

**GIBBINS SUPERANNUATION FUND ('the Fund')**  
**INVESTMENT STRATEGY**

**FOR THE 2015 / 2016 FINANCIAL YEAR**

**Purpose of the Fund**

The purpose of the fund is to provide retirement benefits to the members of the Fund and/or their dependants and legal personal representative/s.

**Circumstances of the Fund**

The fund is a Complying Self Managed Superannuation Fund. The Fund is an accumulation fund established to provide retirement benefits for its members. Membership of the fund is voluntary. The current trustee of the Fund is R & P Gibbins Pty Ltd (ACN 604 124 950)

At the time of this statement the fund has 2 member(s), all being associated with the fund.

**Purpose of this Investment Strategy**

- To ensure the fund remains compliant with the regulatory body and maintains it's concessional taxation status.
- To set out the general and specific investment objectives for the Fund, and to detail the investment methods the Trustee will adopt to achieve these investment objectives.
- To comply with section 52(2)(f) of the superannuation (Supervision) Act 1993 (SISA) and regulation 4.09 of the Superannuation Industry (Supervision) Regulations 1994 which require trustees of SMSF's to formulate, review regularly and give effect to an investment strategy that has regard to the whole of the circumstances of the Fund including, but not limited to, the following:
  - a) At all times the Trustees will ensure the fund maintains sufficient liquidity to meet any cash flow requirements such as benefit payments and the discharge of its liabilities.
  - b) The Trustees shall ensure that all investments are authorised under the Trust Deed and all legislative requirements applicable to complying superannuation funds. Investments will be made for the sole purpose of providing benefits to members and the dependents of the members.
  - c) The Trustees shall give consideration to contracts of insurance that provide insurance cover for one or more members of the fund.
  - d) The Trustees shall act prudently at all times to pursue a reasonable rate of return, subject to acceptable risk exposure.
  - e) The Trustees may consider investments in conjunction with members and/or the employer sponsor provided the investments are undertaken on an arms length basis and meet all legislative requirements. Such investments shall only be made where the Trustee is satisfied the fund will continue to comply with the superannuation legislation after the investment.
  - f) The Trustees may consider suggestions from members for specific investments in relation to members generally or for an individual member, and may make investments in accordance with those suggestions provided they fall within the investment strategy of the fund.

### **Investment Objectives of the Fund - General Objectives**

- To maximise the rate of return of the member's assets in the Fund, taking into account the risks associated with the holding of different types of investments.
- To provide appropriate diversification in assets and classes of investment assets in the fund.
- To ensure the fund has sufficient liquidity to meet current cash liabilities including tax liabilities, expenses related to the operation of the fund, the payment by the Fund of any liabilities other than tax, and the payment of member benefits that may become due.

The Trustees, when determining the current and future liquidity of the fund, has taken into consideration the following factors:

- a) The number and age of the members of the Fund
  - b) The retirement plans of each member, and the means by which each member will seek to access their superannuation benefits upon retirement
  - c) The current cash liabilities of the fund including tax liabilities, the expenses relating to the running of the Fund, the payment of any liabilities other than tax, and the payment of members' benefits
  - d) Anticipated future contributions by the members of the Fund
  - e) The current investment asset spread of the Fund, and
  - f) The actual and potential cash liabilities of the Fund over the next rolling ten year period.
- To shield the Fund from undue risk.
  - To only participate in investments which are sanctioned by the Fund's Trust Deed.

### **Investment Objectives of the Fund - Specific Objectives**

In keeping with the retirement objectives of the members, a long term investment strategy is appropriate since the members do not require payments of benefits in the short term.

The Trustees are prepared to accept exposure to risk to achieve greater returns and are willing to accept declines in the value of investments in the short term from time to time, in expectation that long term growth will be substantially above inflation.

The Trustee are of the opinion that diversification of investments within each class is important. The Trustee is also of the opinion that from time to time as markets and the economic cycle change there should be sufficient movement of capital from growth to income producing assets and the opposite as the Trustee sees fit. The general guidelines that should be adhered to broadly over the economic cycle are as outlined below.

Cash	<u>  2  </u> % to <u>100</u> %
Fixed Interest	<u>  0  </u> % to <u> 98 </u> %
Australian Equities	<u>  0  </u> % to <u> 98 </u> %
International Equities	<u>  0  </u> % to <u> 98 </u> %
Property Securities	<u>  0  </u> % to <u> 98 </u> %
Direct Property	<u>  0  </u> % to <u> 98 </u> %

The Trustees are of the opinion that as there are only a small number of members in the fund, investing in one class of assets is acceptable so long as there is sufficient diversification of investments within this class.

Initially rollovers into the fund will be received into the nominated cash account and invested into the appropriate asset class over time as determined by the Trustee.

### **Personal Insurance**

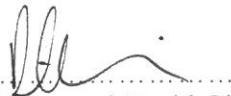
The members have considered the benefits and costs of holding insurance within the fund. It was decided that the overall financial position of the members requires cover. Applications have been made to Macquarie and OnePath to this end with Income Protection, Life, TPD and Health events considered and in force.

### **Review**

The investments of the fund will be reviewed annually and at such other times as a significant event occurs which affects the fund.

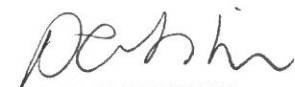
The trustees will monitor the success of the investment strategy by comparing the investment returns against inflation and the relevant cash rates for the same period.

Dated: 01 July 2015



Raymond David Gibbins

Director



Pennie Mandy-Jae Gibbins

Director