



Purpose Planning

Our Investment Philosophy



We help you plan for the future and protect what's important to you so your life can prosper.

Our investment beliefs

Our beliefs shape the investment decisions we take on your behalf and give focus and discipline to the oversight of your investment goals.

We are guided in the decisions we make on your behalf by some fundamental investment principles that assist you to stay focused on your investment goals and build wealth over time. We have a four step approach:

Investment principals



1. Goals

Create clear, appropriate investment goals



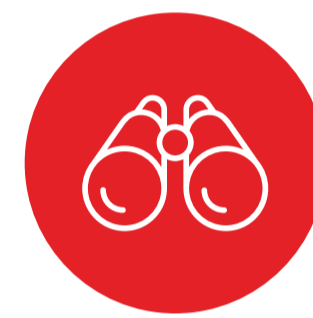
2. Balance

Develop a suitable asset allocation using broadly diversified funds



3. Cost

Minimise cost



4. Discipline

Maintain perspective and long-term discipline

We focus on what we can control

We know that investors can't control short-term market movements. So instead we focus on factors in your control such as:

- Understanding your attitude towards risk and return to develop a detailed risk profile
- Allocating your investments across a wide range of assets - shares, bonds, property and cash
- Choosing the right mix of investments styles - index and active - to achieve your goals.
- Reducing the cost of investing wherever possible by implementing tax-effective investment strategies.
- Rebalancing your investments back to your target asset allocation to keep you on track to achieve your goals.

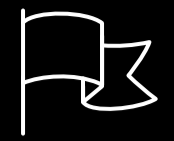


Plan. Protect. Prosper.



Purpose Planning Wealth Advice
Phone: 02 9172 5665

Email: info@purposeplanning.com.au
Website: www.purposeplanning.com.au



Your Goals

Understanding you, your goals and how we can help is key to ensuring that our advice and direction will be suitable and appropriate for you.

We help you to set measurable and attainable investment and lifestyle goals and then help you develop realistic plans to achieve them.

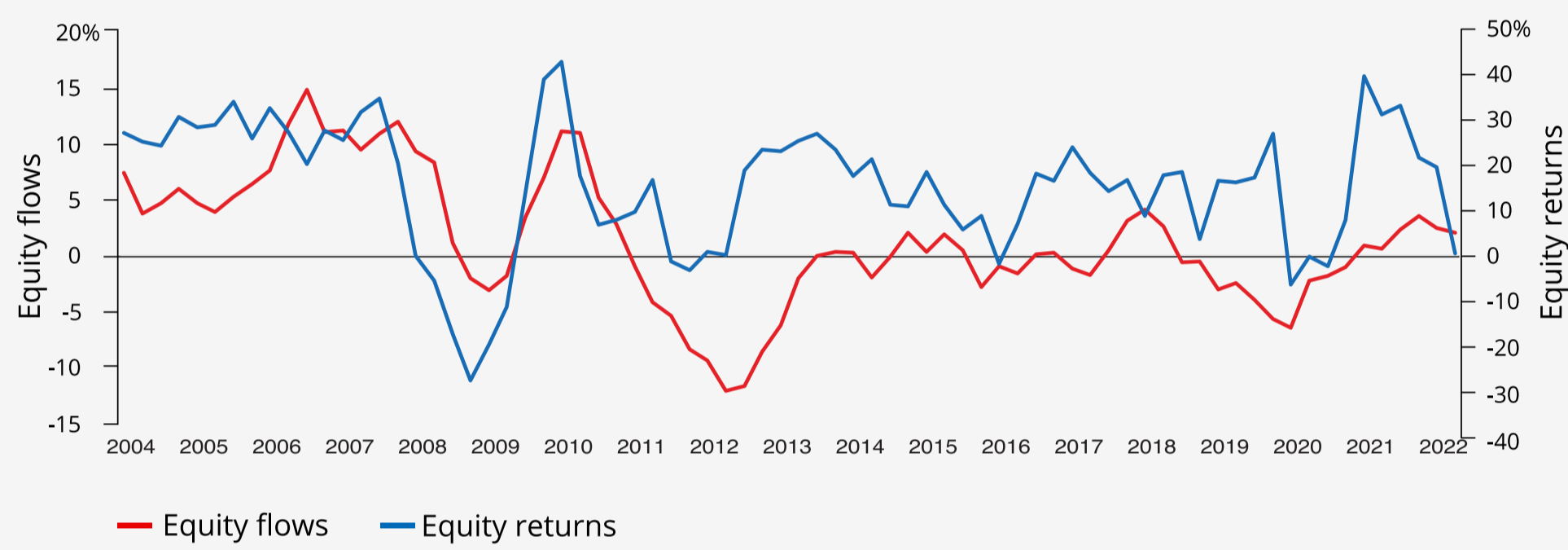
We believe a sound financial plan helps our clients to stay focused on the factors they can control rather than reacting to always changing newspaper headlines.

**"SET A GOAL THAT
MAKES YOU WANT TO
JUMP OUT OF BED IN
THE MORNING."**

BRIAN TRACY

The danger of lacking a plan

Managed funds cash flow often follow performance



Notes: Net flows represent net cash moving in or out of equity funds for Australian funds excluding ETFs and platforms. Index returns are based on the S&P/ASX 300 from 2004 to 2022. Sources: Vanguard calculations based on data from Morningstar Inc. and Factset.

