

# How Transact holds client corporate cash

Corporate portfolios held with Transact benefit from higher cash interest rates than are generally currently available on the high street.



The cash interest in the GIA is subject to corporation tax for most firms, although business accounts for sole traders are treated differently. Moderately sized businesses have corporation tax rates of 19%.



Where an SME is a small and/or family run business with blood-related directors, it is often allowable to link these corporate holdings to personal assets held for 'family discount' purposes – thereby potentially reducing their overall charges on their personal and corporate (cash) assets.

## All interest earned on client money is passed on to clients

At Transact, we regularly review the rates of interest earned on client money and look to improve the blended rate where we can. This requires us to have good relationships with the banks we use and to manage deposits actively. In deciding how much to hold with each bank, as well as interest rates, we must consider a combination of factors, including: each bank's financial strength and suitability; the FCA's diversification requirements; clients' anticipated liquidity requirements; and a matrix of board-approved risk appetites.

If you would like to discuss the opportunities for corporate clients in more detail, please contact your ASM or BDM.

## Transact uses seven major banks

The table below shows the banks we currently use and the percent held in each based on the average month end deposit values for October, November and December 2025.

BANK	OCT-DEC MONTH END AVERAGE
Barclays Bank Plc	21%
Cater Allen Limited	2%
Clydesdale Bank Plc	8%
HSBC Bank Plc	21%
Lloyds Bank Plc	15%
National Westminster Bank Plc	21%
Royal Bank Of Scotland Plc	10%
Santander Financial Services Plc	2%

The rate of interest paid to clients across all bank accounts and for all wrappers is referred to as the blended rate. The blended rates for each of the last 12 months is shown below:

MONTH	ANNUAL EQUIVALENT OF MONTHLY RATE (GROSS)
November 2025	3.63%
October 2025	3.67%
September 2025	3.69%
August 2025	3.77%
July 2025	3.97%
June 2025	3.96%
May 2025	4.02%
April 2025	4.19%
March 2025	4.17%
February 2025	4.28%
January 2025	4.48%
December 2024	4.47%

For adviser use only | M341 Version (15) January 2026

"Transact" is operated by Integrated Financial Arrangements Ltd, 4th Floor, 2 Gresham Street, London EC2V 7AD | Tel: (020) 7608 4900 | Email: info@transact-online.co.uk | Web: www.transact-online.co.uk | (Registered office: as above; Registered in England and Wales under number: 03727592) | Authorised and regulated by the Financial Conduct Authority (entered on the Financial Services Register under number: 190856)

