



**INTRODUCING PCH  
CORPORATE  
STEWARDSHIP**

**NEW PCAM  
BROCHURE  
LAUNCHED**

**PRIVATE CLIENT  
FINANCIAL  
ROUND-UP**

**MANAGING DIGITAL  
ASSETS THROUGH AN  
ESTATE PLANNER'S LENS**

**WEALTH MANAGERS:  
CAN THEY IMPACT THE  
'HAPPINESS' INDEX?**

## Introducing PCH Corporate Stewardship

“ *STEWARDSHIP: conducting, supervising or managing something, especially the careful and responsible management of something entrusted to one's care.* ”

**Are you involved with a PBO or do you own an organisation that could benefit from expert advice when it comes to managing and structuring your balance sheet assets? Are you optimising the yield on your treasury reserves and been advised on your corporate structure?**

The Private Client Holdings newly developed Corporate Stewardship offering provides a central collaborative point to support any organisation across all its wealth management needs, from long-term planning to routine transactions, administration and reporting.

We strategically allocate your organisation's financial resources to maximise value and we take ownership of non-core functions so you can pursue your business goals. We partner with you to achieve positive cash flow management and efficient working capital so you can drive continued growth and your bottom line. Robust governance is a cornerstone of our Corporate Stewardship offering.

### OUR SOLUTIONS

#### Outsourced treasury

We tailor-make a comprehensive cash management solution for your organisation and deliver superior returns by effectively managing your available cash, using it as an asset to generate additional income. In partnership with private banks we efficiently invest and transact on your behalf.

We ensure that working capital is available for your immediate needs without compromising the organisation's financial strength or efficiency. In summary, our outsourced treasury capability offers:

- Bespoke cash management solutions;
- Superior returns;
- Bill paying services;
- Optimised liquidity and
- Forex capability that enables you to conduct foreign exchange transactions easily, quickly and at highly competitive rates.

#### Corporate business advisory

In collaboration with our business partners, we provide funding for growth by unlocking working capital tied up in stock and debtors and provide asset finance for productive, income-generating assets.

#### Corporate goals-based asset management

Wealth planning and investment management is integrated into a cohesive, unified approach to ensure your organisation reaches its long-term financial objectives.

#### Employee benefits

Employee benefit offerings are a solid retention tool and are a great way to attract quality prospective employees.

Our solutions are cost driven and offer secure and flexible risk and retirement benefits with sophisticated investment options that balance your needs and those of your employees.

We empower your employees to maximise their retirement benefits and enjoy comprehensive protection in the event of death, disability or illness

#### Healthcare services

We offer an independent and fit-for-purpose solution by identifying the most appropriate plan for your organisation. We review it regularly to ensure you are getting value for money and liaise with all service providers to ensure a seamless and hassle-free experience.

#### Integrated payroll services

Private Client Financial, our tax and accounting pillar, provides integrated payroll administration services that merge payroll and HR activities for maximum efficiency.

With the PCH Corporate Stewardship offering, you can consider us your personal CFO, a trusted partner nurturing your organisation to thrive and prosper.

*Contact Chris Fraenkel or Andrew Ratcliffe to see how our innovative approach to Corporate Stewardship can help grow your organisation's long-term wealth.*



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**Chris Fraenkel**  
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# The Director's Desk



2023 got off to a busy start with many exciting developments at PCH. If you follow the Private Client Holdings or Private Client Financial LinkedIn profiles, you will have noticed an increase in activity with regular postings of topical articles and announcements. Please follow us on LinkedIn to keep up to date with relevant industry and company news.

We are excited to introduce our bespoke PCH Corporate Stewardship offering focused on private benefit organisations and educational institutions, but relevant for any organisation that could benefit from optimising the yield on their treasury reserves, increased forex capabilities, bespoke cash management solutions, optimised liquidity and superior returns - things we all strive for. Chris Fraenkel recently joined our team and will be heading up this innovative new offering - read more inside.

