DTB WEALTH | NEWSLETTER

2025 SPRING EDITION

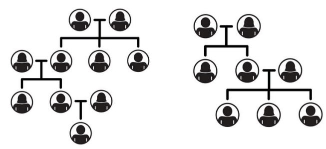
CELEBRATING A NEW SEASON AND SMALL VICTORIES

Resilience Rewarded.

Christiaan Barnard On Retirement.

DTB Wealth Team Breakaway.

Tracing Roots: Unlocking Family History.



World Test Final At Lords.

Ask The Experts: SA Expats Abroad and Donations.

Financial Realities Of Dementia.

Philanthropy: Purpose Over Profit.

Welcome to our Spring Edition 2025 Newsletter.

This season reminds us that growth often begins with small steps. Just as new blossoms signal change in nature, our financial journeys are also shaped by steady progress and the courage to stay the course. In this edition, we reflect on resilience, purpose, and planning — and how these themes play out both in markets and in life.

We open with reflections on the new season of small but significant victories, like the JSE breaking through the 100,000-point milestone, as well as the Proteas winning at Lords. Both of these events seemed highly unlikely no less than 12 months ago, yet here we are celebrating the small wins. These achievements remind us of the value of patience and perspective, especially when volatility tempts us to act on emotion rather than discipline.

In keeping with the idea of living with purpose, we explore philanthropy and giving — highlighting how Jannie Mouton's bold move to transform Curro into a nonprofit sparks important conversations about aligning wealth with impact. We also share with you, our clients, our own "Owe · Grow · Give · Live" framework, which invites us to see money not just as numbers on a statement, but as a means of living generously and meaningfully.

This issue also brings you a variety of thought-provoking features. We take a closer look at Christiaan Barnard's courage, brilliance and, interestingly enough, his view on retirement, reminding us that purpose and reinvention matter as much as security. September is also known as Alzheimer's Month, and we look at the financial realities and implications this disease brings.

We have an insightful look into family history research in the digital age, showing how exploring our roots can give new meaning to our futures. There's a lot more in this edition of our newsletter, and as always, our aim is to empower you not only with financial knowledge but also with perspective — to see money as a tool for creating freedom, security, and significance. We trust you'll find both inspiration and practical insights in these pages.

Here's to new beginnings, meaningful victories, and living with purpose. **But before you start reading, click on the flag below for a brief reminder of some of the highlights of the year to date.**

Warm Regards,
The DTB Wealth Team

FROM TANYA's DESK

Resilience Rewarded: The Power of Small Victories.

In our our last newsletter in April we encouraged investors not to panic amid global trade tensions, market volatility, and a weakening rand. It was a difficult season — headlines spoke of crashes and recession, and the temptation to retreat to cash was strong. However, in line with our investment philosophy we reminded clients to stay the course, and not make hasty decisions based on emotions.

Fast forward to today, and we find ourselves in a **new season** — one defined not by fear, but by **small victories** that together paint a powerful story of resilience.

The JSE All Share Index not only recovered from its April slump but, on **23 July 2025**, broke through the **100,000-point milestone** for the first time in history.

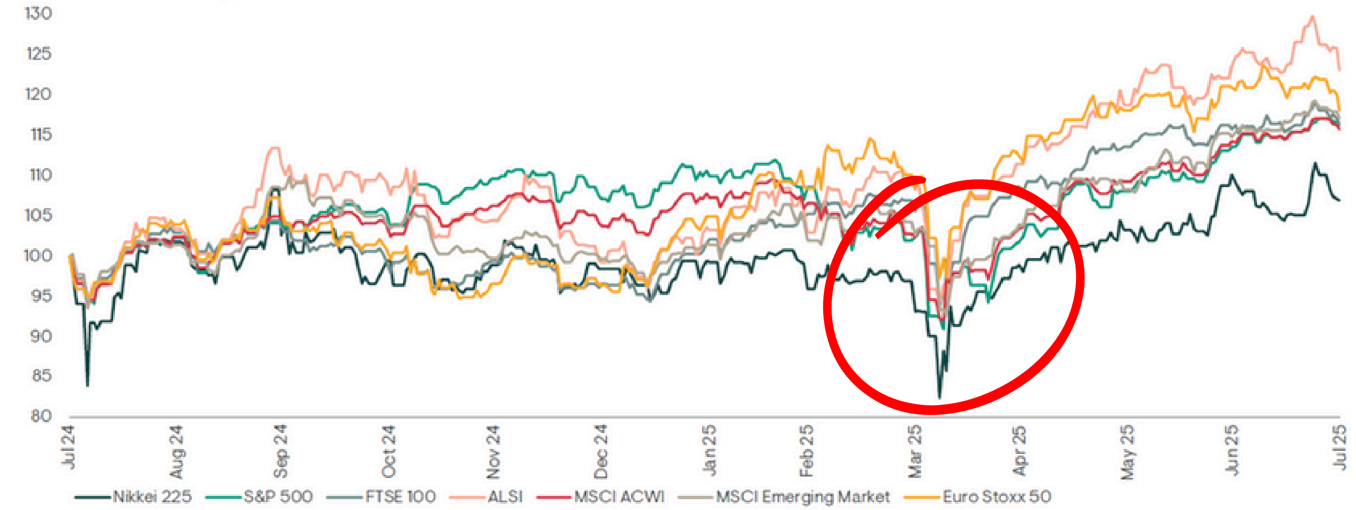
The chart below shows just how resilient SA asset classes were as they managed to return some stellar performance across the board despite the sharp pull back in March. Not many would have predicted this outcome 12-months ago amidst the post-election uncertainty South Africa faced.

