

# Guide to opening a bank account

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**Social Business Wales**  
**Busnes Cymdeithasol Cymru**



Wales Co-operative Centre  
Canolfan Cydweithredol Cymru

Once you have registered your social business you will need to open a business bank account.

Before you choose which bank you use, it's a good idea to think about what you might need from your bank.

- A bank with a high street presence so that you can talk to someone and pay in cheques and cash?
- Access to online banking and a business app?
- A bank that understands social businesses and access to further advice and support on business banking?
- An ethical bank which has its own social or charitable purpose?
- A better understanding of the charges?
- A complex account with more than one signatory?

Once you know what your business requires, you can research banks online to find out more. Often banks will have an online chat service for you to ask direct questions, or you can use their 'contact us' form.

There are a number of comparison sites available which have already done some of the work for you, for example, 'Which' comparison page [Which bank account](#)

**Adverse Credit:** As every high street bank will perform a credit check, if any of the Directors or main shareholders has a poor credit rating, then your application will get declined for a business bank account.

Some banks offer:

- A high street presence providing a debit card and cheque book - some banks can issue several of these so more than one person can help run the account.
- Online banking, which lets you check and run your account through your bank's website or mobile app.
- Interest when you have a positive balance on your account.
- An overdraft facility which lets you borrow money in the short term.

- Help with forecasting your finances, free templates and free accounting software.
- Smartphone invoicing.
- A charge free period, monthly fees or fees per transaction.

To open the account you will need to provide a few pieces of identification and evidence of your business. They include:

- Your business' name, address, annual revenue, company number and total number of employees.
- Details about your business – business plan, articles of association, tax information, turnover and other capital.
- Directors' details including name, date of birth, address and National Insurance number.
- If any of the signatories already have an account with the bank, then provide bank account details. This will help to set up the account quicker since they have already been ID checked.

## Overdraft facilities

There may be a minimum amount of time that you need to be with the bank or building society and they will usually run a credit check on you and your business and request further details of your business finances or plans before they offer an overdraft.

## Online banks

There are banks that only operate through the use of financial technology (Fintech). Although these accounts are much quicker to set up and use, be aware that there may be some grant funders who would prefer their beneficiaries to have a regular high street bank account.

### Want to discuss topics in this guide further?

Contact [sbwenquiries@wales.coop](mailto:sbwenquiries@wales.coop) or your dedicated Business Advisor.

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