**Grant Alexander**

## HAVE YOU HEARD?

### WE HAVE A WINNER!

Congratulations to Mrs Lorinda van Galen, the winner of the Financial Health Check survey draw. Gareth Lange and Grant Alexander celebrated the moment with her with champagne and flowers. Thank you to those who participated. The information we gathered provided valuable feedback and will empower us to propose new solutions going forward.



### SETTING GOALS FOR YOUR HEALTH & WEALTH

PCH Wealth Manager, Nicola Langridge, teamed up with certified health and weight loss coach, Amanda Higgins, to discuss the similarities between successfully nurturing your wealth and health. Nicola shared PCH's goals-based approach to wealth management and the importance of embracing a holistic attitude to managing goals, many of which are dependent on living a long and healthy life. Amanda discussed how a goals-based approach can be applied to your health to enable you to feel more energized, sleep better, lose weight and live a stronger, more resilient life.

### HIGH TEA AT THE SILO HOTEL

Sue Blake (Tax), Sarah Love (Fiduciary) and Nicola Langridge (Wealth management) recently hosted a delicious high tea for medical professionals at the Silo

Hotel in the V&A waterfront. Nicola introduced the Private Client Holdings unique multi-Family Office wealth management offering and the importance of empowering yourself to make sound financial decisions. Sue Blake and Sarah Love were on hand to field questions regarding tax, trusts and estate planning. The event was a great success and thoroughly enjoyed by all!



### PCT TEAM BUILDING

The Private Client Trust team was joined by Andrew Ratcliffe and Grant Alexander at a team-building event held at The Underdog Project in Hout Bay. This is a non-profit organisation that works with vulnerable children and dogs to provide a safe, stimulating extramural activity and non-invasive therapy for young children. The team learned about the importance of communication and building trust while learning to train dogs, build kennels and having loads of fun.



### ETE UPDATE

Empowerment through Education (<https://www.e-t-e.org/>) provides bursaries for the continuing education of disadvantaged children who exhibit the talent and determination to succeed. The Fund aims to sponsor education from Grade 1 to 12 for children from both Masakhane Creche in Masiphumelele and Green Curtains Pre-Primary School in Ocean View. As a proud supporter of ETE since inception, we're delighted that all six matric students passed their 2022 exams. Seven students are currently enrolled at the Silvermine Academy from Gr 8 to matric. We wish them a fantastic year!

### SONGEZO

PCH continues to support the Songezo Cycling Academy in Masiphumelele wherever we can - on this occasion with a cycling kit donation. <https://songezo.co.za/> The Academy offers youth an opportunity to participate in cycling as a much-needed recreational activity and exposes them, through their cycling participation, to higher levels of competition, bicycle maintenance and many general life skills, including support with their education.



# New PCAM brochure launched

“Our investment philosophy is mindful of the people we serve and is grounded in independent rational thinking, diversification and long-term value creation.”

We are excited to reveal a new brochure for Private Client Asset Management (PCAM) previously referred to as Private Client Portfolio Management. Grant Alexander and Allan Bothma lead this talented team whose collective skills are harnessed to build portfolios that will preserve your capital and grow your wealth over the long term. This philosophy flows through everything that is done at PCAM and is the foundation from which the team builds their investment principles and processes.

“Our investment philosophy is mindful of the people we serve and is grounded in independent rational thinking, diversification and long-term value creation.” This philosophy guides their investment decision-making and results in more consistent outcomes for our clients over time.

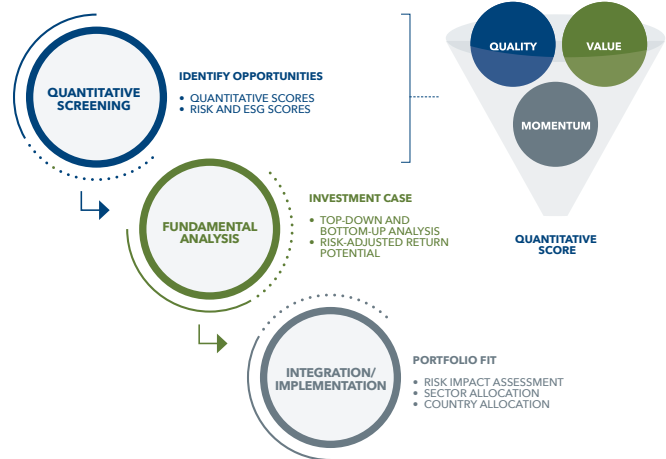
The PCAM team is committed to its core principles of putting clients first, independent rational thinking, diversification and creating value over the long term.