	2024	1 month	YTD	1 year	3 years p.a.	5 years p.a.
ALSI	13.4%	2.3%	19.3%	23.2%	17.0%	16.4%
ALBI	17.2%	2.7%	9.5%	17.0%	13.5%	11.4%
STeFI	8.5%	0.6%	4.4%	8.0%	7.9%	6.3%
ALPI	29.8%	4.4%	10.7%	25.7%	18.3%	18.5%

Internationally, the S&P 500 rebounded from its April low of **4,983** to a record **6,446 by mid-August** — a near **29% gain**. However, South Africa has quietly become a **favourite among investors.** Not only did the rand hold its ground, but South African equities, bonds, and listed property **outperformed many global peers** over the past six months.

When comparing the JSE to global markets, it has been a phenomenal time for SA markets:

12 months to 31 July 2025 (All in US dollars)



All in US dollars	2024	1 month	YTD	1 year	3 years p.a.	5 years p.a.
Nikkei 225	8.7%	-2.9%	8.5%	7.0%	11.5%	7.9%
S&P 500	25.0%	2.2%	8.6%	16.3%	17.1%	15.9%
FTSE 100	7.6%	0.6%	20.6%	16.6%	14.4%	13.5%
ALSI	9.6%	-0.4%	24.0%	23.2%	13.6%	14.8%
MSCI ACWI	17.5%	1.4%	11.5%	15.9%	15.3%	12.8%
MSCI Emerging Market	7.5%	1.9%	17.5%	17.2%	10.5%	5.4%
Euro Stoxx 50	3.8%	-2.5%	22.4%	18.2%	20.1%	12.8%

When considering other macro economic indicators we see SA inflation has remained contained at **3.5%,** interest rates were cut to further, and government secured a **$1.5 billion infrastructure facility** to support long-term growth.

Individually, each of these may seem like a small win. Together, they mark a **new season of confidence** for investors who stayed the course.

The Behaviour Tax: A Small Decision, A Big Cost

In uncertain times, it's often the small decisions that matter most. For investors, a single decision to sell out of fear can cost months — even years — of growth. This is the essence of the **behaviour tax:** returns lost not because of markets, but because of human behaviour.

Over the past six months, the JSE climbed from around **96,430 points in June** to more than **101,800 by August** — a gain of about **5–6%**. Investors who moved to cash during the turbulence missed out on this small victory, effectively paying the behaviour tax. This underlines a timeless truth: **time in the market beats timing the market.**

Return on Life: Celebrating Small Wins

Financial success isn't only measured in portfolio returns — it's measured in how money enables you to live a meaningful life. This is your **Return on Life**. Each small victory — resisting the urge to panic, capturing compound growth, aligning your wealth with your values — adds up to something far bigger: the ability to live with freedom, security, and confidence.

Globally and here in South Africa, these small victories have been amplified. Investors who held firm not only saw market recovery, but also enjoyed the benefits of **outperformance across asset classes**, proving that discipline pays off even in uncertain environments.

Looking Ahead

More volatility will come — that much is certain. But as we enter this new season, let's take stock of the small victories that have brought us here. Each reinforces the importance of patience, discipline, and perspective. When you measure both returns and your Return on Life, you realise that the true reward of investing isn't found in the day's headlines, but in the steady progress toward a life well-lived.

UPDATE FROM ADAM

Heartbreaker: Christiaan Barnard on Retirement, Courage and Legacy

During December last year I read the autobiography of the remarkable Dr Christiaan Barnard called: Heartbreaker. Few South Africans have left as indelible a mark on the world as Dr Christiaan Barnard. Heartbreaker tells the story of the small-town boy from Beaufort West who rose to international fame when, in December 1967, he led the team at Groote Schuur Hospital that performed the world's first human heart transplant.

For South Africans, it was a moment of immense pride. In a time when global headlines about our country were seldom positive, Barnard's achievement put us on the world stage for something extraordinary. Overnight, he became a household name—not just as a surgeon, but as a symbol of possibility.

The Celebrity Surgeon

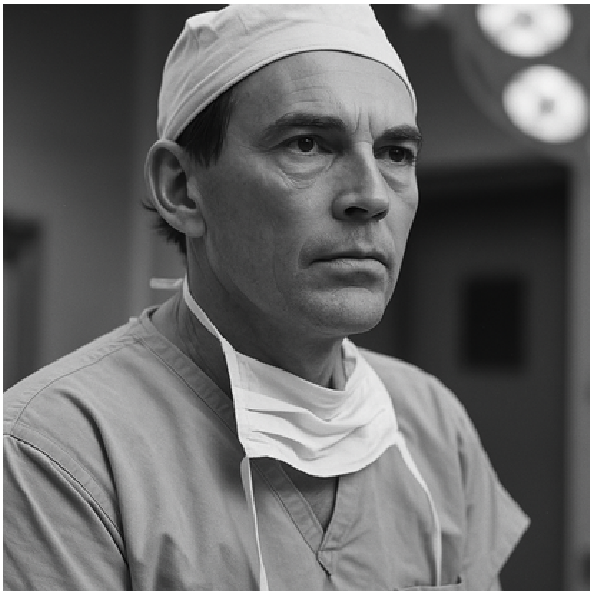
The book paints a vivid portrait of Barnard's life: his relentless determination, his brilliance in the operating theatre, and his restless need to achieve. But it also shows us the other side of the man—the charm, the controversies, and the way he embraced the celebrity that came with his medical breakthrough.

Whisked around the world, Barnard dined with royalty, appeared on American talk shows, and was photographed alongside movie stars. He admitted to enjoying the attention, once remarking:

"I enjoyed the attention. After all, I had been an unknown surgeon in Cape Town, and suddenly the whole world wanted to hear my views."

Barnard's newfound fame wasn't always comfortable, but he used it to speak beyond medicine.

A Man Who Looked Beyond Colour



One of the most compelling parts of Heartbreaker is Barnard's quiet but determined opposition to apartheid. Following the example of his father, a minister in Beaufort West who treated all people with dignity, Barnard refused to let racial divisions dictate his practice of medicine.

His transplant team reflected that ethos, and he treated patients of all races with equal respect. In an era when speaking out carried risks, Barnard made it clear that medicine—and life itself—should be free of prejudice.

