

FACT SHEET

Banking & Bank Accounts for Voluntary and Community Organisations

Some of the major banks and building societies offer special accounts for small voluntary and community organisations and give free banking as long as your account is in credit. The conditions and benefits vary slightly from bank to bank - the details for each are listed in this fact sheet.

Opening an account

To open an account you can go into the local branch or ring the contact number. They will give you forms to fill in. Once this has been done and the forms returned to the bank, they will send you an account number and a passbook/ chequebook depending on the type of account. You can then start using the account.

Banks and building societies generally require proof that your group is a voluntary, non-profit making organisation and not a private business. This could be one of the following:

- Letter from the chair and secretary of your group
- Copy of resolution passed at AGM authorising your group to open an account with the bank
- Copy of your group's Constitution
- Charity Registration confirmation/Trust deeds (if group is a charity)

At least two people should sign each cheque that your group writes. You can have a pool of people who are named as 'signatories' for the account, any two of whom can sign the cheque. The bank/ building society will require evidence of the identity of each person, and unless they have an account with that bank already it will be necessary for them to go down in person with:

- Proof of identity - eg driving license, passport, child benefit book
- Proof of address - eg utilities bill, benefit book, tax demand.

The signatories should be people with good credit ratings (ie no 'bad debts') as the banks will often refuse to accept people as signatories that they consider a high risk, however trustworthy.

Make sure you tell the bank that you are a NON PROFIT MAKING organisation. If you do not make this clear, you will be treated as a small business and you will pay more charges than you need to.

All the accounts listed offer 'free banking', ie no day-to day charges, unless specified. You will still be charged for things like going overdrawn, stopping cheques, extra statements etc.

Chippenham: 3-4 New Road, Chippenham, Wiltshire, SN15 1EJ. Tel: 01249 654089

Bath: South Vaults, Green Park Station, Bath, BA1 1JB. Tel: 01225 330090

enquiries@developecs.org.uk

Develop Enhancing Community Support Limited is a Company Limited By Guarantee registered in England and Wales 01986363. Registered Office is the Chippenham address above. Registered Charity 1096008.

Develop Enhancing Community Support is a member of the National Association for Voluntary and Community Action (NAVCA).

When you are looking for information on the internet remember that most banks refer to community and voluntary organisations as 'Clubs and Societies'. Accounts for these groups are usually classed as 'Business Banking'.

Bank Accounts for Voluntary Organisations

Alliance & Leicester (will change its name to Santander in 2010)

The Alliance and Leicester offers **current accounts** for clubs and charities with a turnover of up to £1M, featuring free and unlimited cheque issues and deposits, direct debits and standing orders.
Banking online and by phone.

Community Instant Reserve Deposit Account is also available for clubs, societies, charities and not-for-profit organisations.

For an application visit your local branch, phone the number provided or download from the website.

Alliance & Leicester
For application pack
Tel: 0800 056 5522

<https://www.alliance-leicestercommercialbank.co.uk/content/SB010016.asp>

CAF Bank (Charities Aid Foundation)

CAF is a registered charity which provides tailor-made financial products and services exclusively for the voluntary sector.

CafCash Account

Available to charities and not-for-profit organisations
Chequebook account
Banking by internet, phone, and HSBC cashpoints and branches
Pays interest on credit balances
Initial deposit must be £1000 minimum - then account must always be kept in credit

CAF Gold Account

Pays a competitive interest rate on credit balances
Can transfer payments into CafCash account at any time

CAF Bank
Tel. 0870 264 3296
www.cafonline.org

The Cooperative bank

Community Directplus

Free banking on accounts with a turnover of less than £500,000 per annum
Interest paid on balances of £2,000 and above
Banking by phone, internet, post, or through Post Offices
Can apply for project funding of £500-£1000 from the Customer Donation Fund

The Cooperative Bank

Tel: 0800 7834741

<http://www.co-operativebank.co.uk/servlet/Satellite/1195199888588,CFSweb/Page/Business-CommunityBanking>

HSBC

Community Account

For clubs, societies and charities with an annual turnover of under £100,000
Cheque account with the ability to make and receive payments, by cash, cheque or internet
Pays interest on balances over £10,000
No initial down payment or minimum balance
Free Audit Letter or Certificate of Balance

HSBC

Tel: 0800 731 8904

<http://www.hsbc.co.uk/1/2/business/accounts/community-account>

Lloyds TSB

Treasurers Account

For clubs, societies and charities with an annual turnover of less than £50,000
Free day-to-day banking when you're in credit
Banking by phone or internet.
An experienced relationship manager on hand to offer advice

Business Account

If your turnover is over £50,000

18 months free day-to-day banking and support from your specialist relationship manager.

Lloyds TSB

Tel: 0800 056 0056

<http://www.lloydstsbbusiness.com/community/accounts/treasurersaccount.asp>

<http://www.lloydstsbbusiness.com/community/accounts/communitynewaccount.asp>

NatWest Bank

Community Banking Services

A range of services to support and help you make the most of your resources. It's easy to open an account and you can benefit from free support and help from the Community Development Banking Unit.

NatWest Bank

Tel: 0845 302 1763

Community development banking team

0800 028 2677

<http://www.natwest.com/business/services/market-expertise/community/community-banking-services.ashx>

Nationwide Building Society

Treasurer's Trust Account

Passbook, not cheque account

Pays interest on all credit balances

Initial down-payment of £50 required

Instant access. No charges for cash and cheque withdrawals.

Nationwide Building Society

08457 302010 (national)

www.nationwide.co.uk/savings/business_accounts/treasurertrust/introduction.htm

Triodos Bank

Triodos Bank works specifically with 'organisations and groups which pursue social, environmental or cultural goals'. They have a range of accounts specifically for such groups, including Savings Accounts.

Charity Current Account

No minimum opening balance

Cheque Book and Paying-in Book

Direct Debits, Standing Orders and other automated payments
Interest on credit balances
Some charges made for day to day banking
Also available to groups which are not registered as charities, but do meet the criteria listed above

Value Reserve Account

Healthy rates of interest paid on balances over £2000
Transfer funds in or out of the account via BACS or CHAPS

Triodos Bank
11 The Promenade
Bristol
BS8 3NN
0800 3282181
www.triodos.co.uk

Unity Trust Bank

This is a bank run specifically for non-profit making organisations, and has a variety of current and deposit accounts available. While the rates and facilities don't vary hugely from the high street banks and building societies, the service may be more tailored to your needs and the investment of the bank goes into more ethical areas (community development.)

Ideal Current Account

Cheque account
Free banking for organisations with an annual turnover of less than £250,000
Banking by internet, phone or post

Ideal Deposit Account

Pays interest
Instant access to funds

Unity Trust Bank
9 Brindley Place
Birmingham
B1 2HB
Tel: 0845 140 1000
www.unity.co.uk
utb@unity.co.uk