest matters and having a dynamically managed portfolio driven by changes in asset allocation is the most reliable way of the trustees achieving their stated objectives over time.

Risks

Investment risk refers to the unpredictability of future asset values. Investment risk management does not require the elimination of risk but the balancing of expected returns against expected risks.

Each asset class apart from cash has some inherent risk however this risk can be best managed through adherence to the adopted diversification policy below. Short term fluctuations are acceptable given the uncertainty of investing in the short-term.

Although the overall risk profile is medium to high risk, the asset classes meet 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.

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 Trustees will regularly review the assets in order to confirm that an acceptable range of investments is held from a diversification perspective.

Liquidity

Sufficient cash will be maintained within the fund to cover the superannuation fund expenses and to meet pension payments when required. 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.

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.

Insurance considerations

The Trustee has considered whether it is appropriate to hold insurance cover for the members of the fund. They have considered various factors including the age of the members, the member's personal circumstances and financial position.

The Trustee considers it appropriate to hold no insurance cover for both members of the fund.

Peter Leslie
Director of Trustee
Leslie Super Pty Ltd

Peter Leslie

Date: 19/12/22

Tina Leslie
Director of Trustee
Leslie Super Pty Ltd

Tina Leslie