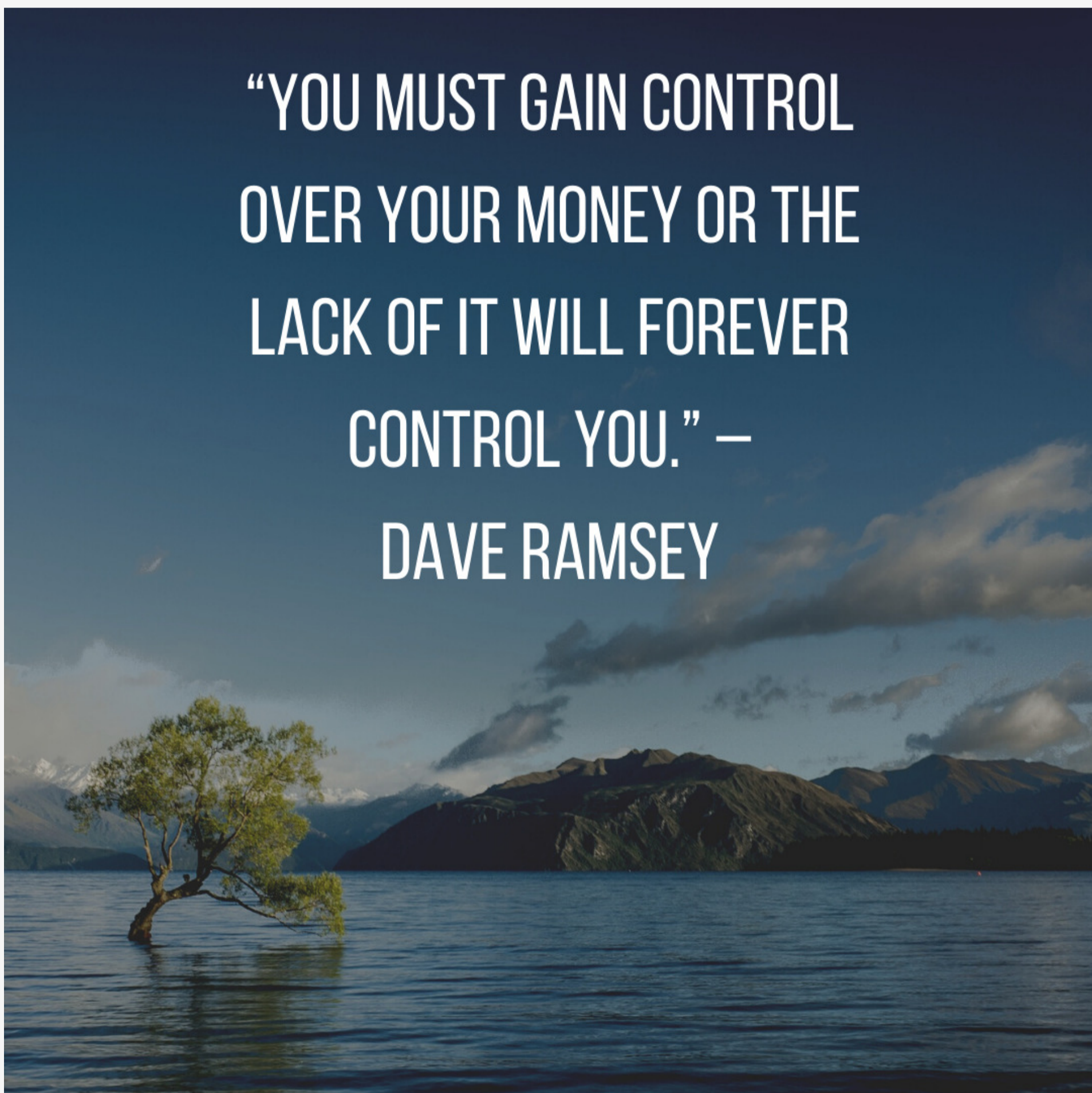
Our advice and your plan will help you achieve your goals

We work with you to provide guidance and direction for your financial future.

We believe it is important to understand you, your beliefs, environmental or social opinions and preferences.

By understanding your views we can accommodate these investment preferences within your portfolio.

**"YOU MUST GAIN CONTROL
OVER YOUR MONEY OR THE
LACK OF IT WILL FOREVER
CONTROL YOU." –
DAVE RAMSEY**



Originated

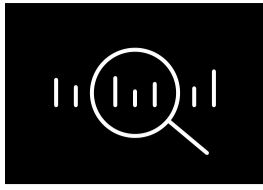


and servicing



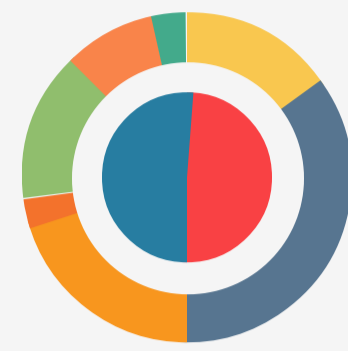
all areas.



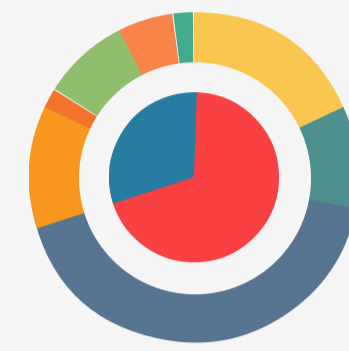


Investment options to suit your needs

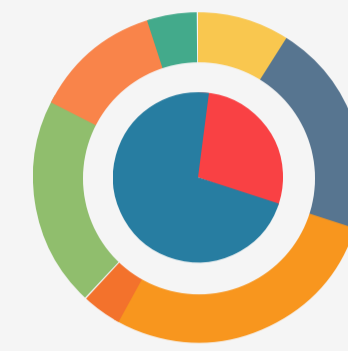
We offer a range of investment options to suit your needs and goals. We regularly assess market conditions and asset classes to calibrate our expectations for both returns and volatility of returns.