This moral courage added another dimension to his legacy: not only a pioneer in medicine, but also a South African who looked beyond the divisions of his time.

Barnard on Retirement

What struck me most as someone who guides others on retirement is Barnard's view on ageing and retirement. He was blunt, often provocative, in challenging the traditional idea of stepping back.

"You don't grow old by living a number of years. You grow old when you desert your ideals."

To him, people did not decline because of age itself, but because they abandoned purpose. Retirement, if it meant passivity and withdrawal, was a mistake.

Even after leaving surgery, Barnard refused to fade quietly. He wrote books, delivered lectures, and threw himself into new passions. Reinvention, not retirement, became his motto.

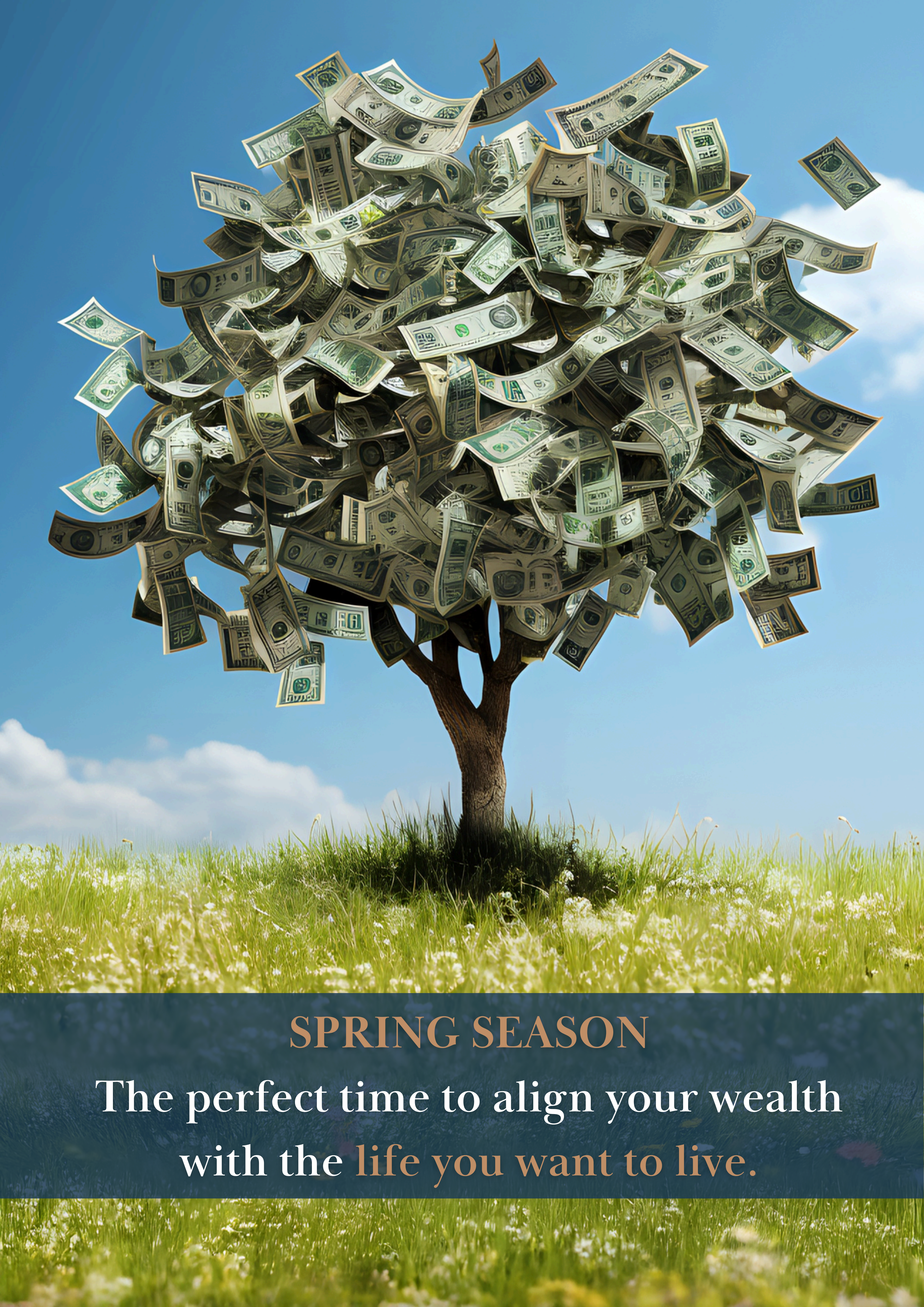
Relevance for Today

Heartbreaker is therefore not just a biography of a brilliant surgeon. It is a meditation on meaning, courage, and purpose. It reminds us that the later stages of life can be as rich and impactful as the earlier ones—if lived with intention.

At DTB Wealth, we see retirement in much the same way. Financial security is important, but it is only one part of the story. The bigger question is: how do you want to live those years? What will give you joy, challenge, and significance?

Barnard's story offers us all a challenge: to think of retirement not as the end, but as a new beginning.

"**The greatest retirement plan is not measured in rands and cents, but in passion, purpose, and the courage to reinvent yourself."**



SPRING SEASON

The perfect time to align your wealth with the life you want to live.

FROM ERNA'S DESK

DTB Wealth Team Breakaway: A Weekend to Remember at Fevertree Lodge

After months of dedication and hard work, the DTB Wealth team took a well-deserved break and spent a rejuvenating weekend at the stunning Fevertree Lodge, nestled in the heart of the Mokaikai Game Reserve in Limpopo.

With the entire lodge exclusively reserved for our team, we were able to fully unwind and enjoy a weekend of rest, connection, and adventure. From the moment we arrived, every detail was taken care of — from the warm hospitality to the mouthwatering meals expertly prepared by Chef Jabo, who truly outdid himself!

