Personal Trust

is a client-focused Trust and Investment Management company that is dedicated to servicing the individual requirements of its clients – a professional investment service with a personal touch.

We offer a full range of financial services, providing our clients with the convenience and comfort of having their business affairs conducted under one roof. Our services include:

- Investment & Portfolio Management
- Retirement Planning
- Offshore Financial Services
- Tax Services
- Money Market
- Wills
- Estate Planning

Personal Trust has been in successful operation for more than 35 years, and has offices in Cape Town (Rondebosch and Noordhoek), Somerset West, Knysna, Port Elizabeth and the UK.

For more information, please contact Belinda Danks on 021 689 8975
Editorial

2016 Corporate Report
Thando Gobe reviews the past year’s events

The American Elections
Mark Huxter assesses the probable economic consequences of the recent elections

The Personal Trust Charitable Foundation
Phillip Pinchin provides up-to-date information about the Trust

Annuities and Divorce
Renette Hendriks gives information and advice on the Accrual System

Snippets
Malibuye Tom provides information on a number of relevant matters

The Power of Pink
Personal Trust’s annual Breast Cancer fund-raising campaign

30 Seconds with
Conrad Hendrick

The Story of a Lost Bird
Peter Steyn recounts finding the Rufous-tailed Scrub Robin

Diamond Discoveries
John le Roux reports on interesting happenings in the diamond field

Finn – the story of sound
Johann van der Westhuizen tells of a remarkable young man
The lead article in The Times of Monday 17 October likened the political and economic developments in South Africa to those of the most exciting thriller novel. Every turn of events brings with it uncertainty, intrigue and suspense. Interlocking threads of the story connect the principal characters – the President; the Finance Minister; the SARS Commissioner; the Gupta family; the NPA; the Hawks; the new Public Protector; and SAA, the SABC and Eskom. A separate thread concerns the student riots (when you burn buildings, loot shops and assault policemen you are taking part in a riot, not causing a disturbance or unrest). Many readers, as well as Personal Trust staff, will have sons, daughters and/or grandchildren at University, most probably at UCT. The main concern at present is whether students, especially final year students majoring in medicine, engineering and the like, will be able to sit their end-of-year exams. Next year when will ‘free education’ clock-in – before or after the millions of rand that must be spent on restoring damaged infrastructure and facilities? Already top university students and matric achievers, whose parents are able to afford the fees, are looking overseas for their tertiary education. Soon our professors and lecturers will also be considering pastures new.

On the bright side, we beat the Aussies 5–0 in the One-Day-series; Sundowns were the CAF Champions League winners; we were not so successful with the oval ball though our rugby Sevens squad acquitted itself well. Wayde van Niekerk is 400 metre World Athletics Champion with Caster Semenya 800 metre Olympic Champion; and our Paralympic athletes achieved remarkable success. Though I was not able to attend myself, reports from friends who managed to see “Carmen” were thrilled by the performance of Violina Anguelov in the title role.

Mark Huxter has written an excellent evaluation of how the US election result will affect world markets. Against all the odds, the pundits and the gainayers, Donald Trump, supported by the blue-collar members of the electorate, defeated Hillary Clinton – seen as representing the ‘establishment’. In a way it was Brexit all over again. Unusually, and fortunately for him, Trump will have the support of a Republican House of Representatives and Senate. Though Obama had a Democratic Senate behind him, many of his objectives were blocked by the Republican ‘Lower’ House.

The government’s announcement that it intends to withdraw from the International Criminal Court, without prior consultation with Parliament, is disturbing. The disclosure will not necessarily affect ratings agency decisions, which deal more with economic matters, but it hurts our reputation as a constitutional democracy.

Thando Gobe’s Managing Director’s Corporate Report reviews what has been a topsy-turvy year for markets and currencies – with the Brexit decision continuing to create uncertainty. Phillip Pinchin and Gavin Ashwell provide up-to-date information on the Personal Trust Charitable Foundation; Mali-buye Tom’s ‘Snippets’ refers to relevant issues; and there are interesting articles on a wide variety of topics – from Living Annuities and Divorce, to Diamond discoveries, to Breast Cancer awareness to the discovery of the Rufous-tailed Scrub Robin and a special young man in Knysna. A pot-pourri of stimulating subjects!

Pravin Gordhan’s medium-term budget was as well-balanced as we could have expected. However, one hopes that his caveat to the Cabinet and to the House at large – “that lions that fail to work as a team will struggle to bring down a limping buffalo” – was heard and will be collectively acted upon. On 31 October the withdrawal, by National Director of Public Prosecutions Shaun Abrahams, of the charges against Pravin Gordhan, Ivan Pillay and Oupa Magashula was welcome news. Hopefully, our Finance Minister can now settle down to do the job for which he was appointed – to steer the South African economy through the choppy seas that lie ahead.