We decided to change the name to Private Client Asset Management as this more aptly encompasses the comprehensive portfolio management offering, which includes our segregated portfolios and multi-manager and CIS (Unit Trust) solutions.

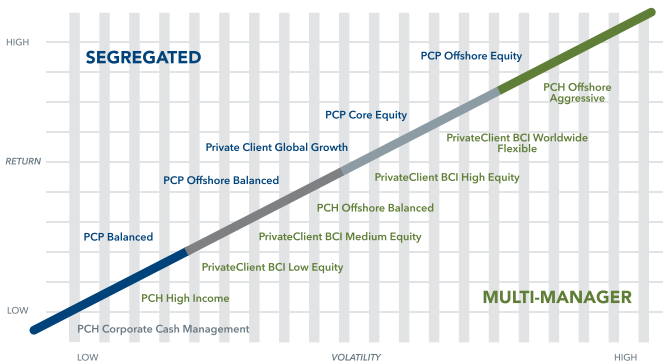
House View that feeds into our asset allocation and our decisions on portfolio construction and manager selection.

Our equity selection process is robust and ensures that we buy quality businesses at reasonable prices. Step one is identifying companies that are not in financial distress and trading at attractive valuations. Step two involves fundamental bottom-up and top-down quantitative and qualitative analysis to establish an investment case for those companies, which are selected based on their potential for risk-adjusted returns and portfolio diversification.

## EQUITY SELECTION PROCESS



## PCAM INVESTMENT UNIVERSE



**Segregated portfolios:** Professionally managed portfolios. Individual attention.

This offering provides direct access to the investment expertise of a single manager and includes both local and offshore portfolios that are designed to meet your specific needs and assist clients to achieve their financial goals.

**Multi-manager & CIS solutions:** Combining best of breed locally and offshore.

Our multi-manager solutions are underpinned by our investment process. We work at both micro and macro levels. We combine the views of leading independent investment houses with our own in-house research on global markets and economic matters. From there, we develop a PCAM

## MEET THE PCAM INVESTMENT COMMITTEE

Our team members have on average 24 years’ investment experience. Our independence remains a fundamental component of our investment process with our investment choices, the strategies we implement, and our day-to-day management not influenced by any parent institution.



(From left to right)  
Grant Alexander CA(SA) LLM (Chairman), Allan Bothma CFA®, Warren Buys CFA® CFP®, Mark MacSymon CFP®, Andrew Ratcliffe CFP®

[CLICK HERE TO DOWNLOAD THE PCAM BROCHURE](#)



## Managing digital assets through an estate planner's lens



Sarah Love CFP®  
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When you think of digital assets, you may be inclined to think only of cryptocurrencies. Bitcoin was the first digital asset created in 2009, designed to be a digital currency or digital form of cash. Today, a digital asset is anything in a digital form that can create or has value and includes a right to use the asset. Digital assets are commonplace in our lives and include photo files, video files, audio files, graphic files and everything from your social media accounts to cryptocurrency keys.

"Digital assets, particularly cryptocurrencies, tend to be more volatile than physical assets so they can increase the risk profile of your portfolio. The security of your investment is limited by your skills and the skills of a hacker and once compromised, they can be very difficult to retrieve," cautions Sarah Love, a Fiduciary Specialist at Private Client Holdings.

So how should you treat your digital assets when it comes to estate planning? "It helps to think of digital assets in two categories: those with sentimental value and those with economic value," says Love.

### DIGITAL ASSETS WITH SENTIMENTAL VALUE

Physical photo albums for many people have been replaced by Google photos on a phone or a computer while a library may be in kindle form as opposed to a bookshelf crammed with best sellers. Similarly, you may file your statements and policy documents digitally as opposed to a physical paper format.

