



# Carry out the banking for your business

Money is the lifeblood of any business. Spending time at the outset organising finances, and gaining professional help, especially where other people are investing in your business, is vital. One of the first steps is to open a bank account. Not all banks offer the same services and support, so it is important that you spend time to research which is the best bank account for you and which financial products meet your business needs.

Banking can be expensive so it is an important decision to make.

These issues can be complex and the use of professional expert advisers can in the long term save time, money and wasted energy.

This involves:

1. choosing a suitable bank and account
2. doing the banking
3. asking for professional help when you need it

## What you need to do

- decide what banking facilities are important for your business, i.e.:
  - how you will pay money in
  - how you will make payments, including whether you need a debit or credit card
  - how and when you want to be able to access account information
  - whether you need banking advice
- research the different banks, types of banking, accounts, and financial products available to your business, the services they offer and all the associated costs
- choose a bank and an account(s) that meets the needs of your business
- decide who is responsible for dealing with account administration
- decide who will have access and be signatories to the account
- provide a bank with the documents and information required to open an account
- record the amount of income received and in what format (i.e. cash, cheques or credit and debit card receipts)
- if you need to retain cash for a float decide how much income you will bank and how much cash you will retain



- fill in the banks forms for paying in receipts, cash and cheques and get appropriate receipts from the bank
- regularly check bank statements for errors or irregularities
- if you take regular cash deposits to the bank identify how to improve your personal security
- review your bank accounts and how you are operating them

## What you need to know and understand

- what banking facilities are important for your business
- the different banks and different types of banking that are available to you. (i.e. online, telephone, or branch banking)
- the different types of accounts your business will need (i.e. a cheque account, savings account or loan account)
- what the benefits and disadvantages are of the different accounts
- the legal requirements required to open and operate a business account
- who is responsible for administration of the account and who will have access to it
- the process by which you deposit money in the bank
- how to reconcile bank statements with your records to check for errors
- how to increase security (for example, keeping PIN numbers, cheque books and bank cards secure)