Two days later, on 2 November, political and legal equilibrium was turned upside down – firstly, by the President withdrawing his interdict against Thuli Madonsela’s “State Capture” report and, secondly, by the report itself being published. Numerous ‘skeletons in the cupboard’ have been laid bare – although in this case the skeletons are very much alive in the form of President Zuma and the Gupta family.

So Bob Dylan is this year’s winner of the Nobel Prize for Literature. I wonder what odds one could have got if one had placed a bet on this result a year ago! The likes of William Butler Yeats, John Galsworthy and Jean-Paul Sartre must be turning in their graves!

A holiday competition. Place the following Nobel Literature Prize Winners in chronological order:
Sir Winston Churchill; J.M. Coetzee; T.S. Eliott; William Golding; Nadine Gordimer; Ernest Hemingway; Rudyard Kipling; Boris Pasternak; George Bernard Shaw; John Steinbeck. (You may only “Google’ once you have made your decision!).

Enjoy the festive season and your bucket-carrying as you water your garden. Ed.
It is hard to believe that we are coming to the close of yet another year. Here is a high-level summary of the significant developments inside and outside of Personal Trust.

Inside Personal Trust:

Going into 2016, we had agreed to set time aside to have conversations about what it means to us to be a Trust Company. This was to re-affirm our commitment to client service and it provided the background to some of the internal changes and achievements of 2016.

Perhaps the highlight of our achievements this year was the recognition of the Personal Trust Managed Fund. This fund won a Morningstar Award for being the best fund in its category over a one, three and five-year period. You may remember that we were also shortlisted for a Morningstar Award in 2015 and so to receive it this time was extra special. Well done to Glenn Moore who has managed this fund since inception.

You will recall that in 2015 we made some key appointments. This was an effort to strengthen our portfolio management team and also in preparation for opening our Noordhoek branch. This year we have made further investments in people. Firstly we have appointed Balazs Kiss as an IT specialist to broaden our skill base in this area and to help drive much-needed change to benefit our clients. We have also appointed Carl Vermuelen as a Trust Officer to head up our Port Elizabeth office, as well as Jacobus Stander (commonly known as Prof) to assist Johann van der Westhuizen, primarily in the George region.

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Legislative changes:

For some time now the entire financial services industry has been readying for legislative changes commonly known as Retirement Reform and Retail Distribution Review. While these have not yet materialised, we have seen ASISA come forward and implement the Effective Annual Cost (EAC) standard. This is a new standard measure for calculating the full costs of buying and holding a financial product over time. The EAC is meant to help clients better understand all the costs involved and make better-informed decisions. It is early days; however, we do think this is a positive step that will hopefully simplify industry fee structures.

Political Climate:

Locally, the year started off on a sobering note with Nenegate bringing into sharp focus our country’s leadership once more. Eleven months later the ruling party has limped from one crisis to another to get us to what is now seemingly a boiling point in the form of a stand-off between Treasury, led by Finance Minister Gordhan, and President Zuma and his Gupta-linked allies. Once aptly described as an arch-survivor, it seems that Zuma may have finally overplayed his hand as there are rumours within the ruling party of disciplinary action ahead of the 2017 elective conference. The publication of Thuli Madonsela’s State Capture report has opened up a horns’ nest of moral and legal concerns for the President. Unfortunately, all this has meant that serious problems that demanded leadership, e.g. #Feesmustfall, continue to fester.

Internationally, the year has brought about the winds of change in some parts. The Brexit fallout complexities in the UK continue to develop, and the new leadership under Prime Minster May faces some tricky decisions ahead. A “hard Brexit” may yet be a reality. Against all predictions Donald Trump is now the President-elect of the United States. As with the UK referendum this result underlines the present movement to the right amongst the electorate. With Trump’s lack of political experience his cabinet appointments will be vital – Secretary of State, Attorney General etc. These will be watched very closely.

Markets:

With the political uncertainty, the currencies have dominated short-term performance. The rand volatility has reminded all of us of the importance of investing for the long term and ensuring portfolios are well diversified.

We have also seen some corporate activity in the local equity market this year. The protracted SAB-Miller deal has resulted in the South African giant dropping off the global scene. And Edcon ownership has effectively changed hands with Bain Capital, the private capital firm, ceding control to creditors. One of the clearest signs of tough economic conditions in the past five years or so.

Conclusion:

Once again, I would like to take this opportunity to thank you for your ongoing support. We continue to see good referrals from our existing clients, and we are eternally grateful for this.

As the year draws to a close, do enjoy the precious little time we have with family. And if you are out on the roads, take care.

