



TRUST, LOYALTY: THE ETHICAL HEARTBEAT OF WEALTH MANAGEMENT

FMG JOINS THE PCH FAMILY

THE NEW SARS DISPUTE RULES

THE ART OF ESTATE PLANNING: A FAMILY OFFICE APPROACH TO WEALTH MANAGEMENT IN PRESERVING FAMILY LEGACIES



Mark MacSymon
mark.macsymon@privateclient.co.za

Trust, Loyalty: The Ethical Heartbeat of Wealth Management

“ In wealth management, trust stands tall as the bedrock of client engagement. It’s the glue that binds clients to the professionals and organisations they count on. ”

A notable statistic from the 2021 Intellidex Wealth Management survey confirmed this – a staggering 70% of new clients traced their origins back to referrals from satisfied clients.

The trust isn’t just skin-deep; it’s deeply ingrained in our societal fabric. But how do we go about cultivating trust and loyalty in the wealth management industry? The answer lies in a marriage of ethical conduct and client-centred service.

Crafting a compelling value proposition:

Painting a clear picture of the value you bring to the table is easier said than done. Clients are looking for more than just services; they want a partnership that yields long-term benefits exceeding the fees they pay. After all, it’s not about what you pay but what you get. This is where the Service Level Agreement (SLA) comes into play. It sets the stage, covering everything from the frequency of review meetings to the digital channels enhancing the client experience.

The SLA is your compass, providing a clear path towards lifestyle and investment goals while keeping a keen eye on the costs involved. And when “good” and “excellent” are spelt out and understood, success becomes easier to gauge.

They say trust is often formed within the first 10 minutes of an engagement. Wealth managers often have a slim window to demonstrate their value. In a world awash with information gaps and conflicting interests, advisers must wear the armour of impartiality. This means embarking on a journey of analyses even before advice takes centre stage.

Another trust-building strategy involves presenting various investment alternatives, allowing clients to make decisions based on relative value. Should they opt for a predominantly passive investment approach with a lean total investment charge, or embrace a more actively managed solution with potentially higher volatility but an impressive risk-return profile over full market cycles? Providing clients with the contrasting ideas fosters perspective and emboldens their decision-making, a surefire path to trust.

A family office approach to wealth management:

Including the clients’ extended family in wealth management meetings is a cornerstone in the edifice of trust and loyalty within Private Client Holdings wealth management. They are the nexus where financial strategies converge with familial values, aspirations and intergenerational wealth transfer. The meetings transcend the ordinary realms of finance; they venture into the realm of impact investing and ethical considerations.

Aligning capital with preferences:

Within the gatherings, wealth managers orchestrate discussions to delve into the financial preferences, goals and values of clients and their families. The process is vital in customising investment strategies that resonate with the collective vision.

Embracing impact investing:

The spotlight on impact investing is growing as clients increasingly seek to leave a positive imprint on the world through their investments. Client meetings provide the perfect stage to explore and deliberate on opportunities in this sphere.

From investing in renewable energy to championing socially responsible initiatives, the meetings inspire the extended client family members to align their intergenerational wealth with the causes they hold dear.

Values-driven decision making:

Wealth is not a mere assortment of numbers; it’s the embodiment of what the numbers signify. Client wealth meetings that include intergenerational family members foster decision-making rooted in values. They empower the client and the family to articulate their core principles, such as sustainability, social responsibility and ethical business practices. The values, in turn, serve as guiding lights for investment choices, ensuring that wealth aligns with principles transcending generations and nurturing intergenerational wealth. In wealth management, trust and loyalty are priceless commodities that wealth managers must diligently nurture.

Trust stretches beyond the boundaries of providing financial know-how; it mandates ethical conduct, a client-centric approach and an unwavering commitment to lasting relationships.

Mark MacSymon is a wealth manager at Private Client Holdings and winner of the FPI FINANCIAL PLANNER OF THE YEAR™ title in 2017.



The Director's Desk



Another busy and exciting year at Private Client Holdings is coming to a close. We held a fun PCH Spring Golf Day this year at the beautiful Atlantic Beach Links Golf Course. This annual event is aimed at nurturing relationships and celebrating our independence. Thank you to everyone who joined us.