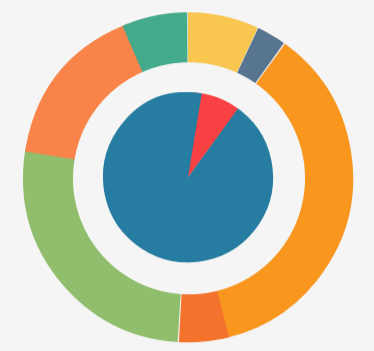
Balanced



Conservative



Growth



High Growth

■ Defensive (%) ■ Growth (%)

Target asset allocation (%)	Balanced	Conservative	Growth	High Growth
Australian Fixed Interest	15.0	18.0	9.0	7.0
Australian Shares	20.0	12.0	28.0	36.0
Cash	0.0	10.0	0.0	0.0
Emerging Markets	3.0	2.0	4.0	5.0
Global Fixed Interest	35.0	42.0	21.0	3.0
International Shares	14.5	8.5	20.5	26.5
International Shares (Hedged)	9.0	5.5	12.5	16.0
International Small Companies	3.5	2.0	5.0	6.5

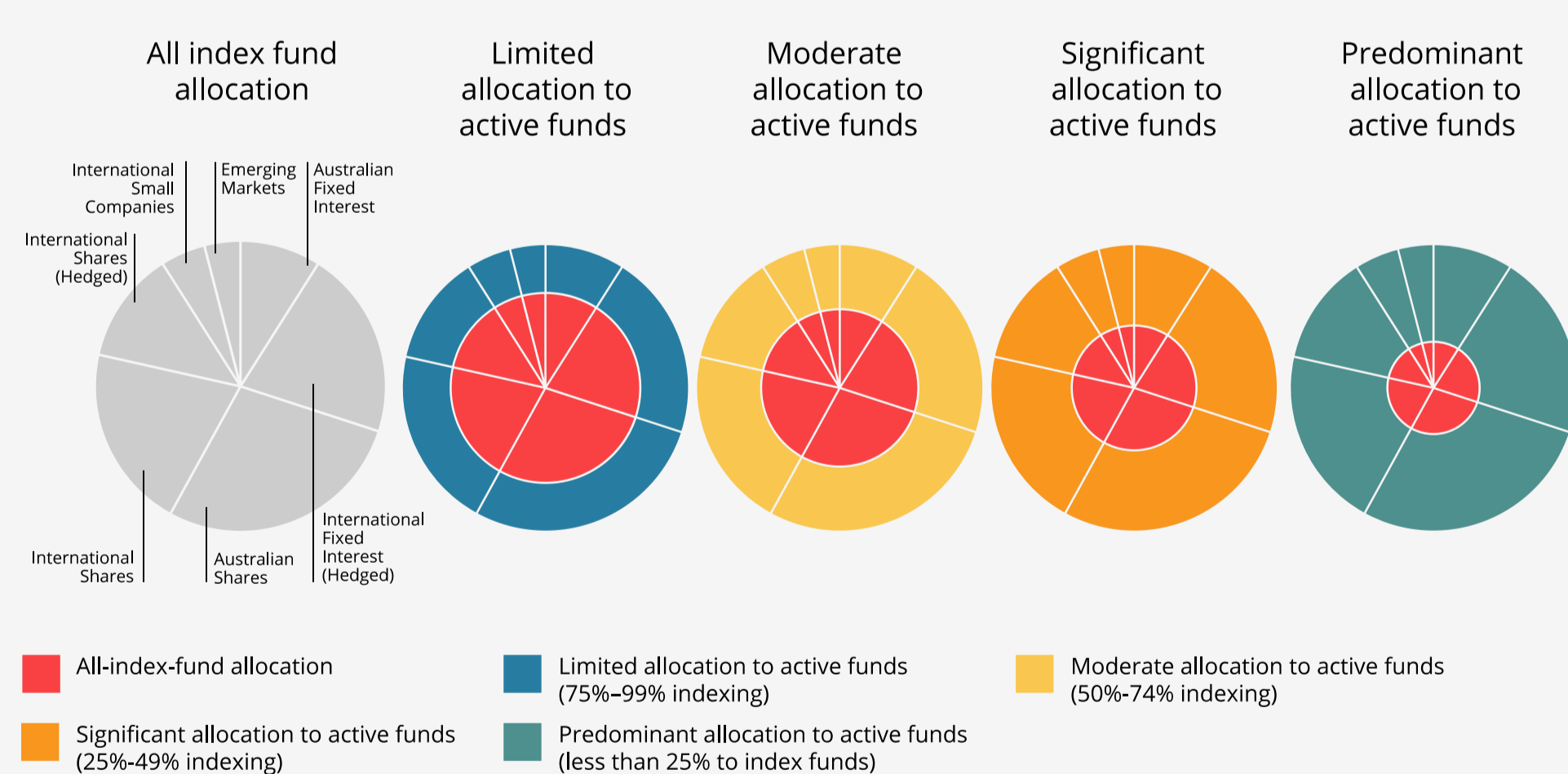
Asset allocation determines the most of the returns and the variability of the returns of a diversified investment portfolio.

We take a core-satellite approach to your investment portfolio. Our range of core-satellite solutions align to your investment goals and what's important to you.

We believe that every successful investment strategy begins with an asset allocation suitable for its objective.

It is important to manage investment risks such as market, inflation and shortfall risk. We incorporate this as part of our advice to help our clients achieve their financial goals.