Password protection and terms-of-service agreements can make it difficult for loved ones to access these accounts when you're no longer here or able to manage them. With Google, you can appoint someone to take control of your Google account including G-mail, Google photos, Google keep, etc. You specify who can access which parts of your account and there is also an option to delete your account completely. Google refers to this as an 'inactive account manager'.

Many social media platforms have similar tools available, so a good starting point is to check what each of the online platforms you use offers. This will ensure that both you and the person you nominate to take on this function are acting within your specific terms and conditions with that provider.

Where this kind of access is not available, you can consider using a family package, which allows you to share access among a trusted group of people. As an alternative, you can use password managers or lockers, but you must ensure that you keep them up to date.

### DIGITAL ASSETS WITH ECONOMIC VALUE

Digital assets that have economic value and which could include a right to use (such as e-books) include assets such as cryptocurrencies, non-fungible tokens (NFTs) or gaming tokens. In some instances, these service providers offer a built-in inactivity or legacy management tool. "If you have digital assets with commercial value, you are advised to consult a professional, such as a Fiduciary practitioner registered with the Fiduciary Institute of South Africa (FISA). In certain instances your digital assets may be lost or be difficult to administer," advises Love.

## Nurturing Growth at PCH

PCH started supporting the ASISA internship programme in 2022 when we placed our first intern, Sisipho Peter. Sips successfully completed the ASISA internship programme and is now a permanent member of our PCH Wealth



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Kirsten Ferguson  
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Roxanne McInnes  
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Kirsten Ferguson started her internship in the PCH wealth management team in March this year and recently graduated with a BCom in Entrepreneurship cum laude from Mancosa. She has joined the Wealth Management Associate team and is learning quickly!

Not part of ASISA, but also graduating is Roxanne McInnes who recently completed the Higher Certificate in Financial Planning through Milpark, with distinction. Congratulations Rox, this is an amazing achievement!



**Mark MacSymon CFP®**  
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## Wealth Managers: Can they impact the 'happiness' index?

Scientists, economists and sociologists have been studying the correlation between happiness, income and wealth for decades with variable conclusions. Mark MacSymon, a longstanding Wealth Manager at Private Client Holdings, dedicated his honours degree dissertation to understanding Easterlin's paradox. The paradox states that wealthy people are, on average, happier than poorer people and richer countries are happier than poorer countries. And yet, growing national wealth is not always accompanied by growing national happiness over the long term.

"Wealth can erode from generation to generation," says MacSymon. "Often this erosion can be attributed to family growth, but it may also be due to poor communication and low trust, entitlement, inadequate preparation and training of the next generation, and failure to define the family mission and vision."

In their book, *Preparing Heirs: Five Steps to a Successful Transition of Family Wealth and Values*, Williams and Preisser interviewed over 3 000 wealthy families. They found that 70% of families' substantial wealth disappears by the end of the second generation, 90% of this wealth is gone by the end of the third generation, and 98% by the end of the fourth.

The question is, can a wealth manager help to influence the 'happiness' of families and mitigate the demise of the family's wealth?

"Wealth managers play an important role when it comes to framing trade-off decisions about what really matters to a family," states MacSymon. "Though the question of 'how much is enough?' differs from family to family, and generation to generation, optimising the balance between balance

sheet wealth and happiness is an activity that can really influence a family's collective well-being. The key, however, is to ensure that we preserve the wealth of these families for future generations," says MacSymon.

A growing wealth management segment is Family Offices, used by families who wish to protect and manage their wealth in a structured manner.

Increasingly, high-net-worth individuals are choosing the multi-Family Office model because it meets their needs for a personalised and pragmatic approach when dealing with the growth and preservation of their wealth.

"At PCH, the multi-Family Office model encourages clients to lay strong foundations for long-term family collaboration and success. Communication and family alignment is critical and as wealth managers, we can assist in defining the family vision, formalising a family charter and mission statement as well as identify core family values to apply to their philanthropic efforts," adds MacSymon.

Wealth needs a purpose, so setting a strategic direction for preserving multi-generational wealth and preparing wealth for the next generation is important. This also helps younger family members to feel that they are trusted and included. As a result, they are more likely to develop healthy financial habits and understand and respect the responsibilities that come with wealth.

