



# **B Dunn Superannuation Fund Investment Strategy**

Prepared by:

Barry Dunn

Brett Dunn

On:

23<sup>rd</sup> February 2022



## **INVESTMENT OBJECTIVES**

### **1. GENERAL OBJECTIVES**

To ensure that the Trustees' duties and powers are performed and exercised in the best interests of the beneficiaries, the following general objectives have been formulated:

The Trustees will:

- (a) act primarily to pursue maximum rates of return subject to acceptable risk parameters and maintenance of achievable diversification;
- (b) ensure sufficient liquidity is retained to meet benefit payments due; and
- (c) amend specific objectives in accordance with changing risk profiles.

### **2. SPECIFIC OBJECTIVES**

The Trustees have adopted the following specific objectives for the investment of assets of the Fund:

- (a) to achieve a net (after tax and charges) rate of return that exceeds CPI by at least 2% per annum over a rolling 5-year period; and
- (b) to have a realistic expectation that there may be periods where the fund has negative short-term returns in order to achieve the expected rates of return.

### **3. REVIEW**

The Trustees will review the objectives of the Fund annually and at any such other time as may be deemed necessary.

## **INVESTMENT STRATEGY**

The following investment strategy has been adopted by the Trustees in order to achieve the investment objectives of the Fund. The Trustees reserve the right to:

- (a) implement more than one strategy and to offer separate strategies to members;
- (b) implement separate and different action plans in the acquisition and disposal of assets pursuant to this strategy.

### **1. RISK**

The Trustees have implemented the strategy taking into consideration the risk involved in making, holding and realizing, and the likely return from, the Fund's investment in accordance with the investment objectives and the Fund's expected cash flow requirements.

### **2. DIVERSIFICATION**

The Trustees elect to invest in sufficiently diverse assets to maximize the rate of return without risking exposure from inadequate diversification. The following ranges of asset diversification are proposed:



Type	Aust Shares	Intl Shares	Property	Aust Fixed Interest	Intl Fixed Interest	Cash	Other
Minimum	20%	20%	20%	0%	0%	0%	0%
Maximum	40%	40%	40%	10%	10%	10%	10%
Risk Profile	30%	30%	30%	3.5%	3.5%	3%	0%

Diversification has been assessed by the Trustees after considering:

- (a) existing Fund assets;
- (b) available funds to be invested;
- (c) current economic and investment climate;
- (d) both Australian and overseas investment opportunities;
- (e) existing and projected Fund membership;
- (f) ability of the Fund to discharge existing and prospective liabilities;
- (g) liquidity of the fund's investment having regard to expected cash flow requirements; &
- (h) the decision not to implement a reserving policy.

### 3. PERFORMANCE MONITORING

The Trustees will monitor the performance of the investment strategy and the ability of the strategy to achieve the Fund's investment objectives by comparing returns with objectives annually.

The beneficiaries of the Fund will be allowed access to prescribed information and will be provided information regarding the performance of the Fund.

### 4. INSURANCE REQUIREMENTS

The Trustees have considered options for life, TPD and income protection insurance to be held by the superannuation fund to cover the members. The Trustees have determined at this time that the members do not require income protection, life or TPD.

Trustees will review the insurance requirements when the investment strategy is regularly reviewed.



## **MINUTES OF MEETING**

### **OF THE TRUSTEES OF THE**

### **B Dunn Superannuation Fund**

**HELD AT: Online**

**ON THE: 23<sup>rd</sup> February 2022**

**PRESENT:** Barry Dunn  
Brett Dunn  
Luke Marshall

**CHAIRPERSON:** Barry Dunn

#### **INVESTMENT STRATEGY**

This is the investment strategy for the superannuation fund. This strategy should be reviewed by the Trustees on at least an annual basis to determine whether or not it continues to be relevant to the fund.

The Trustees have agreed that this investment strategy be adopted as the Fund's investment strategy and will remain current until the Trustees decide to make a revision.

#### **RESOLVED TO:**

1. Adopt any investment strategy and financial advice in relation to this investment strategy.
2. Formulate the investment strategy of the Fund in accordance with the attached strategy.
3. Confirm that the Fund's investment strategy was adopted after considering the issues contained in subsection 52(6)(a) of the SIS Act, namely:
  - i. the risk involved in making, holding and realising, and the likely return from, the investments covered by the strategy, having regard to the trustee's objectives in relation to the strategy and to the expected cash flow requirements in relation to the entity;
  - ii. the composition of the investments covered by the strategy, including the extent to which the investments are diverse or involve the entity in being exposed to risks from inadequate diversification;
  - iii. the liquidity of the investments covered by the strategy, having regard to the expected cash flow requirements in relation to the entity;
  - iv. whether reliable valuation information is available in relation to the investments covered by the strategy;



- v. the ability of the entity to discharge its existing and prospective liabilities;
  - vi. the expected tax consequences for the entity in relation to the investments covered by the strategy;
  - vii. the costs that might be incurred by the entity in relation to the investments covered by the strategy; &
  - viii. any other relevant matters.
- 4. Ensure that this strategy has an overall objective of enabling the assets of the Fund to obtain long-term growth and to achieve an annual return of at least 2% above inflation; and
- 5. The Trustees would attend to any other matter relevant to the above situation.

#### MEETING CLOSURE

DocuSigned by:

*Barry Dunn*

8A859B0044A54F8...

**Barry Dunn** 28 June 2022 | 15:23 AEST

**Chairperson**