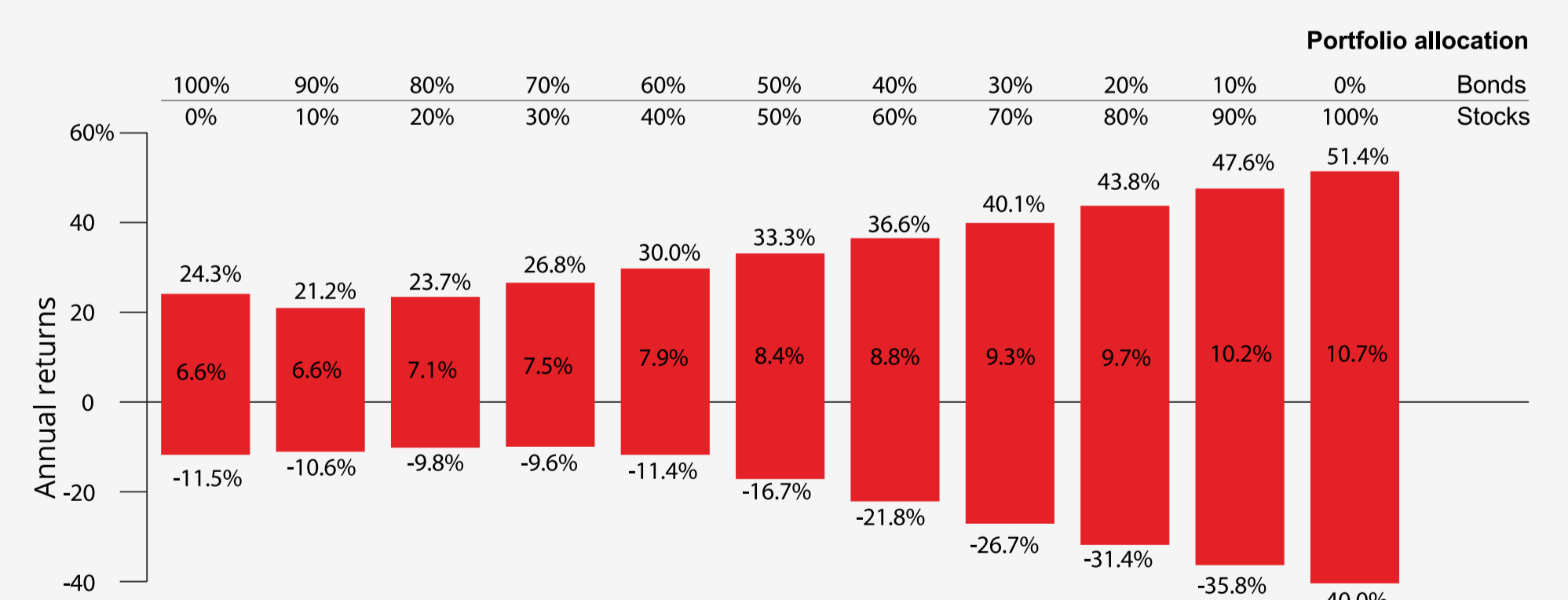
Range of core-satellite solutions



For illustration purposes only.

Asset allocation defines return and risk

"Research shows that about 90% of return variation is explained by asset allocation. It varies slightly from country to country. For example, 91.1% in the US, 89.3% in Australia"



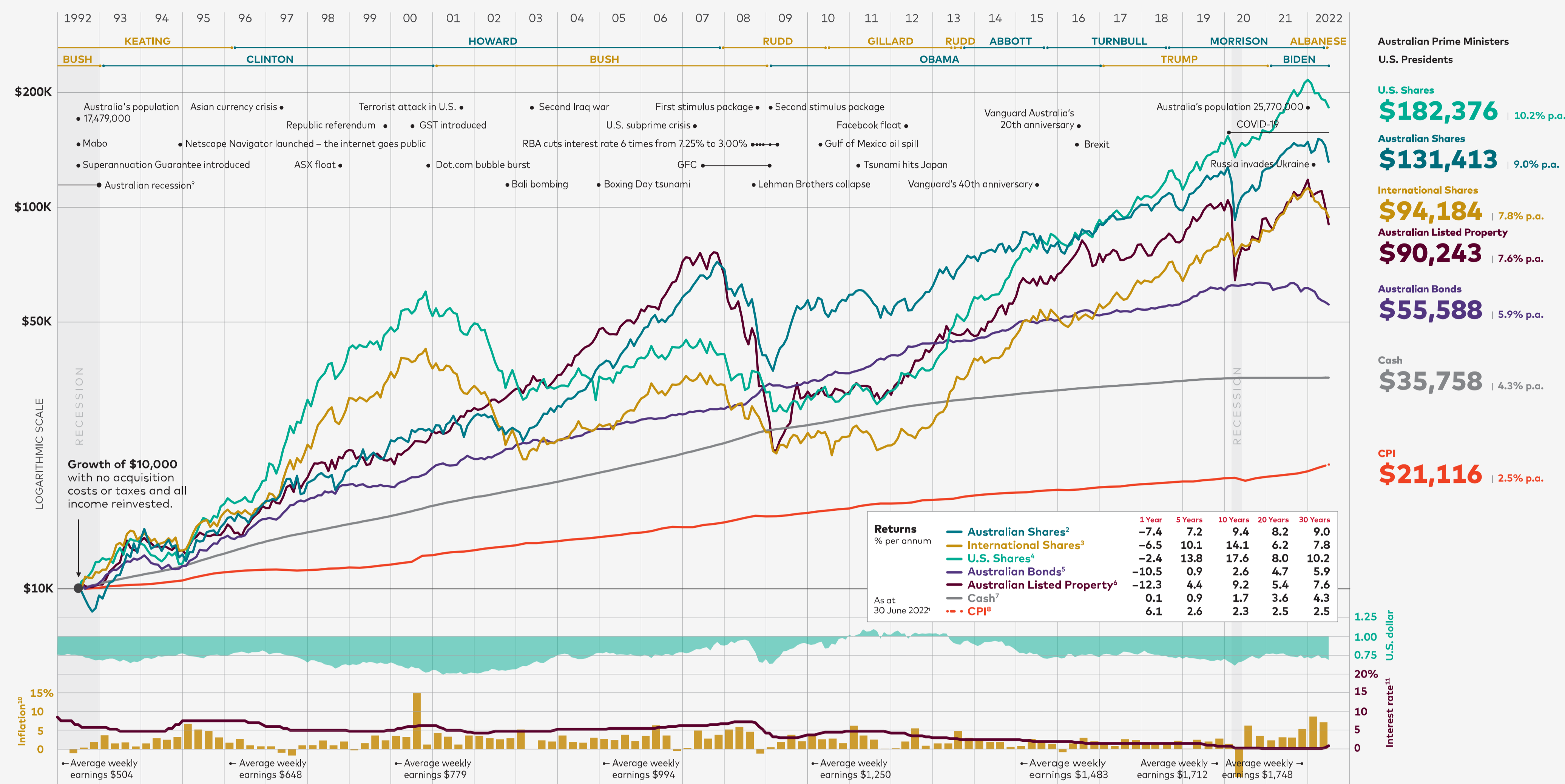
Note: Equities are represented by S&P/ASX 200 Total Return Index, and bonds are represented by the Bloomberg AusBond Composite 0+Y Total Return AUD Index. Data as at 31 August 2022 commencing May 1993. Source: Lonsec iRate