We successfully launched the Private Client Asset Management standalone website and brochure, which concisely encapsulates both our segregated and collective investment scheme (CIS) offerings. (see www.pcam.co.za) The PCAM team works tirelessly to ensure complex processes are managed and carried out seamlessly. Those of you who have invested in our funds understand what the management of share portfolios and CIS portfolios provides, including access to Best of Breed managers; no Capital Gains Tax on trades; reduced stockbroking fees; access to a wide range of global titans (like Alphabet, Microsoft, etc.) and unconstrained access to the full suite of asset classes, all on a tax-efficient basis.

To learn more about these funds, please contact one of our PCH wealth managers.

Wealth management is not a plug-and-play science. Our PCH Family Office approach to wealth management is carefully crafted by our wealth managers who select the best products and investments available to ensure that their clients' personal wealth goals are met and maximised. Performance is important, however, ensuring that our clients' wealth aspirations and dreams are met is fundamental.

To this end, we are pleased to have grown our dedicated wealth management team to ensure that our client focus is always sufficiently resourced. We trust that you have seen the tangible benefits of our Family Office approach to wealth management and thank you for entrusting your wealth goals to us.

We wish you and your families a safe and happy festive season.

Grant Alexander

HAVE YOU HEARD?

Empowerment through Education

Our three matric students' final exams are underway, and we wish them everything of the best for the final leg of their school career. All ETE students are thriving and making the most of their journey at Silvermine Academy both in the classroom and on the sports field.

PCH supports Mandela Day

The PCH social committee hosted a sandwich-making event where 260 sandwiches were made for the Cape Town Multi Service Centre. Tasneem Solomons, Kirsten Francis and Megan Dodds delivered the sandwiches and helped other volunteers to make soup. PCH's contribution was facilitated by Street Smart, an NPO that raises funds for pre-approved organisations that help vulnerable and homeless children.



Celebrating Women's Month

On 3 August, PCH wealth manager, Nicola Langridge, hosted a wonderful ladies evening where Sarah-Jane Alexander, Portfolio Manager at Coronation Fund Managers, shared her perspective on the present global economic landscape and lessons learned in her successful career. This was followed by outstanding wine tastings with 3 of South Africa's finest female winemakers, Alexandra McFarlane, Trizanne Barnard and Catherine Marshall.



PCH planting competition

On Spring Day, the PCH social committee introduced our annual planting challenge with a World Cup Rugby theme. Each PCH department had to work together to nurture their seedlings into flourishing Cape Gooseberries, while also decorating their pots in their assigned rugby team's country colours. While the PCH (All Blacks) Administration team triumphed in the pot decorating competition, we are delighted that the Springboks emerged victorious in the actual World Cup.



Westlake Ladies Open Golf Day

PCH was a proud supporter of this event whose theme this year was "a clash of colours". PCH wealth manager, Nicola Langridge, attended the prizegiving on behalf of PCH.



PCH Women's Day donation

The PCH team also donated sanitary towels to SA KinderHuis and Prince George Primary School to support the continuous education of young girls, ensuring they can attend school throughout the month.

Follow PCH on LinkedIn

We believe in connecting with our audience, sharing valuable insights and nurturing meaningful relationships. Our LinkedIn page shares the latest press, industry insights and exciting updates about our services and Family Office approach to wealth management.





FMG joins the PCH family

FMG Chartered Accountants, a well-established, Cape Town-based accounting firm, has joined forces in a merger agreement with Private Client Financial (PCF), the financial services pillar of the PCH Group.

“Our decision to merge with PCF was driven by our shared vision to provide exceptional services to our clients while expanding our tax, accounting and auditing services. We believe that together with PCF, we can create a more significant company and continue to provide clients with the quality services they have come to expect, but now under the PCF banner,” said William Bierman, FMG/PCF Director.

“Our values and culture are a big part of what drives and defines us at PCH, so it was encouraging to see that our culture and values are very closely aligned with those of FMG. We’re very excited by the synergies and opportunities that lie ahead and are delighted to welcome the FMG team to the PCH Group,” says PCH director, Andrew Ratcliffe.

