

# Boa Constructor Pty Ltd Superannuation Fund

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## INVESTMENT STRATEGY

Prepared by:  
Boa Constructor Pty Ltd  
(Trustee)

On  
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# Boa Constructor Pty Ltd Superannuation Fund

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## Compliance

The Fund is a complying superannuation fund under Section 45 of the Superannuation Industry (Supervision) Act 1993.

## Objectives

### *Specific Objectives*

- To achieve a long term rate of return in excess of the CPI. It is expected that year-on-year returns will vary widely and that there will be years when returns are negative.

### *General Objectives*

- To provide retirement benefits for the members. In the event of the members' death before retirement, to provide benefits for the dependants of the members.
- To ensure that sufficient assets will be available to meet benefit payments when those payments are due to be paid (solvency).
- To ensure that sufficient liquid assets will be available to meet benefit payments as and when those payments are due to be paid (liquidity).

## Fund Profile

<b>Fund structure:</b>	Self Managed Superannuation Fund
<b>Current size of the Fund:</b>	Approx. \$8m
<b>Annual contributions this financial year:</b>	Nil
<b>Percentage of unrestricted non-preserved benefits in Fund:</b>	100%

## Risk profile

### *Risk Tolerance:*

- The Fund is paying pensions. However, the members are prepared to endure a reasonable level of volatility of returns in expectation of long term growth.

### *Statement on Risk:*

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

### *Borrowing:*

- The Trustees will not borrow under any circumstances.

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## Liquidity

Number of existing members	2
Time Horizon of Fund	20 Years

## Age distribution of members:

Age	Number of Members
70 years and over	2

## Statement on Liquidity

- Anticipated Benefit Payments

1 Year:	85,000
2 Years	170,000
3 Years:	170,000
4 Years:	204,000
5 Years:	204,000

- Lump sum benefit payments will be made. The Trustee 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.
- Pension payments are made annually. The Trustee will monitor the liquidity position to ensure that there will be sufficient liquid assets to meet the benefit payments as and when they fall due.

## Diversification

- Diversification across currencies, economies and asset classes is achieved through a mix of international and Australian investments. The Trustee recognises that diversification can result in significant reduction to return volatility while maintaining the level of anticipated return.

## Ability of Fund to discharge existing and prospective liabilities

- 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. The Fund will be able to meet its obligations to the members at all times.

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## Indicative asset mix and asset class strategic ranges

Asset Class	Strategic Ranges	
	From %	To %
Shares & Units (besides listed property)	30%	80%
Cash & Fixed Interest (Australian)	5%	30%
Fixed Interest (International)	0%	
Mortgages	0%	0%
Direct property	0%	30%
Listed property	0%	15%
Other (detail below)	0%	0%

## Other Investments

- None yet.

## Reserves Management Strategy

- The fund does not operate reserves

## Insurance

- After examination of the members ages, needs, dependants, member account balances, and the value of their total assets, it was deemed that no insurance cover was necessary for any member.

## Signature of Trustee directors



Kim Wharton



Lindsey Wharton

Dated: 2 June 2020