"While no one can predict the next bear or bull market, wealth managers can act as trusted advisors to wealthy families, looking at the big picture and devising strategies for managing a family's wealth through a highly comprehensive and integrated approach," he states. "Not only is their wealth in good hands, being preserved and nurtured for generations to come, but we're also freeing up time for family members to focus on areas of their lives that will positively impact their health and sense of well-being. Ultimately, when people take better care of themselves, they start to feel happier. We hope that the peace of mind we provide materially impacts their sense of 'happiness,'" concludes MacSymon.



### Corporate Stewardship Specialist

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**We are delighted to welcome Chris Fraenkel to PCH. Chris is a registered CFP® Professional with a Postgraduate Diploma in Financial Planning and Investment Planning from the University of the Free State and a BCom Financial Management degree.**

Chris is passionate about financial planning and wealth management and values integrity and building strong relationships with his clients. He will work closely with the PCH wealth managers and PCF team focusing on the four wealth management pillars that are fundamental to providing robust corporate solutions, namely corporate cash management and forex, payroll services, employee benefit schemes and healthcare solutions.



### Healthcare and Gap Cover Specialist

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Anna Letsira works alongside Chris, supporting our PCH Corporate Stewardship offering. She will be focusing on the administration of employee benefits, medical aids and gap cover offerings. She joined PCH in 2017 as a Wealth Management Associate and has since completed her postgraduate degree in Financial Planning and is on her way to becoming a Chartered Financial Planner.

Anna has a BCom degree from the University of the Western Cape and a postgraduate Diploma in Financial Planning from the University of the Free State. She is well informed and ready to answer your Medical Aid or Gap cover queries on [anna@privateclient.co.za](mailto:anna@privateclient.co.za).

# Private Client Financial Round-up



**Private Client Financial, the financial services pillar of Private Client Holdings, offers a comprehensive range of accounting, tax, business advisory and secretarial services to individuals, partnerships, trusts, close corporations and companies. The PCF team has a broad and deep competence in terms of knowledge, skill and experience in dealing with family businesses and owner-managed businesses.**

PCF strives to provide a specialist solution to every client's individual financial needs by building a bespoke financial plan with quantifiable goals. They offer their clients a comprehensive range of services and expertise to manage and grow their wealth – all under one roof.

"We take pleasure and pride in nurturing wealth for our private clients and their families."

Don't miss the monthly PCF Tax Insights email newsletter where we shed light on topical tax issues, such as how to maintain your tax compliance status, changes to the assessed loss tax limitation rules and how you could be affected by the 2023 Budget.

If you missed the link to our handy PCH Tax Guide, you'll find it here.

## Important Amendments to SARS Tax Application Processes

Recent enhancements were made by SARS to the Tax Compliance Status (TCS) process, effective 24 April 2023, to align with international standards and to modernise the TCS system.

These changes impact the tax clearance application process in respect of foreign investments and emigration.

There has been much confusion as a result of the changes despite this being merely a change in process and not in regulation.

SARS has introduced a new application called 'Approved International Transfer (AIT)' that replaces the existing 'Emigration' and 'Foreign Investment Allowance (FIA)' application types.

The new AIT application requires additional supporting documentation when applying for TCS status in respect of international transfers.

SARS has released a guide to inform taxpayers about this new process, which can be accessed here.

While these changes are extensive, it is merely a change in process and not in regulation. However, it does highlight the importance of having an offshore investment allocation as part of your wealth management strategy and using the annual R1m available to you.

When using the new AIT, you must ensure that you and any trusts and companies in which you hold an interest, are SARS compliant.

All transactions, such as the sale of properties and businesses as well as inheritances and donations received must have been disclosed. This is where a multi-Family Office wealth management and accounting business can assist clients in maintaining records and simplifying the AIT process.

We at Private Client Financial remain committed to providing the necessary support and guidance to help you navigate these changes and can assist you with tax clearance in respect of foreign investments and the additional information required in order to apply on your behalf.



**Sue Blake**  
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## 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

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## TEST YOUR SUDOKU SKILL!

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