



# KFS INVESTMENT PHILOSOPHY



- / Chartered Accountants
- / Business & Tax Consultants
- / Financial Planners

*A history of shaping financial success*

P 07 4924 9100 / E [kennas@kennas.com](mailto:kennas@kennas.com) / [www.kennas.com](http://www.kennas.com)

5th Floor Capricornia Electricity Centre Cnr Fitzroy & Alma Streets / PO Box 201 / Rockhampton Qld 4700



*The range of options available to investors is constantly evolving, and it is fair to say that there is a wide variety of approaches used by financial service providers. At Kennas, we have a clear investment philosophy that outlines our principles and beliefs and how that guides our investment decision making*

*We have provided the following information to assist you in determining if our investments philosophy suits your needs.*

## **ACHIEVING YOUR GOALS**

We believe that:

- Helping you to achieve your goals is the most important aspect of your financial planning.
- Investment portfolios should be constructed to meet your specific needs.
- In order to get the best result your wealth should be managed not in isolation but tailored in a holistic way to produce the highest probability of you achieving what's important to you.

## **WE ARE INTERMEDIARIES**

We believe it is important for us to be a key link between you and the investment universe. We can offer you a wide range of investment solutions from various different providers.

## **TIMEFRAME**

We invest according to timeframes that assists you in achieving your goals. As we cannot predict short-term market movements and we are unable to tell you when it is time to "get out of the market", we only invest in long-term funds for you when we are completely satisfied that short term risk is not an issue.

## **INVESTORS VERSUS SPECULATORS**

We are investors, not speculators. Our belief is that we are here to help build your wealth over time, using savings and discipline.

Speculation on hot tips involves luck rather than skill. As we cannot control investment markets, our focus is on what we can control and influence - your goals, fees and tax strategies.

## **DIVERSIFICATION**

We believe that investment diversification is extremely important, and that there is value in utilising the expertise of some active managers who have a good track record of investment performance. We also believe in the value of low cost index investing, which can provide you with a well-diversified core to your portfolio.

## **PROACTIVE INVESTMENT MANAGEMENT**

We bring investment expertise to the relationship but not in the way most clients expect. We will rebalance and ensure appropriate diversification. We will respect your risk tolerance in order to achieve your goals and proactively advise you on suitable investments and tax strategies.

## **THE VALUE OF ADVICE**

Vanguard, one of the world's premier investment managers, has as part of its core philosophy the value and benefits of focusing on the things you can control. As you cannot control investment markets, you need to focus on what you can control.

This includes:

- Your goals
- Your investment behaviours
- Fees
- Taxes
- Structures
- Strategies



## VALUE TO CLIENT 100%

### ADVICE 80%

STRATEGY PLANNING	SOCIAL SECURITY
BUDGETING	BEHAVIOURAL COACH
CASHFLOW PLANNING	TAX PLANNING
WEALTH ACCUMULATION	TAX STRUCTURES
ESTATE PLANNING	RISK PROFILING
RETIREMENT PLANNING	RISK PROTECTION

### INVESTMENTS 20%

**90%**  
ASSET ALLOWCATION

**10%**  
MARKET TIMING &  
SECURITIES SELECTION

The total potential value added by working with a financial planner who can guide you through the 6 main areas outlined above equates to about 3% (per Vanguard and Russell Investments research), which in most instances is greater than the fees charged for advisory services.

A study by the Institute of Actuaries examined the key driver of value to a financial planning client over the average term of a relationship. The number one driver of value to clients was the advice received, representing 80%. The actual investments only contributed 20% of the value with, asset allocation the most important aspect of investments returns.

### LOW COST IS A CRITICAL SUCCESS FACTOR

Costs are a pervasive feature of the investment management industry and can take the form of management expenses or other related fees applied to your capital. Cost is a drag on net performance. In contrast to the uncertainty about future returns on securities and asset classes, minimising costs is a certain way for managers to influence investment performance in a positive manner. Using our investment portfolio solution can provide lower costs than most superannuation funds, including industry superannuation funds.

## FOR MORE INFORMATION CONTACT



**Brent Giles**  
*Partner / Director*  
*Certified Financial Planner*  
07 4924 9100  
brentgiles@kennas.com



**Thomas Cleary**  
*Representative*  
*Financial Planner*  
07 4924 9100  
tomcleary@kennas.com



**Caitlin Gunnis**  
*Representative*  
*Financial Planner*  
07 4924 9100  
caitlinstewart@kennas.com