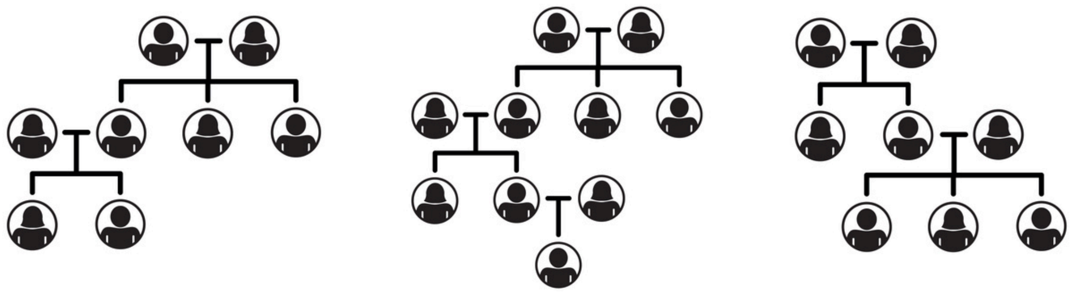
Our days were filled with laughter, great conversations, board games, and unforgettable game drives led by Jacques, who made sure we didn't miss a thing. We were lucky enough to see a wide variety of wildlife in their natural habitat, and one of the highlights of the trip was a lion drive, where we got an up-close look at these majestic animals in their own section of the reserve.

The weekend gave us all a chance to recharge, reconnect as a team, and appreciate the beauty of the bush — and of course, the joy of simply taking a breather together. We returned refreshed, inspired, and more connected than ever.

Here's to more moments like this, and to the incredible DTB Wealth team who make it all worth it! Erna

Visit the Fevertree Lodge website for more info

Tracing Roots in the Digital Age: Unlocking Family History Through Online Archives



At DTB Wealth we have always advocated for pursuing hobbies and interests in retirement. That is perhaps why we so often find it incredibly interesting to listen to our clients stories. One of our long standing clients, Karen Martin, has been passionately researching her own family tree and shared some insight into the remarkable world of genealogy.

Just as new blossoms signal fresh starts, looking back into our past can often open the door to surprising new discoveries. Exploring your family tree is one way to uncover stories of resilience, adventure, and continuity – that give us fresh appreciation for where we come from, and a renewed perspective on where we're going.

She shares her journey of tracing history and uncovering fascinating stories that bring the past to life.

Q1: What first inspired you to research your family tree?
I've lost both my parents in recent years, and I think that's what got me longing for a sense of family continuity: how the past shapes us in our present lives and into our futures. I also feel that I am honouring my ancestors by learning about their lives and making the connections.

Q2: How do you go about tracing family history?
I'm using the internet to research my family tree. There are different platforms one can use, some free, some paid. They help you build the tree by providing a framework and they have millions, yes millions, of digitised documents: baptism registers, marriage certificates, probate records, cemetery records, travel records, and on.

Q3: What have you discovered about your ancestry?
I have traced my Afrikaans ancestors back to their arrival on ships at the Cape in the service of the VOC, some in the 1650s, and some in the 1700s. Through church records and tax records I've followed how they moved away from the Cape itself to various parts of the colonial frontier, which farms they settled on, when they moved away, who married who. The VOC and the Dutch Reformed Church kept very good records, and in fact the VOC records are now used in genetic research, mainly for medicine, because they're such a unique set.

On the other side of my line, I've traced ancestors in England and Ireland, way back too. I've loved being able to track how people moved off the land and into the cities as England started industrialising. The Irish records are tricky, because there was a fire that destroyed much of the Irish archive.

I've also traced my ancestors who ended up in Australia.

Q4: Were there any stories that stood out to you?

My third great-grandfather was transported at age 19 for stealing a chicken. He served his seven years, married and had a family, then went back to Brighton, where he declared his occupation to be "gentleman" in the census. My second great grandfather in another branch was a young German sailor who took his chances as a cook on a commercial ship to Australia. He became a travelling photographer, moving from outback town to outback town in a wagon. He also put on a magic lantern show.

Q5: Did you find anything closer to home?

On the Afrikaans side, it's been shocking to see the impact of the Boer War. So many children died: it's like a stain across the family tree. I have tracked how my Roodt and Kruger family made their way over the generations from the Cape to the Transvaal, as semi-nomadic livestock farmers and transport riders. And then I've "watched" as they disappear off the land to the cities after the devastation of the war. What's been amazing is that the Roodt-Kruger branch of my family settled in the Heidelberg area, which is around the nearest town to where I live. And I've found family graves on some of the Greylingstad farms.

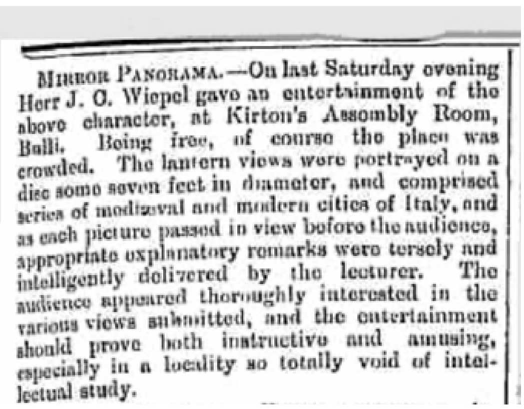
Q6: How has this journey influenced you personally?

This work has also got me involved in taking care of graveyards, which all over the world are suffering from neglect and vandalism. I'm a member of the Friends of Johannesburg Cemeteries, which is under the Johannesburg Heritage Foundation, and we garden and clean at Braamfontein and Brixton cemeteries. At Brixton, I've found and taken care of the graves of an Irish ancestor and a Boer ancestor.

Q7: For someone wanting to start, where should they begin?

