

Understanding Source of Funds (SoF) and Source of Wealth (SoW)



As part of our legal and regulatory obligations, we may be required to understand both your Source of Funds and your Source of Wealth, in particular where you are settling funds or property into trust. This helps us ensure transparency, prevent financial crime, and protect our clients.

What is Source of Funds?

Source of Funds refers to the specific origin of the money or assets being used for the particular transaction you are instructing us on.

Examples of Source of Funds could be:

- Savings from your salary
- Proceeds of sale (e.g. from a house, investments, or a business)
- An inheritance
- Dividends or bonus payments
- Pension lump sum

What we will require from you, depending on how you acquired the funds:

- Bank statements showing the build-up and transfer of funds
- Completion statements for property sales
- Dividend or investment statements
- Estate Accounts
- Pension payment confirmation

This tells us where the money for THE transaction comes from.

What is Source of Wealth?

Source of Wealth refers to how you have accumulated your overall financial position over time. This is a broader picture of your financial background and how you came to have your assets.

Examples of Source of Wealth:

- Long-term employment income and savings
- Business ownership or entrepreneurship
- Property portfolio or investments
- Inheritance or gifts over time
- Trust distributions or family wealth

What documents and evidence we may require from you:

- Summary of career history or business ownership
- Documents showing long-term investment growth
- Trust documents or inheritance documentation/ estate accounts confirming what you have received
- Land Registry information
- Company accounts
- Previous tax returns showing sources and amounts of income

This tells us how you acquired your wealth over your lifetime.

Kindly note that further inquiries or requests for supporting documentation may be made, as each case is evaluated on an individual basis.