

Virtue in long-term balance

YOUR INVESTMENTS AUSSIES SHARE THEIR FINANCIAL STORIES

SEAN Heylen, the managing director of business software company Deadline, says his present investment goal is saving for his children's education.

What was your first investment and how did it go?

It was my house in Kent Town. I was fortunate to be able to pay my deposit with a small inheritance and some savings, which got me off to a good start.

What is your favourite type of investment and why?

Property, because it's relatively safe and reliable. While it may not be the highest-returning compared to some other investment types, it is an investment you can physically see, touch and enjoy.

What is the best investment advice you have received and who was it from?

My grandmother always told me to "put a little away often". Simple, but this advice has served me well.

How do you approach investment risk?

I'm very balanced in my approach to risk. I like to spread my portfolio across the family home, commercial property, managed fund – all of which are relatively low risk in the long term. By doing this I can invest in higher-risk business ventures for Deadline.

What has been your best-performing investment?

Besides my business venture, which has been a very good performer, the house at Kent Town performed brilliantly. It more than doubled in value over seven years.

And the worst?

Shares bought during dot com boom (Sausage Software and ecorp) which both tanked. It was fun though.

Where do you get your information about investing?

I like to read various periodicals as well as talking to people in business situations and listening to presentations at business networking events. My advisers, including my accountant, are invaluable.

How would you invest \$25,000 if you were given it tomorrow?

I would pay it off my mortgage. If I didn't have a mortgage, I would put most into a managed fund and spend a little on a bit of luxury such as a holiday or new set of golf clubs.

How do you feel about managed funds?

In the past 18 to 24 months they've underperformed due to the GFC, but in medium to long term they are a good option so long as you stick with the strategy of contributing regularly and take a long-term view.

How do you feel about investing overseas?

Part of our managed funds are in international shares, so from that perspective I feel

comfortable with it. However, aside from that involvement, unless it was a direct business opportunity I don't have enough knowledge about them.

How well do you treat your credit card?

As a purchasing tool which is always paid off so that I never get stuck paying unnecessary interest. I also use it to offset my mortgage.

How do you feel about life and disability insurance?

It is essential for business owners. Our bank requires both my wife and I to have it.

Do you have a personal finance budget and do you stick to it?

Yes, I do have a personal budget and I try hard to stick to it. A budget is essential to create financial freedom and to enjoying spending your money.

What's the most extravagant purchase you have made?

My Audi A5. It's fully optioned right down to the custom number plates.

