

Title:

Business Banking - Getting The Right Account For Your Business

Word Count:

405

Summary:

While many people turn to their usual bank when opening a business account, it's advisable to shop around. There can be some advantages to using the same bank for personal and business accounts

Keywords:

banking, business, bank, account, interest, charge, loan, finance, open, close, manager

Article Body:

While many people turn to their usual bank when opening a business account, it's advisable to shop around. There can be some advantages to using the same bank for personal and business accounts - your manager may be more supportive if you are known to the bank and have a sound financial track record. However, each bank offers different services and has different bank charges.

Many banks are currently offering free business banking for a set period - six months or a year - as an incentive. There are also a variety of support packages, such as free business software and dedicated advisers to help with your business plan. Choose a bank that will give the best all round deal for your particular business - you may also want to consider corporate ethos and ethical banking when deciding which bank to take your business to.

Choosing Your Accounts

Depending on your business type and size, you may need different accounts. If you are likely to be making frequent transactions, for example, you may be better off with an account that charges a fixed monthly fee, rather than a fee per transaction. If you need to process debit and credit card payments, you will need a merchant account.

For overseas trading, you may want a foreign currency account. As with personal accounts, it may be worthwhile to hold more than one type of account - for example, a current account for day-to-day banking and a deposit account for investing profits. There's nothing to stop you having different accounts with

different banks - although you might get a better deal if you hold all your accounts with one.

Opening Your Account

You will need to set up a meeting with a business advisor to open an account. In order to prevent money laundering, you will need to provide certain information at this point - including proof of identity such as driving license or passport, plus proof of your address and signature. The advisor will want to see a business plan and details of your financial planning. There are many schemes that offer help with putting together a business plan. Make sure you have as detailed a plan as possible when presenting it to your advisor - this will help him or her to offer the best services for your needs.

You will also need an account opening mandate - the bank will provide this.

For limited companies you will need a certificate of incorporation.