Investment timeframe and diversification

2022 Vanguard Index Chart

Market returns – 1 July 1992 to 30 June 2022



Sources: Australian Bureau of Statistics, Bloomberg Finance L.P., Melbourne Institute of Applied Economic & Social Research, MSCI Inc., Standard & Poor's, WM Reuters.
 Notes: 1. Per annum total returns to 30 June 2022. 2. S&P/ASX All Ordinaries Total Return Index. 3. MSCI World ex-Australia Net Total Return Index. 4. S&P 500 Total Return Index. 5. Bloomberg AusBond Composite 0+ Yr Index. 6. S&P/ASX 200 A-REIT Total Return Index. 7. Bloomberg AusBond Bank Bill Index. 8. ABS Consumer Price Index. 9. Recessions as defined by the Melbourne Institute of Applied Economic and Social Research. 10. Annualised Rate of Inflation. 11. Interest Rate is the Reserve Bank of Australia's Official Cash Rate. All figures are in Australian dollars. All marks are the exclusive property of their respective owners. Past performance information is given for illustrative purposes only and should not be relied upon as, and is not, an indication of future performance. This material was prepared in good faith and we accept no liability for any errors or omissions. Vanguard Investments Australia Ltd pays a subscription fee to Anex Charts Pty Ltd.

Diversification is a powerful strategy for managing risk.

Diversifying across asset classes reduces a portfolio's exposure to the risks common to an entire class.

Diversifying within an asset class reduces exposure to risks associated with a particular company, sector, or segment.

Consistently picking winners is difficult

Annual asset class returns (%) for the year ended December 2022

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Aus Property	32.8	32.3	26.8	14.4	13.2	27.5	4.5	26.8	10.6	30.2	1.3
Intl Property H	32.0	19.7	23.1	4.6	12.1	20.0	3.3	23.8	8.1	27.0	-1.8
Intl Equities: DM H	19.7	13.4	12.6	3.8	11.8	11.9	1.9	22.4	5.1	23.9	-9.7
Intl Equities: EM	18.7	10.1	10.4	3.3	10.3	6.4	1.6	19.6	4.5	17.5	-12.3
Aus Fixed Interest	17.1	7.3	9.8	2.8	6.5	9.5	-3.1	19.1	1.7	3.8	-13.9
Global Agg H	9.7	2.9	7.3	2.6	5.2	3.7	-3.5	7.3	0.4	0.0	-18.1
Aus Equities	7.7	2.3	5.3	2.3	2.9	3.7	-4.7	7.2	-4.0	-1.5	-20.1
Cash	4.0	2.0	2.7	-3.9	2.1	1.7	-7.6	1.5	-12.8	-2.9	-23.9

Asset Class Legend:
 Cash (Red), Aus Fixed Interest (Blue), Intl Equities: EM (Green), Aus Property (Purple)
 Aus Equities (Orange), Global Agg H (Cyan), Intl Equities: DM H (Pink), Intl Property H (Yellow)

Vanguard Investment Strategy Group analysis using index data from Bloomberg, FTSE, MSCI, S&P & UBS.
 Notes: Australian equities is the S&P/ASX 300 Index; Australian Property is the S&P/ASX 300 A-REIT Index; International Property Hedged = FTSE EPRA/NAREIT Dev x Au Hedged into \$A from 2013 and UBS Global Investors ex Australia AUD hedged Index prior to this; International Shares Hedged is the MSCI World ex-Australia Index Hedged into \$A; Emerging Markets Shares is the MSCI Emerging Markets Index; Australian Bonds is the Bloomberg Ausbond Composite Bond Index; Global Aggregate Bonds = Bloomberg Global Aggregate Index Hedged into \$A; Cash = Bloomberg AusBond Bank Bill Index.