It's a common regret that we don't gather family stories when our elders are alive, and I feel this regret. But there are a lot of stories to be found in the archives, and digitisation means it's at our fingertips. If anyone wants to get going, FamilySearch is free and has huge, digitised holdings which the platform helps you find. Paid platforms include Ancestry, FindMyPast and Geni. Each platform has its own strengths. They all have huge digitised archives, but sometimes you'll find something in one of them that isn't in another. And the archives are growing all the time, as digitisation progresses and legal limits on documents lapse. The closer to the present you get, the sparser the documents are due to the various privacy laws on different kinds of documents in different countries. And as well as that, all the platforms protect the identity, details and documents of any person you add to your tree that is still alive.

- **https://www.familysearch.org/en/global**
- **https://www.ancestry.com/**
- **https://www.findmypast.com/**
- **https://www.geni.com/**
- **https://joburgheritage.org.za/**
- **https://joburgheritage.org.za/friends-of-the-cemeteries/**


MIRROR PANORAMA.—On last Saturday evening Herr J. O. Wiepel gave an entertainment of the above character, at Kirton's Assembly Room, Bulli. Being free, of course the place was crowded. The lantern views were portrayed on a disc some seven feet in diameter, and comprised series of mediæval and modern cities of Italy, and as each picture passed in view before the audience, appropriate explanatory remarks were tersely and intelligently delivered by the lecturer. The audience appeared thoroughly interested in the various views submitted, and the entertainment should prove both instructive and amusing, especially in a locality so totally void of intellectual study.

Here is a newspaper clipping about another Australian immigrated ancestor. He arrived from Germany in 1860 at age 19, paying for his passage by working as one of the sailors on his ship.

This little notice was published in the Illawarra Mercury, 23 July 1885, by which time Herr Wiepel was 44 and the father of four children. Note the writer's attitude to the rural areas in his closing sentence: "... the entertainment should prove both instructive and amusing, especially in a locality as totally void of intellectual study"

FROM DAVID'S DESK

On the 10th of June I headed to OR Tambo International airport to fly to London to watch South Africa play Australia in the World Test Championship final at Lord's. In the airport lounge, it quickly became apparent that this would be no ordinary trip. Familiar faces were dotted everywhere. With modest expectations and the scar tissue of many previous disappointments weighing heavily, we set off on our journey to Lord's.

For those who don't know, Lord's is the Home of cricket. It is a ground that is steeped in history, and in over 200 years of existence, all the great names of the game have graced its hallowed turf. I unfortunately have never had the privilege of playing at Lords, although I've watched many games there. Adam was lucky enough to play a Test match there, although he badly damaged his shoulder and didn't get to complete the match. I think it is therefore fair to say that DTB's track record of Lord's up until this point was therefore not spectacular!

The beautiful old traditional buildings of the members' pavilion that house the changing rooms and the famous Long Room blend seamlessly with the modern pavilions on the southern end of the ground to create an atmosphere that is truly unique. In this part of England, traditions still run deep, and the feeling of history is almost tangible. Unlike most other grounds around the world, there is no blaring of music or other noisy distractions. Instead, the only sounds you'll hear are the constant chatter of the capacity crowd, which creates a white noise that Lord's is famous for. On the first morning of a test match, this constant hum of chatter is only intermittently interrupted by polite applause for good cricket and the increasing popping of champagne corks by MCC members bedecked in their famous "egg and bacon" blazers.

The Proteas, under the astute leadership of Temba Bavuma, came into the match as heavy underdogs against the all-conquering Aussies. When Bavuma won the toss and elected to bowl under leaden skies, a huge cheer went up from the massive contingent of South Africans who'd made their way over to Lord's from far-flung places like Dublin, Atlanta, Perth, Wimbledon, and Sandton!!! Indeed, the support was overwhelmingly in favour of the underdog Proteas. Even the many English spectators were supporting South Africa, but this was rather because of the fact that for them they would rather have anyone win as long as it wasn't Australia!!!!

This South African cricket team, much like South Africa itself, tends to surprise when you least expect it. KG Rabada and his supporting cast quickly got to work in dismantling the Aussie top order. The South African supporters were understandably in good spirits, no doubt aided by many £8 pints and glasses of Pimms and Lemonade. The Aussies were bowled out for a meagre first innings total. When it came to South Africa's turn to bat, they made slow but steady progress and ended day 1 in the ascendancy.

Day 2 dawned under grey skies once again, and now it was the turn of the South African batters to suffer at the hands of the relentless Aussie bowling attack. Our first innings subsided meekly, and we surrendered a first-innings lead. The Aussie batters came out for the second innings and made steady progress in building a formidable lead. There came a point in the afternoon where the many South Africans had tired of proceedings and retired with a sense of foreboding to the many bars behind the grandstands to quaff their £8 pints of beer. It felt as if the Proteas were about to be taken into a “croc-roll” by their ruthless and experienced opponents.

Instead, just as all seemed lost, Lungi Ngidi sprang into life, much like a dormant old gold share, to produce the spell of his life. What ensued was perhaps the craziest few hours of cricket I have ever witnessed as one Aussie batsman followed the next like lemmings off a cliff to what seemed like an inevitable demise. South Africa began to believe again!!

After some stubborn resistance on the 3rd day, the Proteas eventually bowled the Aussies out and were set a target of 282 runs to win the World Test Championship. Under glorious blue skies, the Proteas batters set about their task with relish, with Aiden Markram and Temba Bavuma to the fore. As the reality dawned on the South African supporters late in the afternoon that we might win this game, the supporters broke into songs usually reserved for more rowdy football stadiums. The usually overzealous Lords security staff were powerless to stop the euphoric celebrations, even though they were perhaps a tad premature.

After the loss of a few early wickets on day 4, and the ghosts of failures past tapping on the shoulders of all Proteas fans, it was a nervy and anxious wait for the winning runs to be hit. That honor fell to Kyle Verreynne just before lunch when he struck a streaky boundary off Mitchell Starc to purge 30 years of heartbreak and set off off some raucous celebrations.