Thando Gobe, Managing Director, looks back at the past year.
On January 20, 2017 Donald Trump, the 45th President of the United States, will become chief executive officer of some of the most powerful institutions in the world, including the White House, 15 executive departments, the US military, and numerous other federal agencies.

It is important to remind ourselves at the outset that the constitution of the USA is an extremely robust document with all its well-crafted checks and balances. The constitution with its three branch system will curtail any rogue ambitions of the newly elected President. Therefore, who is ultimately elected to the Oval Office is less relevant; what is more important is the economic and fiscal policy of the incumbent. This is particularly significant in the current economic global environment that has largely, since 2009, been driven by policy decisions and not economic fundamentals!

Even incoming leaders who believe they possess deep expertise in a particular issue, will benefit from assessing anew their operational landscape. In doing so, deliberately challenging any biases that the new leader may have inherited – such as ideas about who might be your allies or adversaries – is important. After all, as the saying goes, “politics makes strange bedfellows.” The ability to construct consensus, compromise and lead the political process forward is an imperative for the new President!

Therefore, this article will focus predominantly on expected economic policies; especially the potential impact, in a post Brexit world, which has clearly signalled that the centre in politics has moved away from the laissez-faire and globalisation consensus. This shift has been further endorsed by the US electorate who has seen fit to initially elect two relatively poorly qualified candidates to contest the Presidency and ultimately elected Donald Trump as the 45th President of USA.

They both perversely potentially spoke to a large and diverse section of the electorate who have been negatively impacted by globalisation; in particular the impact of globalisation on their living standards. This is generally very bad news for emerging markets; it is also bad news for the shares of global companies who have benefited tremendously from the steady dismantling of barriers to the free flow of goods, capital and labour.

Let’s recap – Donald J Trump was the rank outsider and untainted by the elite Washington establishment mystic; he captured the imagination of middle class blue collar workers. Financial markets were pricing a 35% chance of Donald Trump becoming President. So what went wrong with market projections; established “main stream media” polling, as despite relatively poor debating performances and “locker room talk”, I believed that the true odds were closer i.e. it was to be a very close run race. The pollsters may simply have been underestimating the likely turnout among various demographic groupings. By following social media polling and AI “Artificial Intelligence” (MogAI) one gained a better insight as they were predicting a Trump victory weeks ago; this has again highlighted the effect of technology on industries open to disruption!

Turnout among minority voters – something that Hillary Clinton may well not have been able to count on fully, given that Young Democratic voters heavily favoured Bernie Sanders during the primaries – might not have voted for Clinton and could well have decided to stay home; this turned out to be correct. We saw something similar with the Brexit vote as many younger people who supported the “remain” side didn’t bother to vote (despite telling pollsters that they would). Meanwhile, older voters turned out in droves and sealed Brexit.

From a market perspective, Trump’s anti-globalisation views will ultimately be negative for US equities, considering that almost half of S&P 500 sales are generated abroad. The dollar, however, in spite of the elevated political risk premium associated with a Trump victory, is likely to rally as all three of Trump’s signature policy stances as we understand them are bullish USD:

1) increased deficit-financed infrastructure spending
2) a more restrictive immigration policy
3) Trade protectionism.

Equities could rally in the near term following a Trump victory due to increased fiscal stimulus, but are likely to face longer-term headwinds stemming from increasing trade protectionism, a strengthening dollar, and rising labour costs. Ironically, the one asset that could suffer the most from a Trump victory is gold on the back of a strong USD and rising real interest rates.

A Trump presidency would generally take a fairly soft stance towards high-skilled immigrants, focusing instead on curbing illegal immigration through increased border security (wall?) and the rollout of a mandatory national e-verification system (far more effective : e-wall). The resulting lack of competition at the lower end will boost the wages of US semi-skilled workers. As a result Trump saw a huge increase in support among the working-class – especially white “Democratic” blue collar workers.

As with immigration, the executive branch has a lot of discretion over trade policy; therefore heightened trade protectionism would also reduce the US trade deficit; lower spending on imports would weaken demand for foreign currency, placing further upward pressure on the dollar. The threat and reality of a Trump Presidency could well still trigger a trade war.
The bottom line is that implementation of these policies could well cause the US economy to overheat, triggering the Fed to raise real rates more aggressively than it otherwise would; therefore being marginally negative for Treasuries. The composition of the FED itself is more likely to experience a change given Donald’s Presidential win.