PCF PARTNERS



(Left to right)

Guy Lanfear, Daniel Marais, Stephen Chapman, Jeremy Burman, Richard Hiscock, Greg Bunyard, Andrew Kirkman, William Bierman.

THE NEW SARS DISPUTE RULES

South African taxpayers can dispute tax assessments, interest, late payment penalties, and administrative penalties for various taxes by submitting requests, such as Request for Reason, Request for Late Submission, Request for Remission, Notice of Objection, Notice of Appeal and Suspension of Payment.

“The recent changes to SARS’ dispute procedures will hopefully enhance the efficiency and effectiveness of tax dispute resolutions,” says Jeremy Burman, a director of Private Client Financial.

The key changes for taxpayers:

- You have 80 business days to file a Notice of Objection (NOO) against a SARS assessment or decision.
- You must submit all substantiating documents within 80 days and request reasons for an assessment before objecting.
- 30-day extensions and, in exceptional cases, up to three years can be requested.
- Taxpayers and SARS can agree on shorter periods for dispute resolution, not just extensions as per the old rules.
- You can appeal the outcome of an objection on new grounds not raised in the NOO, if it doesn’t pertain to a previously unchallenged part of the assessment.
- Alternative Dispute Resolution (ADR) changes require facilitators to have appropriate tax experience and to be acceptable to both parties.

A senior SARS official must appoint the facilitator within 15 days of the ADR commencement. Interim ADR reports must be delivered within five days after the meeting, and final reports within 10 days following the end of ADR proceedings.

- SARS must issue assessments within 45 days of a settlement being reached in a dispute and/or after receipt of the Tax Court’s decision from the Registrar.
- SARS must provide a statement explaining why they made an assessment and why they oppose an appeal to the tax court. SARS can also add new grounds for disallowing objections or appeals unless it changes the assessment basis significantly or requires a new assessment.
- Subpoenas can now be issued by the Tax Board clerk or Tax Court registrar, with parties having the right to challenge these if they find them irrelevant or unreasonable.
- An email address is included as an ‘address for delivery’.

“The importance of involving a qualified tax advisor early in the process cannot be overstated, especially where penalties and interest have already been imposed, and particularly if the objection is submitted after the prescribed due date,” says Burman.

For any tax-related queries, please reach out to the Tax team. They look forward to answering your questions at tax@privateclient.co.za or call 021 671 1220.



PCH Spring Golf Challenge Showcasing our Independence - Nurturing Wealth



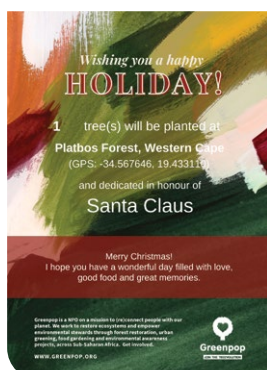
Image credit: Atlantic Beach Links



On 6 October, Private Client Holdings hosted its second annual Spring Golf Challenge, this year at the beautiful Atlantic Beach Golf Course. While it was an incredibly windy day, this did not prevent our full field of 120 golfers from enjoying a great day out! The event was filled with camaraderie, competitive spirit and fun. The event was ably coordinated by Mark MacSymon, Cathy Alexander, Andrew Cillie, Sian Murray and Zhanique Jacobs who exemplified teamwork to create a memorable experience. A big thank you to all the players and our wonderful sponsors who ensured a great vibe and a very successful day.

Congratulations to the winning fourball (pictured above) from Capital International Group: Gareth Brown, Ashley Behrmann, David Noon and Paul Attrill and to all the prize winners who demonstrated impressive skills on the course under very challenging conditions. At Private Client Holdings we like to celebrate the wonderful relationships we have carefully nurtured over the past 33 years and our annual golf day gives us the perfect opportunity to do just that.

The proceeds of our Golf Day went to Greenpop and the valuable work they do planting trees, greening communities and empowering environmental stewards across Sub-Saharan Africa. Our total tree donation for the day was 155!



We will also be donating trees on behalf of our clients to Greenpop instead of sending out seasons greeting cards. While you prepare for the festive season, consider a green alternative for your annual gifts and add to the PCH forest. When you fund the planting of a tree (R150/\$8) you'll receive a personalised digital tree certificate to send as a gift. A gift with impact and purpose!