The fact that South Africa was in the final at all was perhaps a small miracle. No more than 5 years ago the very future of the game in the country seemed at risk as Cricket South Africa was bedeviled by administrative scandals, disillusioned players, and dwindling interest. Fast forward to present day, we have a high-performing team, stable governance, sound finances, and renewed interest in cricket. It’s a reminder once again that South Africans are a resilient bunch, and there is still much to be hopeful about for the future of our country.

Being at Lord’s with so many friends, ex-teammates, ex- colleagues and a number of clients to witness this historic occasion was truly a memory that will last a lifetime!!!

Ask the Experts: What South Africans Abroad Need to Know

As more South Africans seek opportunities abroad, questions around tax residency, expat obligations, and cross-border giving have become increasingly important. Many of our clients have children living and working overseas — some temporarily, others permanently — and often wonder what this means for their SARS responsibilities, how to structure financial support, and how inheritance planning is affected.

To bring clarity, we've put together a Q&A with the help of ***Sentinel's Michelle Tickner. She is a General Tax Practitioner (SA); FPSA® and a director at Sentinel. She is also the executive Head of Tax Planning and Consulting.*** The Q&A focuses on key considerations such as the difference between tax residents; expats and non-residents; the rules around donations and loans to children; and the process of managing offshore transfers and inheritances. Understanding these distinctions early can help avoid costly mistakes and ensure both compliance and peace of mind.

Q1. Some of our clients have children that have moved overseas to take up work opportunities. What are their obligations with SARS going forward while they work overseas either on a temporary or permanent basis? What are the implications for them on not clearing up things with SARS later down the line if they permanently relocate?

To understand the difference between tax residents, expats and non-residents, we must first **define tax residency**. According to Section 1(1) of the Income Tax Act No 58 of 1962, **a resident means** any natural person who is:

Ordinarily resident in South Africa, or physically present in South Africa for a specified duration.
A "resident" does not include someone deemed exclusively a resident of another country under a Double Tax Agreement ("DTA") that country has with South Africa. Therefore, even though a person may meet the ordinarily resident or the physical presence test, if they are deemed exclusively a resident of another country through application of the relevant DTA, they will be considered a non-resident.

A South African temporarily abroad is sometimes referred to as an "expat". An expat is someone living and working outside their country of citizenship or residence, usually temporarily. These individuals haven't terminated their tax ties with South Africa. As long as they intend to return to South Africa after their wanderings, they will continue to be ordinarily resident and thus tax resident in South Africa (unless excluded by application of a DTA).

An expat will still have the same tax obligations as any other South African tax resident even though they are spending time abroad. They are required to declare their worldwide income to SARS.

What is Expat Tax?

Expat tax refers to the abovementioned ongoing South African tax obligation of tax residents temporarily abroad. These individuals continue to be taxable in South Africa on their worldwide income, including their foreign employment income.

Employment income may also be taxable based on where the employee is physically present when performing their duties. Thus, an expat may be faced with double taxation if their employment income is taxed in South Africa (the residence country) as well as in the country where they are performing their services (the source country).

Fortunately, the Income Tax Act provides relief to South African expats earning foreign remuneration abroad. Section 10(1)(o)(ii) of the Income Tax Act allows the first R1.25 million of remuneration earned abroad to be exempted from tax in South Africa if certain requirements are met.

Non-resident individuals have officially severed their tax ties with SARS and no longer meet the criteria for tax residency. As opposed to residents, who are taxable in South Africa on their worldwide income, **non-residents are only liable for South African tax on income sourced within South Africa**.

They will not pay any tax in South Africa on their foreign employment income if they have gone through the formal process via eFiling to cease their South African tax residency ("**tax emigration**").

Emigrating from South Africa does not automatically terminate your tax ties with SARS. Terminating these ties requires formal procedures and declarations to place your non-residency with SARS. This includes the preparation of a letter setting out the facts, a declaration, travel diary, disclosure of any exit capital gains tax due and various other supporting documents. It is essential to follow this process to unburden yourself from having to disclose and pay tax on your worldwide income to SARS.

Q2. As a philosophy, if the situation allows it, we encourage our clients to give with "warm hands" during their lifetime instead of through their will. Clients often like to assist to children with home purchases. What should clients be aware of when transferring lumpsums to children to facilitate this? How best should this be done not to run afoul of SARS?

Transferring funds to children in South Africa can be done either through a donation or a loan, each with distinct tax implications:

In South Africa, donations tax is governed by Section 54 to 64 of the Income Tax Act. The tax is levied at 20% on the value of any donation exceeding R100,000 per annum made by a natural person. If the donation exceeds R30 million, the rate increases to 25% on the excess.

Let's say a parent donates R500,000 to a child in a single tax year:

- The first R100,000 is exempt under the annual threshold.
- The remaining R400,000 is subject to donations tax at 20%.
- Calculation: Donations Tax = (R500,000−R100,000) × 20% = R400,000 × 0.20 = R80,000
  So, the parent (donor) would owe R80,000 in donations tax.
- Important Notes:
  - The exemption applies per individual donor, not per recipient.
  - Donations between spouses are exempt from donations tax.
  - The donor may qualify for an exemption under Section 56(2)(c) of the South African Income Tax Act, as bona fide contributions towards the "maintenance of any person" are exempt from donations tax, provided they meet certain conditions.

Making an interest-free loan to children is often recommended over a direct donation because:

- They are allowed between South African tax residents and do not automatically trigger donations tax. However, they must be documented and included in your estate plan.
- The loan can be structured to be repayable, even if informally, which keeps it outside the scope of a donation.
- It allows for flexibility in estate planning and tax compliance.

Complexity arises when a South African tax resident provides a loan to a child residing outside the country, the following tax implications should be carefully considered:

- Loans to non-resident children are generally discouraged unless they are structured on arm's-length terms. This is due to the complex tax consequences that may arise, particularly under anti-avoidance provisions.

- In terms of Section 7(8) of the Income Tax Act, where a resident makes a donation, settlement, or other disposition (including an interest-free loan), and a non-resident subsequently receives or accrues income that would have been taxable had they been a South African resident, such income is attributed back to the resident (i.e., the parent) and taxed in their hands.

