Volume 1 | April 2011

PCH INSIGHT

PRIVATE CLIENT HOLDINGS

WHAT'S IN THIS ISSUE

THE PRIVATE CLIENT HOLDINGS OFFERING. A PERFECT FIT AS A FAMILY OFFICE.

While a family office is by no means a new concept internationally, Private Client Holdings is taking the lead when it comes to managing the financial affairs of its client families. Andrew Ratcliffe explains the benefits of having Private Client Holdings manage your family's bigger financial picture.

What is a family office?

Quite simply, a family office is a highly qualified, multi-disciplinary team of advisors who manage a family's complete financial affairs as a whole.

In fact, a family office essentially operates as a personal CFO or Chief Advisor to families who have large wealth. The family is supported by a dedicated team of financial professionals who are experts in different fields of finance such as wealth management, tax planning, estate planning, cash management and risk management, and who work together to make key financial decisions and create financial solutions to suit the needs, expectations and goals of their client families. It's an integrated approach to managing wealth.

Seamless and convenient

A family office not only makes a lot of sense from a financial management perspective, but it also affords you the convenience of having all your family's financial affairs integrated under one roof and being managed specifically with your family's future in mind.

> "Your relationship is essentially with one person – one financial professional who is supported by a team of financial and wealth experts."

Each is highly qualified in his or her respective field. All working together to provide the best, most effective financial and wealth solutions for you and your family.

For more information on our suite of family office services call us on 021 671 1220.

THE DIRECTOR'S DESK

Welcome to our new quarterly newsletter, *PCH Insight*. Consider it a coming of age. Can you believe that we are celebrating 21 years of business. What's more, we are just as committed to delivering a service that consistently exceeds the expectations of our clients and their families as we were when we opened our doors as a tax practice in 1990.

Back then, our clients were mostly listed companies and large private companies who were only too pleased to entertain our ideas on how they could beat the taxman. Plantations, crop spraying aircraft, game farming syndicates, trade names, bare dominiums and black holes were some of the tools of our trade. Armed with the insight gained from a National Service stint at SARS, various post graduate tax degrees and with the guidance of Dennis Davis (who served as a director before he became a high court judge) we thrived in this environment.

From there, we developed an annuity model whereby we concentrated on providing ongoing services to our private clients. Initially, this focused on either the tax or the management of share portfolios. However, we are extremely fortunate to have developed a pool of very talented individuals and delivered excellent investment performance – a compounded return of 19% pa for the decade ending in 2010. We have also fostered fantastic relationships with loyal business partners.

Over the course of the last three years, Private Client Holdings has acquired and successfully integrated three separate businesses into the Private Client Holdings group – two wealth management practices and an accounting practice. These acquisitions have also brought with it a wealth of experience in the people who have joined our business.

Today, with a staff and consulting complement of 40 and well settled in our building in Claremont, we continue striving to deliver the excellent service in tax, share portfolio management, estate administration, unit trust investment, risk management and wealth management to which our clients have become accustomed.

> "Many of our clients recognise our experience and the talent in our group and are appointing us to manage and oversee all of these services on their behalf."

This is the next stage of our evolution – to make Private Client Holdings the logical choice as a Family Office to consolidate all investment, financial and legacy affairs under one roof.

Enough said. It's time for you to peruse the pages of *PCH Insight*.

Enjoy the read.

Grant

Grant Alexander

DID YOU KNOW?

PRIVATE CLIENT HOLDINGS RUGBY POWERHOUSE FINISHES FIRST IN 2010

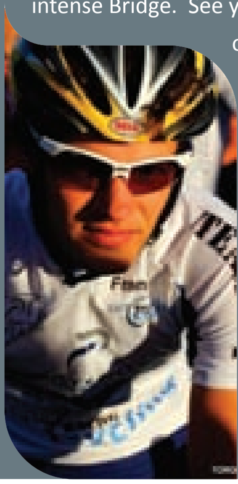
Although we take our work seriously, we take our play seriously too. The Private Client Holdings sponsored six down touch rugby team took top honours at the year end summer 2010 league at Villagers. Certainly an entertaining and enterprising collection of young men, Private Client Holdings is proud to be associated with this energised bunch from UCT. We wish them all the best in the 2011 league, wearing the Private Client Holdings jerseys once again.

ON OUR BIKES

Private Client Holdings is proud sponsor of the UCT cycling team. On top of that we had over 100 people riding in our distinctive Private Client Holdings branded blue and white kit in this year's Cape Argus cycle race. A Private Client Holdings branded rider came second in the A Group finishes – an outstanding achievement.

WESTERN PROVINCE BRIDGE FESTIVAL

As part of our sponsorship of the Western Province Bridge Union, Private Client Holdings was delighted to be involved in the Western Province Bridge Festival in December 2010. Held at the Western Province Bowls clubhouse, 350 avid bridge players participated in four days of very intense Bridge. See you again at the end of the year.



PRIVATE CLIENT HOLDINGS TAX GUIDE

Our Private Client Holdings pocket size tax guide will be available shortly. A concise budget review, the latest on capital gains tax, comparative tax rates, deductions, donations tax, estate duties, fringe benefits and the like can be found between its covers. Please contact us directly should you like a copy to be sent to you.

ANOTHER PERSPECTIVE

At Private Client Holdings we believe in keeping our clients in touch with what's going on in the investment world. Every month we produce a concise market review that we've aptly named, *Perspectives*. It provides a succinct overview of the happenings in local and international markets. We also provide a brief analysis of locally listed companies and always include an external article that has caught our eye. Emailed monthly, please look out for it in your inbox. And contact us on aj@privateclient.co.za or 021 671 1220 should you like us to add you to our mailing list.