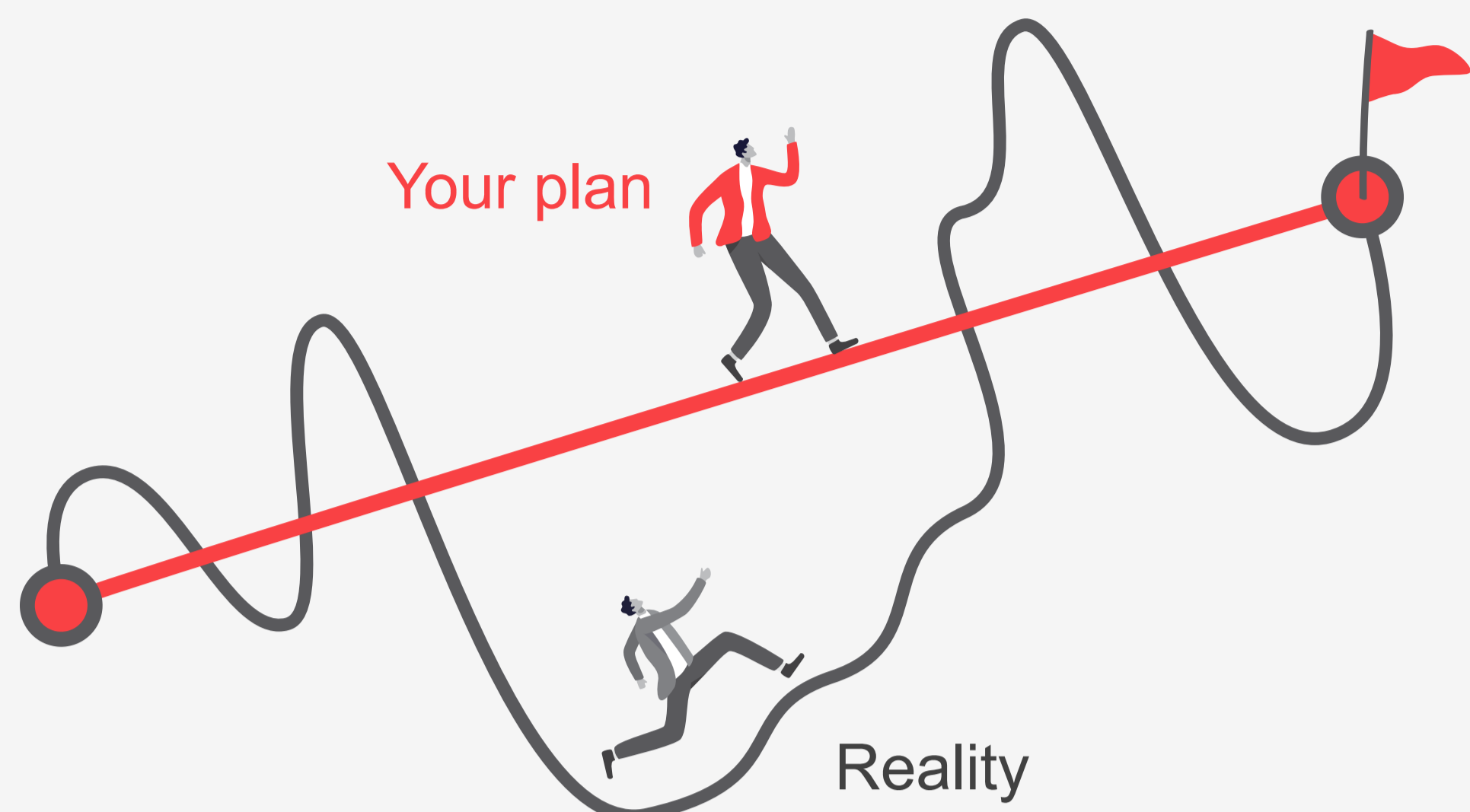


"The biggest risk of all is not taking one" *Melody Hobson*



Maintaining discipline

Stay the course



Market Cycles



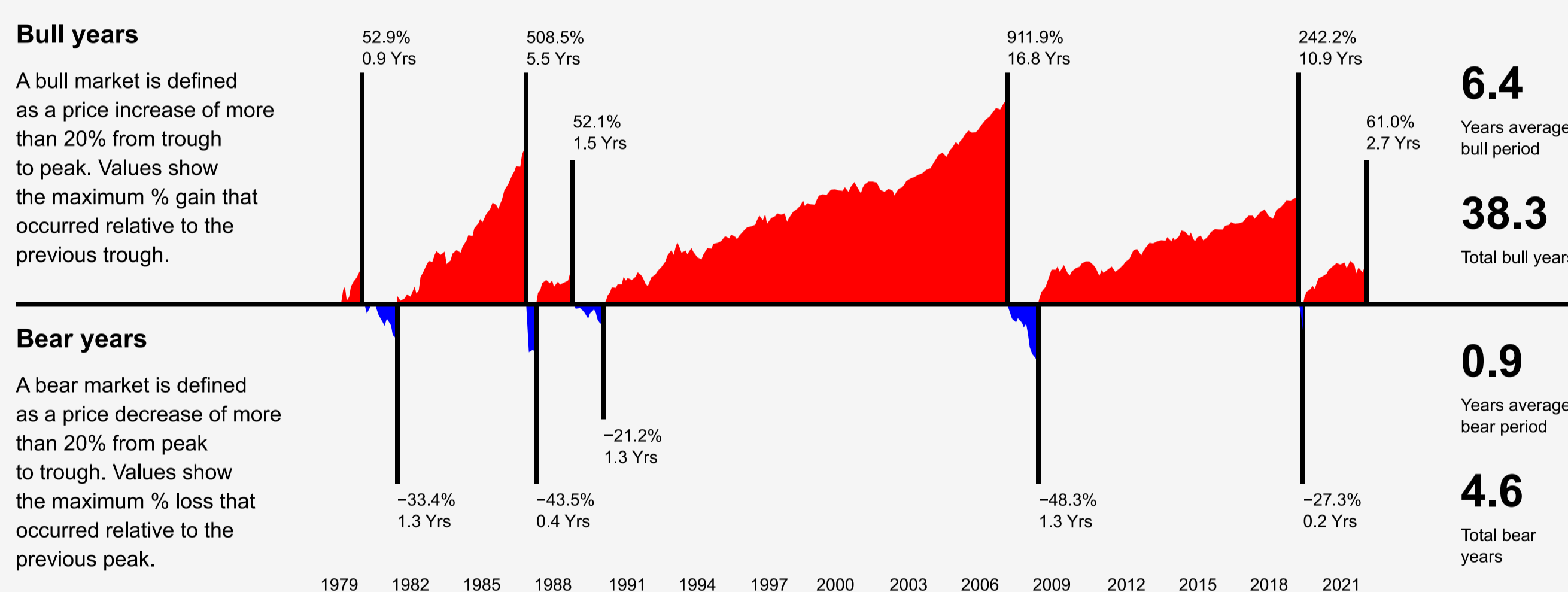
We believe in maintaining discipline with a long-term approach.

We help you to focus on your long term strategies and how staying the course will help you achieve your goals.

We educate our clients on the dangers of reacting to market downturns and making poor investment decisions when emotional. We believe in taking a long term strategic approach and create investment portfolios designed to withstand all market conditions.

