

**Payment of Interest Policy in relation to monies held on behalf of clients**

1. When we receive money from or on behalf of a client (“Client Money”), it will be paid into a general client account with our bank and paragraph 19 of our Terms & Conditions of Business will apply.
2. We will account for interest on Client Money to such extent as it is fair and reasonable to do so in all the circumstances in order to achieve a fair outcome for both the client and ourselves. We seek to comply with Rule 7 of the SRA Accounts Rules 2019.
3. We do not pay the full rate of interest that we earn on general client funds as this is at an enhanced rate that we can secure from holding large levels of client funds in aggregate. Under Rule 2.4 of the SRA Accounts Rules 2019 money held in a client account must be immediately available, even at the sacrifice of interest, unless the client otherwise instructs, or the circumstances clearly indicate otherwise. Accordingly we pay the same rate of interest as set by Barclays Bank plc in relation to its Clients’ Premium Account. We believe this enables clients to receive a fair market rate of interest whilst providing us with a return for administering and managing client funds, which have to be audited annually at our expense.
4. The interest payable will be calculated from the date of receipt of cleared funds to the likely date of receipt of interest by the client. We will allow 7 working days for cheque clearance. BACS payments received by us will be treated as cleared funds on the date of receipt and we will allow 2 extra working days for clearance of payments to clients by BACS. The interest will be calculated on the balance of Client Money held from time to time during the period in question. It will not be compounded.
5. In the event that the total calculated interest due to the client on a specific matter is £50.00 or less, then no interest will be payable to the client, as it is considered that such a sum may reasonably be retained by us to cover the administrative cost of managing those funds. If Client Money is held in relation to separate matters for the same client, other person or trust, we will normally treat the money as relating to the different matters separately unless otherwise specifically agreed in writing.
6. We will generally calculate and pay interest at the conclusion of a matter. The interest will be paid gross of tax and the client has the responsibility of declaring the interest received to HMRC for taxation purposes.

7. Clients may undertake alternative arrangements to hold their funds privately during the course of any matter or they may request that the funds are held by us in a separate designated client deposit account. In the event of any client undertaking such special arrangements, we reserve the right to make a charge at the fee earner rates applicable to the matter for any reasonable additional time or third party costs incurred in satisfying the client's request in relation to their funds.
8. We will review and reserve the right to amend this policy on a quarterly basis and also whenever there is a change to the Bank of England Base Rate.

**January 2024**