In contrast, the electorate clearly rejected Hillary R Clinton as a Democrat and her likely pursuit of an economic policy that advocates Keynesian policies. Simply put, it advocates government spending and tax cuts towards middle-income families, thereby boosting economic growth by increasing demand. This rejection of the Clinton Plan for higher taxes, especially given that such policies, historically, generally do not work to create sustainable growth, would have implied increased regulatory burdens. The so-called “tax inversion” debate demonstrated Donald’s understanding of the problem of corporate inversions is due to the US’s uncompetitive corporate tax system, and thus he is more likely to sell such a pro-business fix to Congress.

Trump’s policies generally, in contrast, are plainly anti-free trade, and might well result in benefits accruing most directly to sectors such as drugs, biotech’s, energy, software and defence, from increased US government spending.

In spite of Trump’s entrée into the White House, the US is very likely to continue to run budget deficits, adding another $1-2 trillion more debt over the next four years, with fiscal and entitlement reform not being high on Trump’s nor Congress’s priority list. However, US Treasury yields can continue to remain low even as US borrowings increase because of demand for them, both from an increasing base of US retirees (Baby Boomers) and Asians who generate dollars from growing trade surpluses. This is predicated by an absence of any sudden upside surprises in inflation or excessive real US growth.

In conclusion, regardless of Trump’s victory in the presidential election, a bipartisan consensus is emerging in favour of more infrastructure spending; the implication is that fiscal policy will become somewhat more accommodative. Therefore, the biggest difference that Trump could potentially make might be in the arena of corporate tax reform which could, for example, drive the dollar higher with a 2005-style corporate tax holiday to drive the repatriation of hundreds of billions of dollars of cash hoarded by American firms offshore; such a tax holiday would provide a temporary boost to the US economy.

The divided government structures will constrain extreme policies; with the US continuing to run massive trade deficits, especially with a low cost and efficient Asia. Even though Trump has made this a big campaign issue and promises to bring jobs back to the US, the most radical measures will be very difficult to get through Congress and even these measures, if enacted, will unlikely enable the US to turn a trade surplus within the next four years without the country entering a recession.

The stock market was pricing high odds of a Clinton win; this was also coupled with a Democratic Senate – implying the second best scenario for stocks; this has proven to be way off the mark. Going back to 1900, the Dow tends to perform better under Democratic presidents, outpacing their Republican rivals 8.4 percent to 6.1 percent average annual price return. The Republicans controlling all three – majority in the Senate, House and Presidency – have an investment edge, however, outperforming the Democrats 8.1 percent to 6.5 percent. (BMO Private Bank; 2016).

Therefore, at face value, it appears that nothing either presidential candidate could deliver is likely to make a material difference to the “new normal”, as the real breakthrough required is the implementation of structural reforms to the USA economy. This is borne out by continued voter disaffection and falling employee participation rates that may well stem from a general erosion in work ethics; coupled with this is the fact that many workers were forced to accept jobs for which they were grossly overqualified and ended up earning much less, even after the recession receded. This suggests that people who come of age during harsh economic times more often than not end up in jobs that do not truly fully utilise their skill sets, translating into a general erosion in economy-wide labour productivity. This, coupled with the threatening advances in artificial intelligence, genomics, nanotechnology, and renewable energy, could well heap more misery on workers and demotivate them even further.

GDP in 2017, given Trump’s Presidency, would add 1.7 points. Over the longer term, Trump’s policy debt increases would cut growth by 0.5 points. By 2036, the estimates of Trump’s plan is forecast to cut growth by 4 points. The debt currently sits at USD $19.8 trillion, $14.3 trillion of which is held by the public, according to the Treasury Department. The budget deficit for the current fiscal year is $503 billion. Trump has pledged that economic growth through lower regulation, decreased energy costs and elimination of the U.S. trade deficit would make the tax cuts revenue-neutral. Trump’s plans could potentially provide the bigger boost for the economy, due to his aggressive tax cuts, but that would be mitigated down the road by a higher debt and deficit load.
Phillip Pinchin, one of the Trustees of the **Personal Trust Charitable Foundation**, provides us with information on the Trust.

The **Personal Trust Charitable Foundation** was established a number of years ago to make it easier and more cost effective for clients to bequeath money to charitable organisations. The Foundation enables clients to support worthy causes without the cost and administrative burden of setting up their own charitable trust.

As a Trustee of the Foundation since its inception, it has been pleasing to see some clients making substantial bequests over the years and I’d like to see it develop even further.

We all know there exists a genuine need for financial assistance in South Africa across so many spheres of our society and we are often reminded that without the help of the ordinary citizens of the country, many people have no hope – and without hope, there is nothing.

Some years ago I was involved in the construction of a new pre-school in Khayelitsha – Nonkqubela Pre-primary School – the original structure being near collapse. The cost of construction was met by very generous donations from individuals, corporates and Trusts and today the school is well-run and a positive example of how bequests, properly managed, can make a tangible difference in our society.

