



# THE SUPERVISED FUND

The Supervised Fund  
Investment Report  
December 2011

## Key Facts

## APIR SIA0002AU

Fund Commencement	1 <sup>st</sup> December 2007
Legal Structure	Wholesale Managed Investment Trust
Investment horizon	Recommended 3 – 5 years plus.
Benchmark	RBA Cash Rate + 1.00%
Base currency	Australian Dollar
Distribution Policy	Annual; interest and capital gain receipts
Dealing Day for Fund Redemptions	Last Business Day of Every Month
Entry Fee	Nil
Exit Fee	Nil
Management Fee	1.25%pa
Performance Fee	20% (plus GST) of any return above the Benchmark subject to an annual high water mark
Minimum Investment	AUD 100,000.00
Additional Investment	AUD 100,000.00

## Fund Objective

The objective of The Supervised Fund (TSF) is to deliver competitive returns from global equities whilst avoiding the risk of losing capital.

## Investment Management

The investment manager of TSF is Mr. David Constable AM. Mr. Constable was a member of the ASX from 1961 until 1998 and during that time was Chief Executive and Senior Partner of two different stockbroking firms. He has considerable experience in the Financial Planning industry as Chairman of Directors of a large Australian firm and a Director of Towry Law PLC. Mr. Constable founded Supervised Investments Limited in 1999 while he was a resident of the UK living in London.

## Investment Policy

The management process is founded on the philosophy of “conservative opportunism”. Through its proprietary investment management software, the *Supervised System*, TSF harnesses global data gathering capabilities to identify investment opportunities independent of geography or sector. Opportunities are screened through criteria and following further research, investments may be made.

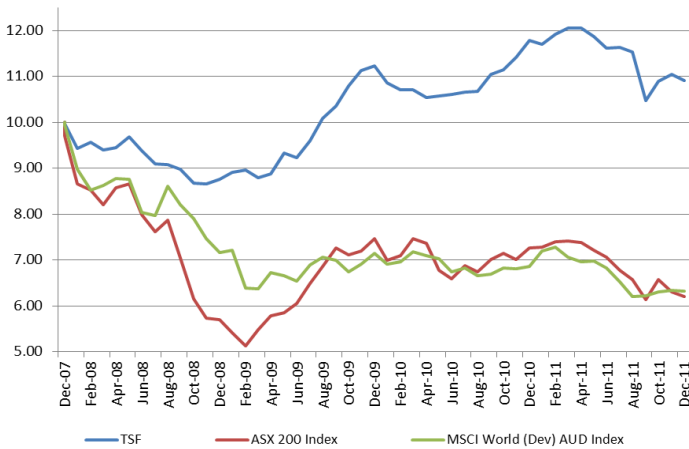
The portfolio is typically comprised of long positions in a range of global equities, investments in managed funds, currencies and occasionally commodities.

## Performance at 31 December 2011

NAV: AUD 9.6176 per unit	3 months	6 months	1 year	2 years	3 years	Inception
TSF (After Perf. Fees) %	4.09	-6.10	-7.48	-2.90	24.56	9.05
MSCI World (AUD) %	1.57	-7.22	-7.83	-11.39	-11.69	-36.76
ASX 200 %	1.20	-11.97	-14.51	-16.71	8.98	-37.91
Benchmark %	1.40	2.88	5.84	11.64	16.41	26.26
Excess Return on MSCI World (AUD) %	2.52	1.12	0.35	8.49	36.25	45.82
Excess Return on ASX 200 %	2.89	5.86	7.03	13.81	15.58	46.96
Excess Return on Benchmark %	2.69	-8.98	-13.32	-14.55	8.15	-17.21

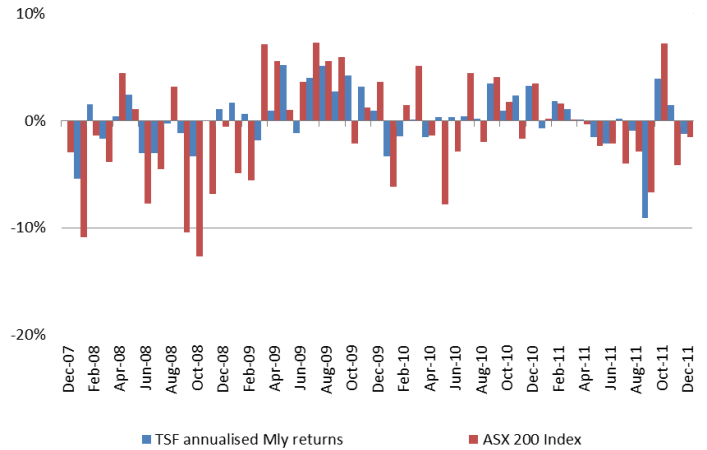
Financial Year	2011-2012 YTD	2010-2011	2009-2010	2008-2009	2H 2007-2008
TSF (After Perf. Fees) %	-6.10	9.43	15.10	-1.73	-5.81
MSCI World (AUD) %	-7.22	1.06	3.01	-18.52	-19.15
ASX 200 %	-11.97	7.13	8.76	-24.17	-17.74
Benchmark %	2.88	5.81	4.77	5.60	4.16