UNDERSTANDING THE BIGGER PICTURE

There's a lot more to Private Client Holdings than meets the eye. Take a closer look at our comprehensive service offering and integrated approach to managing wealth and you will discover that it makes a lot of sense to consolidate your financial needs and requirements. Andrew Ratcliffe explains the bigger Private Client Holdings picture.

What's ideal about the Private Client Holdings setup is that our departments work closely together. Convenient and financially effective, the Private Client Holdings approach makes sure you've got all bases covered correctly.

WEALTH MANAGEMENT

Described as the cornerstone activity within the greater Private Client Holdings group, Private Client Wealth Management focuses specifically on creating unique wealth management strategies that truly meet the individual needs and expectations of our varied high net worth clients.

From retired professionals seeking to preserve their wealth to young up-and-comings earning aggressively and keen to build their capital - our team of wealth managers and trust officers are highly qualified and equipped with the experience to help all our clients achieve their expectations.

> "We take a holistic approach to managing our clients' wealth and financial needs and consult all areas of our business to provide our clients with the best wealth solutions."

Our wealth management services include comprehensive asset allocation reporting, multi manager risk profiled unit trust portfolios and segregated managed share portfolios.

An authorised Category 2 Financial Services Provider (FSP) registered with the Financial Services Board, Private Client Wealth Management is well positioned to embrace all legislative changes at play in the financial services industry.

PORTFOLIO MANAGEMENT

A highly specialised service, Private Client Portfolios focuses on maintaining and generating wealth through the discretionary management of equity portfolios for our private clients. Because the needs and expectations of our private clients are unique, each portfolio is entirely individual. However, our single-minded approach to minimise risk and maximise performance is a working philosophy we apply to all of our clients.

We regard our relationship with our portfolio clients as key. Equally important is professional administration and constant communication with clients on all aspects of their portfolios. By establishing a strong relationship with our clients, we are able to understand their wealth needs and deliver the service and performance they deserve.

FINANCIAL SERVICES

Personal service, optimised tax structuring and peace of mind. At Private Client Financial Services we aim to deliver just that. And in doing so provide our clients with specialised, customised and unique

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solutions to their very specific present and future financial needs.

Our financial services company provides a comprehensive range of accounting and tax services to individuals, partnerships, trusts, close corporations and companies. It is supported by a dedicated team of highly qualified accounting professionals.

FIDUCIARY SERVICES

So often overlooked and underutilised, estate planning is a crucial aspect of financial planning. Ensuring that your heirs receive their inheritance in the most tax efficient manner is a professional service on which we at Private Client Trust pride ourselves. It's a complex business and one that requires in-depth understanding of income tax, estate duty concessions and legislative changes.

We are able to provide our clients with a comprehensive estate plan, assisting in the drafting of a will that suits your personal needs and expectations. We advise on the formation and administration of trusts, act as independent trustees and in doing so ensure your wealth is protected for future generations.

Our vast experience in the wrapping up of an estate and knowledge of tax, life assurance, administrative process of the Master's Office and SARS will ensure that your estate will be handled timeously and with the greatest of care and professionalism.

RISK SERVICES

Our clients acquire assets over their lifetime. Protecting these assets is as important, if not more so than building those assets over time. Our focus at Private Client Risk is to ensure that your assets, moveable and immovable, are appropriately insured at a realistic premium.

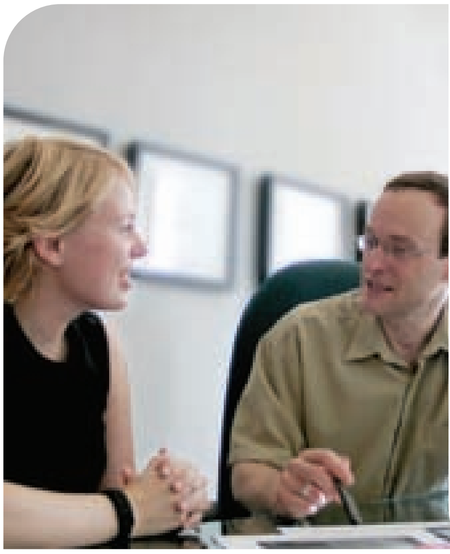
To do this, we first look at the risks our clients are exposed to and then source the most appropriate insurer and cover suited to their requirements. While the premium is important, it should never be the key factor, which often occurs with short-term insurance.

Our team of risk professionals offers expertise across specialist areas such as commerce, industrial, body corporate, marine and contract works, enabling us to provide a highly personal and professional service.

CASH MANAGEMENT SERVICES

In partnership with Investec Private Bank, Private Client Holdings Cash Management Services offers a highly efficient and secure banking administration facility that enables us to efficiently manage our clients' money online.

This highly personalised service and 24/7 support structure is provided by a dedicated team of financial professionals. Our service offering includes opening, managing and transacting on clients' accounts. It delivers a truly world-class level of private banking.



The benefits to clients are extensive and include highly attractive money market rates; no transactional charges other than those related to cash deposits (or other unusual transactions); call accounts, notice deposits and many other dynamic products such as the Private Money Fund; capital market services and the facilitation of foreign currency transfers at competitive rates.

WHO TO TALK TO

Our Private Client Holdings experts are available to field your questions. Don't hesitate to contact us on 021 671 1220 should you wish to discuss your bigger picture.

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TEST YOUR SUDUKO SKILL!

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