The **Personal Trust Charitable Foundation** exists to assist our clients with giving but, in so doing, it helps to uplift those in need. If you are so inclined, when drafting or reviewing your Will, your Trust Officer can advise you as to how to bequeath money to the Foundation. If a bequest is made, donors can nominate their charity of choice through a Letter of Wishes in their Will.

Alternatively, if you would like to donate funds during your lifetime, this can be arranged via a monthly or lump sum contribution with the assistance of your Trust Officer.

A donation policy has yet to be formalised but the Trustees (John le Roux, Mosa le Roux, Lorraine White and Phillip Pinchin) will ensure that donations are only made to deserving well-administered charities.

The Foundation is registered for income tax purposes as a Public Benefit Organisation and has been granted Section 18(A) status which means that any donations made to the Foundation are tax deductible within prescribed limits. Whilst Personal Trust manage the underlying investments per sub-account, the umbrella Trust structure ensures that administration costs are well controlled. Regular reports are available together with financial statements which can be reviewed upon request.

Kindly speak to your Trust Officer should you require any further information on the **Personal Trust Charitable Foundation**.

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**Phillip Pinchin (on left) and Gavin Ashwell, Associate Director and internal liaison for the Foundation.**
It is common cause that a pension interest forms part of an estate for divorce purposes and will be taken into account as an asset in one’s estate in calculating an accrual claim, but will this still apply if a soon-to-be “former spouse” has invested the proceeds of his/her pension fund in a Living Annuity after retirement?

In August this year the Gauteng High Court had to rule on the question whether the value of a living annuity could in fact be taken into account under these circumstances in calculating an accrual claim, where divorce proceedings allow one spouse to share in the accrual of the other’s Estate. It was held that, although the periodical or monthly payments from an annuity could be taken into account in calculating the future maintenance needs of a spouse, the value of the annuity as such will not be deemed as an asset for purposes of calculating the accrual.

The reasoning behind this lies in the governing legislation – with specific reference to the Pension Fund Act and the Divorce Act.

The provisions contained in Section 37A of the Pension Funds Act are aimed at protecting a member’s pension benefits from creditors and expressly limit the ability of a fund to deduct amounts from a member’s pension benefit. In terms of these provisions a fund may only make a deduction from a member’s benefit if it is allowed in terms of the Pension Funds Act, the Income Tax Act and the Maintenance Act. This is, however, subject to the exceptions set out in section 37D, which state that a registered fund may “deduct from a member’s benefit or minimum individual reserve [as the case may be] any amount assigned from such benefit or individual reserve to a non-member spouse in terms of a decree granted under section 7 (8) (a) of the Divorce Act, 1979 (Act No. 70 of 1979)”.

Section 37A of the Pension Funds Act, read together with the applicable sections of the Divorce Act, Section 7(7), provides that a ‘pension interest’ (as defined in section 1) will be deemed to be a part of the assets at divorce:

“7 (a) In the determination of the patrimonial benefits to which the parties to any divorce action may be entitled, the pension interest of a party shall, subject to paragraphs (b) and (c), be deemed to be part of his assets”.

The non-member spouse will thus only be entitled to a portion of the member spouse’s notional benefit if it qualifies as “pension interest” as defined in section 1; this refers to the benefits to which such member would have been entitled in terms of the rules of the fund if his membership of the fund would have been terminated on the date of the divorce on account of his resignation from his office.

This basically means that the member spouse must still hold a pension interest in the fund as at the date of divorce. If he has already retired before the divorce, he would no longer have a “pension interest”.

Please do not hesitate to contact me or your Trust Officer should you have any queries.
Malibuye Tom, Trust Officer, provides some information on Voluntary Disclosure, Loans to offshore Trusts, Living Annuities and Quantitative Easing.

• The Special Voluntary Disclosure Programme, a joint venture between the South African Revenue Services and the South African Reserve Bank, has been extended to nine months – to run from 1 October 2016 until 30 June 2017. The programme aims to give both individuals and companies a chance to regularise tax and exchange control problems relating to undisclosed offshore assets and income in a single amnesty application.

• According to Board Notice 216 which covers reportable arrangements, any amount loaned to an offshore Trust that causes the vested right of the beneficiaries to exceed R10 million must be reported to the South African Revenue Services. Heavy penalties apply for failure to do so.

• Information regarding Living Annuities:
  - These are not governed by the Pension Funds Act, and do not fall under Regulation 28.
  - You can invest 100% in equity funds, or even offshore via a rand hedge unit trust feeder fund.
  - It is a generally accepted practice that Regulation 28 is used as a guideline for investment purposes. Consult your Trust Officer beforehand, as circumstances and risk profiling would need to be considered in making any such changes.
  - The capital does not form part of the accrual calculation upon divorce. A claim can, however, be made on the income for maintenance. (See the full article by Renette Hendriks on Page 8).