- The recipient or donee is encouraged to maintain a separate, ring-fenced account for such interest free loans. This ensures that any income generated from the disposition can be accurately tracked and attributed back to the South African tax resident (donor), if required.

- Where no income arises from the loan or related disposition, there is no requirement to attribute income back to the South African resident (donor).

Q3. If funds have been loaned to children in order to help them out, must this loan be mentioned in the client's will and who will keep track of the amount? How does someone equalise the situation through their will if there are other children?

The loan should be explicitly mentioned in the will, including the amount, date, and terms (e.g., whether it is repayable or to be treated as an advance on inheritance), which then ensures that the executor is aware of the loan and can account for it when distributing the estate.

The testator (parent) should ideally maintain a written record of the loan, ideally signed by both parties. This can be stored with the will or in a secure location accessible to the executor.

It is further recommended that a formal loan agreement be drafted and kept, avoiding disputes and to clarify whether interest is charged and under what conditions repayment is expected.

If the intention is to treat the loan as an advance on inheritance, the will should include an equalisation clause. This allows the executor to adjust the distribution so that all children receive equitable shares of the estate.

Example: If one child received a R500,000 loan and the estate is to be divided equally among three children, the executor may deduct R500,000 from that child's share before distributing the remainder.

Where a loan is made to a child with the intention that it be repaid during the Testator's lifetime, as stipulated in a loan agreement, any outstanding balance at the Testator's death may be addressed in the Will. The Will may provide that the balance of the loan is treated as a bequest to the child who received the loan, while an equivalent bequest is made to the Testator's other children, thereby ensuring that all children benefit equally.

Q4. If clients have offshore funds and have children living overseas, can they transfer offshore funds to these children and not breach exchange controls? What else should be considered?

Donations or loans of authorised foreign assets to other South African residents (including those living abroad) are allowed without repatriating the funds to South Africa first, provided that these assets are authorised foreign assets and the transaction is subject to local tax disclosure and compliance by both parties.

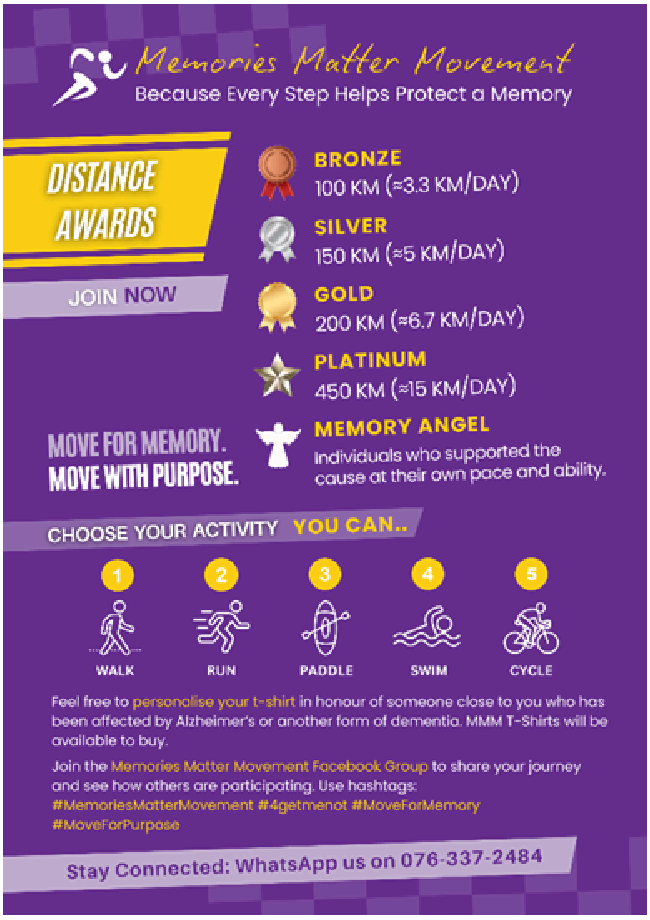
Q5. If a non-resident child inherits through a life product in South Africa, how will they be able to transfer the funds out of South Africa?

Following a ruling issued by the South African Reserve Bank (SARB) after 1 March 2021, individuals who ceased to be South African tax residents some time ago and are no longer registered with SARS (i.e., do not have an active income tax number) may receive an inheritance or life insurance payout of up to R10 million without the need to apply for an Approved International Transfer (AIT) tax clearance from SARS. For amounts exceeding R10 million, a manual letter of compliance from SARS is required to facilitate the transfer.

Planning Ahead: Navigating the Financial Realities of Dementia

By Adam Bacher

September is recognised globally as Alzheimer's Month, and in South Africa, ADASA (the Association for Dementia and Alzheimer's of South Africa) hosts its annual Memories Matter Movement. With more than 55 million people worldwide living with dementia – and almost **10 million new cases diagnosed each year** – the impact of neurodegenerative diseases is a growing concern. Very few of our families today remain untouched by dementia. On a personal level, we are dealing with it with my mom and both my aunt and her daughter (in her 50's) lost their lives due to this terrible disease.



According to the National Institute of Aging, nearly one-third of people over 85 will experience some form of dementia. There is often confusion between the terms of Alzheimer's and dementia. Dementia is a broad term describing a collection of symptoms that affect cognitive abilities, while Alzheimer's disease is a specific, progressive brain disease that causes dementia. Essentially, Alzheimer's is a leading cause of dementia, but not the only one.

More on the Adasa Memories Matter event here:
https://www.adasa.org.za/memories-matter-movement-2025

While much attention is placed on the medical and emotional aspects of dementia, the financial implications are equally significant. In recent months, some clients have raised a difficult but important question: **What should I do if my spouse shows signs of mental decline?**

Longevity already presents challenges in financial planning, with the concern of outliving one's retirement savings. Increasing lifespans also mean a greater likelihood of encountering cognitive decline during retirement. The best protection is to act early, while both partners are still lucid, to avoid unnecessary complications later.