Importance of staying invested

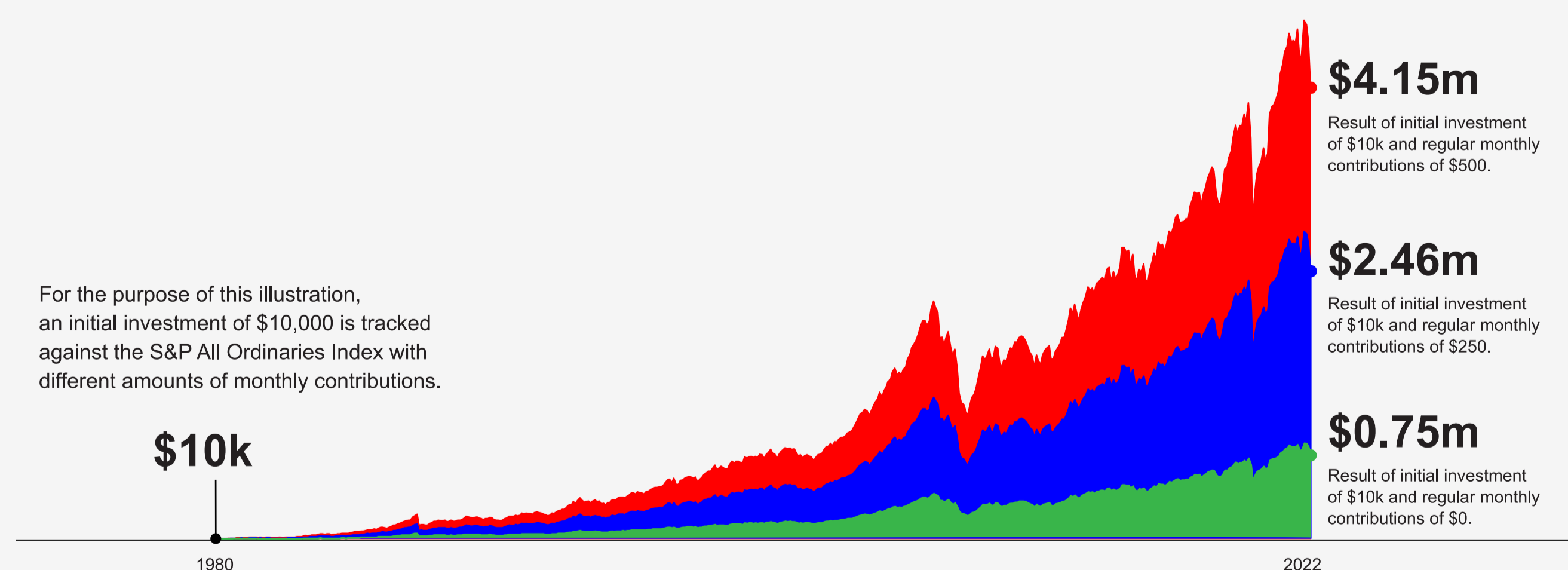
How bull and bear markets have impacted returns over the past 40+ years: long term perspective



Notes: 1. The latest bull run is still ongoing. The calculations represent the price increase and period up to 30 November 2022. Calculations are based on the S&P All Ordinaries Index for the period 1/1/1980 to 30/11/2022. The plotted areas depict the losses/gains ranging from the minimum following a 20% loss to the respective maximum following a 20% appreciation in the underlying index. Calculations based on monthly data. Logarithmic scales are used for this illustration. All distributions are reinvested. Values in the figures reflect rounding. Sources: Morningstar data and Vanguard.

The power of regular contributions

Illustrating the growth of investments with regular contributions over the past 40+ years



Notes: Calculations are based on the S&P All Ordinaries Index for the period 1/1/1980 to 30/6/2022. Calculations based on monthly data. All distributions are reinvested. Sources: Morningstar data and Vanguard.

Regular contributions and investment rebalancing can make a positive difference to your investment outcomes

We use cash inflows and outflows to make portfolio rebalancing more cost efficient.

We help our clients take advantage of the downturn by increasing their contributions.

Savings are among the few factors that investors can control. We believe our clients can substantially improve outcomes by saving more and or spending less.

Periodic rebalancing is necessary to keep your portfolio in line with the asset allocation designed for the objective.

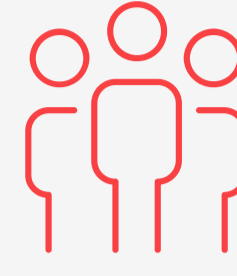


Manager selection

We believe it is important to understand manager's philosophy, culture, expertise and investment process.

We believe that an effective manager selection process is critical to attracting and retaining skilled managers to implement asset allocation and achieve investment objectives. For every manager we establish measures of success and time period for which the manager will be evaluated.

Manager selection considerations



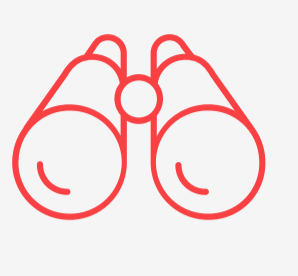
Talent

Carefully select managers with a proven process and demonstrable ability



Cost

Don't let high fees destroy fund performance



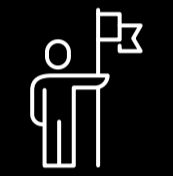
Patience

Accept that there will be periods of underperformance

We take into account transaction, investment management and performance fees to understand the cost of the recommended investment options for you.