• Quantitative Easing (QE): some facts and figures:
  - January’s QE programme has doubled the country’s money supply.
  - The three rounds of QE applied by the Federal Reserve Bank (United States of America) has led to an accumulation of an additional $3.6 trillion (R50 trillion) in government bonds. This is equivalent to one-fifth of the size of USA GDP.
  - The United Kingdom halted their QE programme at £375 billion (R7 trillion).
  - The Eurozone reached 1.1 trillion (R15 trillion) in September 2016.

What are the asset class limits that Regulation 28 prescribes?

The primary asset class limits set out in Regulation 28 are as follows:

- 75% invested in equities (local and offshore)
- 25% invested in property (local and offshore)

25% invested in all offshore assets

These restrictions apply to all retirement annuities, pension funds, provident funds and preservation funds.

The Power of Pink – October 2016

Renette Hendriks (left), Associate Director and Fiduciary Manager and Bronwyn Booyens (right), tax compliance officer have again run our annual fundraising campaign.

This October has been quite a pink affair at Personal Trust with our second fundraising campaign in aid of Reach for Recovery, as part of Breast Cancer Awareness Month.

Reach for Recovery is a non-profit organisation, run by volunteers who provide practical and emotional assistance to women with breast cancer. Their services are free of charge and they are reliant on donations to continue their important work.

Thanks to you, our loyal clients and the caring staff of Personal Trust, this initiative has yet again been a great success. We will keep the Personal Trust Money Market Account open to enable clients and staff to continue to support this worthy cause. Kindly contact us for more information in this regard.
How long have you been with Personal Trust and how did you come to join the company?

I celebrated my first anniversary at Personal Trust on October 1st of this year. It’s kind of interesting how I joined: my name was given to Sue Kilroe (who runs an employment agency and is the wife of Philip Kilroe) by one of my clients who thought I’d be well-suited to the position. This was at a time when I had lost faith in the Financial Services sector as a whole, having been disillusioned by the sales-driven approach that characterises many industry players. So Personal Trust’s “personal touch” and client-centeredness was a breath of fresh air. Plus the opportunity to bring such an outstanding value proposition to my hometown and build the business there was an exciting prospect.

What was your first impression of the company?

My first contact was with Phil Kilroe who is a prime representative of our brand. It was evident from the outset that Personal Trust is a highly professional operation, and that great value is placed on stakeholders being staff and clientele – commitment to high service standards and ethical conduct is deeply ingrained in the culture. The friendly, supportive working environment quickly made me feel as if I was part of the family.

What department do you work in and what is your role at Personal Trust?

I manage the Noordhoek office with the invaluable assistance of Kathy Bester. My role essentially is that of a Trust Officer, providing portfolio management and general financial guidance and services to clients, but we are also involved in activities such as “Wellness in Retirement” seminars with Anne Macdonald, and a bowling sponsorship at Fish Hoek Bowling Club, amongst other things.

Tell us about yourself

I’m a simple boy from the Fish Hoek Valley who has been blessed with the opportunity to travel extensively, having lived overseas for seven years; to study and engage with a wide variety of subjects; and the privilege of experiencing some of the best that life has to offer. In the process I’ve accumulated many wonderful memories and broadened my perspective on life, people and cultures. I’m really grateful for the opportunity to align my work and greater life purpose of making a difference in people’s lives and ultimately changing the world.

What are your favourite ways to pass time?

Quality chill time with friends around a braai or any type of foody celebration works well for me. I enjoy engaging with subjects that expand the mind so reading is high up on the list. I like working out, lifting weights or running; drinking coffee; and spending time in the stillness of nature – the quiet magic of Noordhoek beach on a misty winter morning with not a soul in sight – that’s bliss! I really love music and one of my favourite activities is leading the praise and worship songs at church. I have a super awesome girlfriend too, so any time with her is time well spent.

Describe yourself in one sentence

Man of faith.
Peter Steyn is a world-renowned bird enthusiast, author, photographer and client of Personal Trust. Peter has written a number of books – his most recent being ‘Antarctic Impressions – Seasons in the Southern Ocean’ published in 2007. Other well-known titles include ‘Birds of Prey of Southern Africa’ (still the foremost publication on raptors in the region); ‘Birds of Southern Africa’ and ‘Nesting Birds’ – another major work encapsulating a lifetime’s observation of the breeding habits of birds. Peter has published more than 350 scientific and popular publications ever a period of 55 years, most of which are illustrated with his own photographs.