Do we need to think again?

A common misconception is that a Power of Attorney (POA) can solve the problem. However, a standard POA is only valid if the person granting it is mentally competent. It may be useful for temporary situations, such as signing documents while travelling, but once someone loses mental capacity, a POA is no longer enforceable. At that point, families are often left with no choice but to apply for curatorship through the courts – a lengthy and costly process.

The advantage is that dementia typically develops gradually, giving families time to prepare. Practical steps to consider include:

- Keeping an updated list of investments, debit orders, and bank accounts.
- Documenting all sources of income and expenses.
- Storing important documents such as wills, trust deeds, and insurance policies in one secure place, with electronic copies shared with trusted family members.

At a recent client event, Niki Bush highlighted the value of creating a "What If" file – a single source containing critical documents, account details, and passwords. While designed to assist loved ones after death, such a file is equally valuable in the event of mental incapacity.

It is also vital to remember that wills, trusts, and other legal documents must be executed while a person is still of sound mind. Once declared mentally unfit, they can no longer sign binding legal agreements. Families should also prepare for the possibility that the healthy partner may pass away first. In such cases, a special trust may be set up to ensure the ongoing care of the spouse with dementia.

As your financial advisors, we encourage you to reach out if you are concerned that a family member may be showing signs that worry you. These situations can feel overwhelming, and it's important to know you don't have to navigate them alone. While we are not specialists in preparing the legal documents that may be needed, we can guide you through the financial considerations and connect you with trusted experts who can help ensure the road ahead is thoughtfully planned.

Philanthropy -helping to bridge the gap between profits and purpose”

In a move that blurs the lines between capitalism and social conscience, South African entrepreneur Jannie Mouton, through his Jannie Mouton Foundation, has proposed a R7.2 billion offer to buy out all shareholders of Curro Holdings, the country’s largest private school operator, with the bold aim of converting it into a nonprofit education entity.

Announced in late August 2025, the proposal offers Curro shareholders R13 per share—a 60% premium above the company’s closing price of R8.13 on August 25. This generous valuation sparked a dramatic stock rally, with Curro shares climbing between 50% and 54%, signalling strong investor sentiment.

Curro’s board has responded positively, indicating they view the bid as attractive and value-enhancing for shareholders.

Understanding the social element

Curro has established itself as a formidable force in private education—serving over 71,700 learners across nearly 189 campuses, with around 85% of its student population being black South Africans. Yet recent financials show that while revenues grew (roughly a 4–5% increase), learner numbers slipped by 1.4%, and basic earnings plummeted by ~36%, underscoring the economic pressures families face.

The Mouton Foundation, long committed to funding bursaries, grants, and community education initiatives since its founding in 2004, views Curro as the ideal vehicle to deliver amplified social impact. Post-acquisition, Curro would shed its shareholders entirely, becoming a public benefit organisation (PBO) and nonprofit company. All profits and surpluses would be reinvested to further education, subsidize fees, expand infrastructure, and increase bursaries—particularly in underserved regions where financial returns are limited but social value abounds.

This deal is more than a financial transaction—it’s a visionary shift from a profit-first model to an education-first ethos. For shareholders, it delivers a generous exit package. For the education sector and civil society, it signals the possibility of repurposing profitable enterprises into engines of inclusive impact.

If successful, Curro’s transformation could equip it to operate with the financial discipline of a business, but guided solely by educational outcomes and social equity. This model may inspire other philanthropists and corporations to reimagine how assets can be leveraged for public benefit—especially in a country where quality schooling remains unevenly distributed.

DTB Wealth shares this conviction that philanthropy helps bridge the gap between profits and purpose. When considering the 'OWE-GROW-GIVE-LIVE' framework, a financial life framework designed to help people think holistically about money and purpose, we believe philanthropy is part of the 'give' pillar. The 'give' pillar represents contributing to others whether it is supporting causes, communities, or people in need. It can also include practising generosity and stewardship.

We have had some interesting conversations with some of our clients about the concept of philanthropy and given the recent actions of Curro, we believe the conversations are now more relevant than ever. Here's more on our own philanthropy model:

Why Give?

At DTB Wealth, we believe in the power of purposeful giving. This philanthropy pack introduces three exceptional organisations, each making transformative change in their communities. Whether you're looking to support immediate needs or long-term solutions, these organisations offer measurable, impactful, and inspiring opportunities.

- **Create tangible positive change.**
- **Strengthens communities and social bands.**
- **Empowers the giver.**

We love this country and believe educating our future leaders is critical to the success of South Africa. We would like to offer as many deserving children as possible the opportunity to attend the world-class schools with whom we have partnered. We believe that by providing our beloved TAG Foundation learners with a quality education, we are in turn positively impacting their families and their communities. We are driven by the desire to witness our TAG Foundation learners

- **Provide financial and emotional support to deserving scholars.**
- **Provides deserving scholars an opportunity to attend world-class schools.**
- **Partners with King Edward VII School and Parktown School for Girls.**

53 boys are currently attending KES and 15 girls are attending Parktown Girls...Thanks to the Tag Foundation

- **Alleviate poverty and social injustices.**
- **Support the most impoverished communities.**
- **Focus on giving a 'hand up' and enabling people to become self sufficient.**

150 charities assisted. 25 000 members. 300 000 people helped

- **Creating a city that all can be proud of.**
- **Jozi my Jozi is a movement for the people, by the people.**
- **Connecting various corporates to work on various projects.**

From enhancing safety and infrastructure to fostering social change and environmental sustainability, each initiative is thoughtfully designed to address key challenges while celebrating the unique vibrancy of our city.

We have connected personally with each of these organisations over the recent years. Each organisation is a registered NPO which can provide you, the donar, with a Section 18(A) certificate.

- **Discuss with us your 'giving' strategy.**
- **We will introduce you to these organisations.**

WE ARE PROUD TO SUPPORT:

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theangelnetwork.co.za

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