## The Supervised Fund Since Inception



This chart illustrates the value of \$10.00 invested in TSF since its inception date in November 2007, compared with the value of \$10.00 invested in the ASX 200 and the MSCI World Dev (AUD).

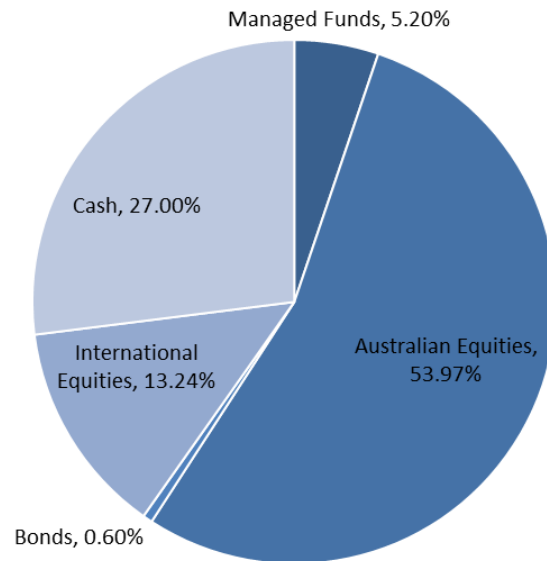
## Monthly Returns vs ASX 200



This chart illustrates the monthly performance of TSF since its inception date in November 2007, compared with the monthly performance of the ASX 200.

Past performance is no guarantee of future performance and no guarantee of future performance is implied

## Portfolio Analysis



## Top Holdings

Company	Main Business	Country	Net Assets
RuralAus Investments Limited	Lumber, Wood Production	Australia	7.25%
Domino's Pizza Enterprises Limited	Restaurants	Australia	6.89%
NIB Holdings Limited	Accident and Health Insurance	Australia	5.18%
Ainsworth Gaming Limited	Interactive Entertainment	Australia	5.08%
Sirtex Mededical Limited	Biotechnology	Australia	4.65%
Macquarie Atlas Roads	Toll Roads	Australia	3.64%
HGL Limited	Conglomerates	Australia	3.40%
Pancurri Investments Limited	Managed Investments	Bermuda	3.34%
Hunter Hall Limited	Ethical Investments	Australia	2.65%
Yellow Brick Road Holdings Limited	Financial Services	Australia	2.28%
Mintails Limited	Minerals	Australia	2.01%
Gage Roads Brewing Co Limited	Beer Brewer	Australia	1.87%
<b>Total Investments</b>			<b>100.00%</b>
<b>Number of Posotions Held</b>			<b>47</b>
<b>Net Assets (AUD)</b>			<b>\$ 14,467,041</b>



## **THE SUPERVISED FUND**

### **How to Apply**

Applications can be made by completing the Subscription Form contained in the Information Memorandum and posting or faxing it to the Fund's Administrator TMF FundServices (Australia) Pty Ltd. Units will be issued on the first day of each month. The Information Memorandum can be downloaded from the website [www.supervisedfund.com.au](http://www.supervisedfund.com.au). Please contact any of the Directors for further information.

The minimum initial investment is AUD100,000 if the investor meets the definition of a Wholesale Client; refer to the Information Memorandum for details.

#### **Trustee**

Supervised Investments Australia Ltd.  
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Surry Hills NSW 2010  
T: +61 (2) 9318 0400  
[www.supervisedinvestments.com.au](http://www.supervisedinvestments.com.au)  
ABN: 45 125 580 305  
AFSL: 317 155

#### **Directors**

Mr David Constable AM (Chairman)  
Mr Ken Cooper  
Dr John Harvey AO

#### **Support**

##### **Auditor**

Ernst & Young  
680 George Street  
Sydney NSW 2000  
+61 (2) 9248 5555  
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##### **Fund Administrator**

TMF FundServices Pty Ltd.  
GPO Box A2224  
South Sydney NSW 1235  
+61 (2) 9232 2746  
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##### **Custodian**

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##### **Legal Advisor**

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