Peter’s curiosity in natural history started at a young age. Butterflies and snakes sparked his interest but he soon switched to birds. At the age of 13 he took his first bird photograph and he hasn’t stopped since, with his photographs appearing in magazines and books worldwide.

A self-confessed technophobe, all Peter’s photography has been done using traditional film whilst the text for his books has been typed by his wife on a manual typewriter!

Peter has been a client of Personal Trust for over 21 years. He was first introduced to Personal Trust through a former Director who was a member of the Owl Club. We are proud to have such an esteemed writer as a client.

For readers of Personal Opinions who are not birdwatchers some explanation is required. Birdwatching has undergone an exponential growth in popularity in recent times, especially with the advent of ‘Twitching’ (or ‘Listing’ in USA). The term derives from those who fail to see a rarity, or ‘dip out’ in birding parlance, and shake or twitch uncontrollably in frustration. There are enthusiasts who strive to see how many birds they can see in a lifetime, often going to extraordinary lengths to add new species on a worldwide basis. On Big Birding Day teams strive to find as many species as they can in a twenty-four hour period. The competition is fierce!

In Southern Africa there is the potential to see somewhat over 900 species. Some enthusiasts achieve 600 without too much difficulty, but the 700 and 800 barriers become increasingly more daunting to surmount, while only an illustrious few break the 900 mark, and that is why the rarity I discovered becomes so significant.

But let me get to my story. With my photographer friend Dr André Demblon, I make regular visits to the Strandfontein sewage ponds, the most productive birdwatching area on the entire Cape Peninsula, usually teeming with flamingos and other waterbirds. I drive André in his 4x4 around the ponds and position him so that he can get the best angle for his pictures. Having photographed with film for 65 years, I decided not to embrace the digital era. However, I derive vicarious enjoyment from André’s stunning images.

On our way home from Strandfontein on 17 July 2016, I made the serendipitous decision to drive along the picnic site road on the eastern shore of Zeekoe Vlei. After about 300 metres I spotted a bird on top of a bush beside the road. I knew it was a scrub robin, but it didn’t match anything known to occur on the Cape Peninsula, so I alerted André to take a photograph. We then consulted the images on the Sasol Birds iPhone App and the nearest species it could be was a Kalahari Scrub Robin, but way south of its range. Clearly we needed to report it as a matter of urgency, so André transferred the image from his camera onto his phone and forwarded it to Trevor Hardaker who sends out regular bulletins of rarities seen anywhere in Southern Africa.

That evening Trevor posted a Mega Alert announcing that our Kalahari Scrub Robin was in fact a Rufous-tailed Scrub Robin, very similar in appearance, and a new species for Southern Africa! It is distributed from the Iberian Peninsula across North Africa as far as Syria and Israel. It normally migrates as far south as Kenya, but our bird had forgotten to stop and had undergone what is known as a reverse migration.

Then the action started, and the very next day a gathering of 55 ‘Twitchers’ was counted at one time, viewing the obliging little bird. From then on a steady flow of birdwatchers continued to pour in from all over South Africa, as well as a few from Namibia, Botswana and Zimbabwe.

On 22 September, 68 days after it was first sighted, the scrub robin disappeared. By this date 1,294 birders had been to see it, 850 from the Western Cape, while Gauteng headed the ‘outsiders’ with 237 making the journey. Visiting overseas birdwatchers also detoured to see it, including those from UK, USA, Canada, The Netherlands, France, Spain, Austria, Switzerland, Australia, New Zealand, Malta and even one from Sri Lanka!

So, to conclude my story, at the age of eighty, my rarity seems to have caused quite a stir.
I have recently heard from John Gurney that Lucara Diamonds, a Canadian company, had found in November 2015 a 1,109-carat diamond (the size of a tennis ball), known as Lesedi La Rona from the AK6 kimberlite in Botswana. This is the world’s second largest gem quality rough diamond after the Cullinan Diamond (3,106-carats; found in 1905 near Pretoria).

John Gurney, a geochemist and former Professor and lecturer at UCT, was a director of Lucara at the time they acquired this kimberlite; based on his review of the exploration diamond parcel John had advised that large high quality diamonds might be present. Lucara Diamonds invited John to London for the auction of the big stone at Sothebys. Here it was expected to fetch well over $70 million, but the bidding only reached $61 million, below the reserve price.

Hearing about and following the above from John and his son James Gurney intrigued me about John’s other diamond discoveries. John was involved in one of the most significant new diamond discoveries of the past three decades in Canada. John says: “My contribution came from my research in Cape Town. I could assess by my analysis of mineral dispersions what the diamond content of a kimberlite was likely to be well before it was discovered.” The application of John’s research contributed to the discovery and development of what became the Ekati Diamond Mine in sub-Arctic Northwest Territories of Canada.