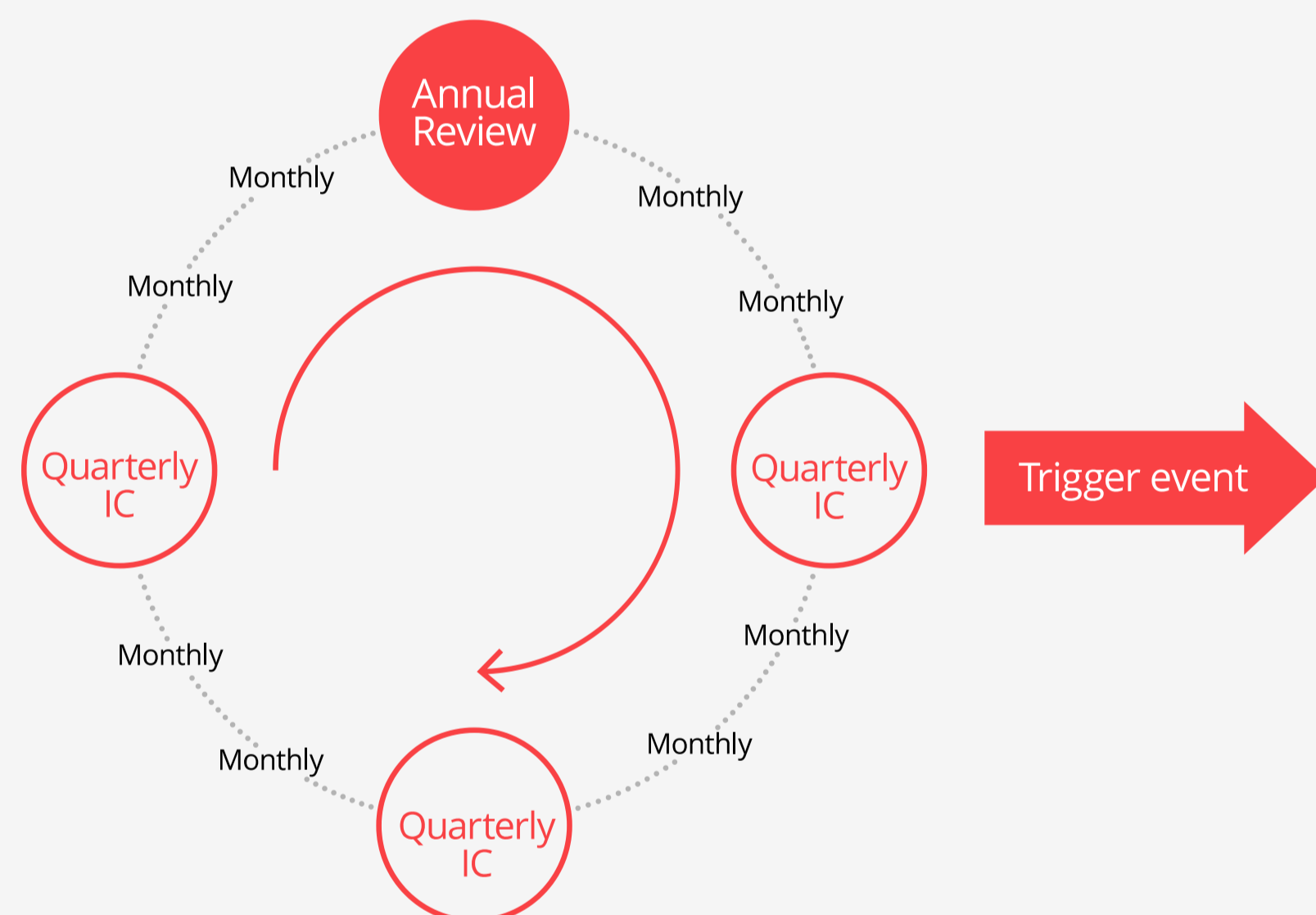
We believe that relying on past returns is an easy way to make poor investment decisions.

Effective asset management requires focus on the long term and alignment to your goals.



Governance

Investment review process



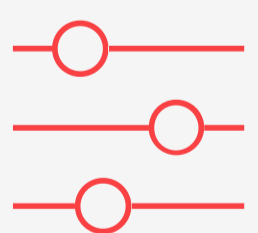
Stages

- 1 **Awareness of need**
A 'trigger' event creates awareness of a need to change
- 2 **Assessment of the need**
Defining the broad requirements to address the need
- 3 **Investigation of options**
Researching different ways of solving the need
- 4 **Due diligence on options**
Assessing accessibility of options
- 5 **Decision to act**
Review of business case for change and confirming intention to make a change
- 6 **Selection of solution**
Evaluation of final pitches and confirming the choice of a preferred solution/fund manager
- 7 **Implementation**
Preparing of resources to implement and engaging investors
- 8 **Portfolio review**
Reviewing performance and changes

We undertake regular reviews to stay informed about investment portfolios and managers' capabilities. We pay attention to changes in manager ownership, personnel, resources and culture.

We maintain regular communications to check if the portfolio is being managed in accordance with established guidelines and to discuss performance results.

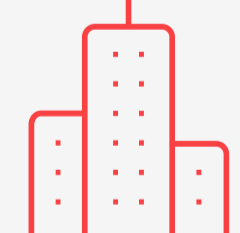
Manager oversight



Regularly assess your agreed drivers



Meet with a range of their team members



Include meetings at their premises



End the relationship when performance drivers no longer exist

Where an investment manager is removed from your portfolio, we will help you understand this and provide a suitable alternative.

We make a joint decision with professional research partners if investment managers are appointed or removed from portfolios. We will always advise you of this if and when this happens.

Providing guidance and direction for your financial future

About Lionel

I have spent over four years as a Financial Adviser offering advice to individual clients, as well as small and large business clients. Prior to Spark Advisors, I was a Financial Adviser with various financial organisations, including AGS Financial Group as Financial Planner.

I hold the following qualifications and professional affiliations:

- Bachelor of Financial Advising *Uni of Western Sydney*
- SMSF Adviser (Personal Advice) *Mentor Education*
- Margin Lending Adviser (Personal Advice) *Mentor Education*
- Diploma of Financial Services (Financial Planning) *Mentor Education*
- Listed Securities Accreditation *LPAC Online*
- SMSF Specialist Advisor member of the SMSF Association of Australia Limited



Accredited
SMSF Association
Specialist

“
THE
SECRET OF
GETTING AHEAD
IS GETTING
STARTED.”

ELBERT HUBBARD

We help you plan for the future and protect what's important to you so your life can prosper.

Call us to book your obligation free financial planning meeting.



Plan. Protect. Prosper.

Important information

1. Purpose Planning Pty Ltd is a Corporate Authorised Representative (No. 1293039). Lionel O'Mally is an Authorised Representative (No.1251765) of Axies Pty Ltd AFSL 339384 ABN 38 136 704 446.



Purpose Planning Wealth Advice
Phone: 02 9172 5665

Email: info@purposeplanning.com.au
Website: www.purposeplanning.com.au