Andrew Ratcliffe joins investor trip to China



Andrew Ratcliffe
andrew@privateclient.co.za



Andrew Ratcliffe recently joined Prescient, a diversified global financial services company headquartered in Cape Town, on a visit to China. Prescient opened their Shanghai Representative Office in 2009 and has more than 10 years of public investment track record via their UCITS (undertakings for the collective investment in transferable securities) products.

During the week-long trip, the group visited Shanghai's Stock Exchange and Sensetime, a pioneer in the Chinese AI industry. In Beijing, they visited Ninebot, a maker of service robots and Xiaomi, one of the largest tech companies in China. Chengdu included a visit to Geely, one of the largest manufacturing groups in China and their Zeekr production line making high-end electric cars. The last stop was to Swellfun, a well-known, high-end white wine brand in China.

The jam-packed itinerary also included visits to some of China's iconic attractions, including TianAnMen Square, the Great Wall at Mutianyu and a cruise along the Huangpu River in Shanghai stopping at the Bund, one of the city's standout landmarks.

"The trip was a great opportunity to learn more about China and these impressive companies and the growth and impact they are having in their respective markets. My huge thanks to Prescient for facilitating this incredible learning experience," said Ratcliffe.



The art of estate planning: A Family Office approach to wealth management in preserving family legacies



“Estate planning is more than just setting up a trust and drafting a Will, it’s listening to what a client wants to happen when they die and structuring their finances and Will accordingly.

This includes structuring their estate so they achieve their goals while bearing in mind their liquidity needs and tax efficiencies,” says Luke Hirst, a wealth manager at Private Client Holdings.

Governance is critical

“We incorporate principles of fairness, responsibility and transparency to ensure that the advisor who works within the structure and with future generations can ensure the long-term wellbeing and responsible stewardship of family wealth,” says Sarah Love, a fiduciary practitioner at Private Client Trust.

Purpose-driven structuring

“When estate planning for families, we need to fully understand current structures as well as the geography of individuals, entities and investments. We look at a client’s long-term intentions and goals, the nature of their businesses and investments, where these are run, where they live and how they fund their lifestyle,” she says.

“Various local and offshore trusts and corporate structures are considered and implemented as administratively and tax efficiently as possible. While not everyone needs a trust, those that do can’t afford not to have one,” says Love.

Managing expectations with the next generation

The timing of when to introduce the next generation to the family’s generational wealth plan is unique to each family.

“In some cases, there are opportunities within a family business, some families want the next generation to work elsewhere before joining the family business, while others believe the next generation must take care of and/or work on a family property to understand the responsibility of the family’s stewardship role,” says Hirst.

The art of estate planning

When multi-generational wealth is involved and where family members are in different geographies, Love advises getting input from a fiduciary specialist. “When a wealth creator dies, we provide support and guidance to ensure the family’s wealth grows and is seamlessly transferred to the next generation,” concludes Love.

Contact Sarah Love or Luke Hirst for more information about creating an estate plan.



Sarah Love
sarah@privateclient.co.za



Luke Hirst
luke@privateclient.co.za

WHO TO TALK TO

Our Private Client Holdings experts are available to field your questions. Don’t hesitate to contact us for wealth management advice.

Asset Management

Grant Alexander
grant@privateclient.co.za

Wealth Management

Andrew Ratcliffe
andrew@privateclient.co.za

Financial Services

Jeremy Burman
jeremy@privateclient.co.za

Cash Management

Sian Murray
sian@privateclient.co.za

Fiduciary Services

Sarah Love
sarah@privateclient.co.za

Career Enquiries

Marsan Cooper
marsan@privateclient.co.za

General Enquiries

Jeff Sephton
info@privateclient.co.za

46 Main Road, Claremont, 7708
PO Box 24033, Claremont, 7735
Tel: +27 21 671 1220
Fax: +27 21 671 1149

Authorised Financial Services Provider
- Licence No. 613

TEST YOUR SUDOKU SKILL!

8								
		3	6					
	7			9		2		
	5				7			
				4	5	7		
			1				3	
		1					6	8
		8	5				1	
	9					4		