The first kimberlite was discovered in 1991 and, after a rapid track development, the Ekati Diamond Mine was opened by (then) BHP Minerals and its partners (BHP Billiton have subsequently divested their interest). Today Canada is the world’s third largest producer of diamonds by value, after Russia and Botswana. John’s geological consulting firm Mineral Services remains active in various diamond projects around the world.

John Gurney is confident that diamonds will remain a good investment with world supply declining and demand steady. As Zsa Zsa Gabor said: “I never hated a man enough to give him his diamonds back.”

A FAMILY TALE:

A cousin, during the course of 2016, told my sister Libby Bisschop and me that our great-grandfather, John Birbeck, was the first Mayor of Kimberley and had sold his diamond business to Cecil John Rhodes in 1882 for the enormous amount of £2.5 million.

So Libby and I set off to Kimberley in October 2016 in search of the Birbeck family wealth. Well, we made an interesting discovery. Not diamonds. Great-Grandpa John had to leave Kimberley in disgrace in a great hurry (no doubt with his wealth) as he had impregnated his sister-in-law. Unsurprisingly our Birbeck mother and aunts had never mentioned this bit of family scandal.
Philip Kilroe’s family were also attracted by the Kimberley Diamond fields. Philip’s dad, John Kilroe, relates the Kilroe story as follows:

Thomas Kilroe (jnr) born 13 April 1839 in Edinburgh, Scotland (great-grandfather of John) travelled as a young boy with his family to the Cape Province of South Africa. His father, Thomas Kilroe (snr) had been sent out to the Eastern Cape with the Seventh Regiment of Dragoon Guards to protect the British 1820 Settlers. Thomas Kilroe (jnr) was married in Burgersdorp in 1865 to Elizabeth McCaskie, born in Derry, Northern Ireland, and marriage records show him to have been a joiner by trade. They had a large family and moved to Queenstown in 1868 where my Grandfather, Alfred James Kilroe was born in 1869.

The first discovery of diamonds on the Colesberg Kopje in Kimberley late in 1871 created the diamond rush and Thomas Kilroe (jnr) moved the family again in 1874 to settle in Newton, a ‘suburb’ of the old town of Kimberley, as he had acquired a Registered Claim (No 316) in the Kimberley Diamond Mine (The Big Hole).

History tells us that, within a few years of the discovery, 50,000 prospectors and their families had descended on the area, creating a tent settlement that grew into the town of Kimberley. The working conditions were difficult and dangerous, and life was very hard for the families in the early years. However, Thomas is known to have prospered in Newton and sent his surviving six sons to private school at St Aidans in Grahamstown. He died in 1888, having sold his claim to De Beers, and was followed shortly by his youngest son, Joseph, aged 11. They lie buried in the Pioneer Cemetery in Kimberley with his wife, Elizabeth, who had died ten years earlier.
Al and Sue Dallas, clients of our Knysna office, have a grandson, Finn.

Finn was born with conditions known as Microtia and Altresia – his outer ear did not form properly (Microtia) and he has no ear canals (Altresia). Fortunately both his inner ears work and, with the use of a bone-anchored hearing aid worn on a soft band, he has been able to achieve normal speech and language.

Apart from this disability he is a typical five year old in every other way ... engaging, loving and full of energy. He’s bright and excited about life.

After extensive consultations and research in South Africa and internationally it was determined that the best solution could be provided only in the USA. The process comprised two separate intricate operations − opening up the ear canal and constructing an outer ear, with both operations being done in one operating session! The operations on Finn’s ears were to be six months apart, interspersed with regular trips back to the US for check-ups, etc. There were no guarantees, although there was a good chance Finn would achieve unassisted hearing within the normal range. Interestingly, the surgeons who developed the technique perform up to five of these operations a week on patients from all over the world.

Because Finn is starting “big school” in 2017 it was necessary to take the plunge ‘on loan’, and his first operation on the right ear was completed in April and the left ear was completed in October this year. The results for both operations have been excellent – both cosmetically and with improved hearing.

To assist the family with the enormous cost of these operations, the Golfinn 4 Ears Golf Tournament was held at the scenic Pezula Golf Club at the beginning of October. Personal Trust co-sponsored the day which was a great success and raised a whopping R85,000.

We wish Finn everything of the best as he starts his new life as a complete young man.

Should you wish to contribute to this cause or follow Finn’s exciting story you can do so via their facebook page, https://www.facebook.com/raisingfinn/.

Johann van der Westhuizen, Director in charge of our Knysna office, tells us about a very special young man.
The Holidays are here again, a time for remembering those who have stayed beside us during the last year. We are grateful to have clients like you, who are a pleasure to deal with. Thank you and best wishes for the holidays and coming new year!