



| CHARTERED CERTIFIED ACCOUNTANTS



# Start-up Banking

It is important to take the time to assess which bank account would be most suitable for your individual or business needs. There are many distinctions between the differing offers that you should consider carefully when thinking about setting up your business, ranging from finance options, costs, and perks.

## HSBC

- 18 month of fee-free banking.
- Post fee-free period, 12 month fixed price plan charging £5.50pcm maintenance fee, deposits up to £3,000 free with anything over charged at 0.50% of deposited value, all other transactions free.
- After the 12 month fixed price period the business will move on to 1 of 2 pricing, either the electronic banking, or small business tariff. 12 month fee-free business credit card, then annual cost of £32.
- Interest free credit for 56 days.
- Typically 22% APR (based on assumed £1,200 credit limit).
- Business credit cards can be issued to employees with separate statements for each.
- Take out a Small Business Loan from between £1,000-£25,000. With a 3 month repayment holiday.

## BARCLAYS

- 12 month fee-free banking. 2 payment plans post fee-free period ends:
  - Mixed Payment Plan: £6.00pcm, 90p per £100 deposited, 35p per electronic payment, 65p per cheque and assisted payment.
  - E Payments Plan: £6.50pcm, free electronic transactions, £1.50 per £100 deposited, £1.50 cheque and assisted payment.
- Offers a monthly loyalty reward where bank charges are given back.
- Take out a Small Business Loan from between £1,000-£25,000. With a 6 month repayment holiday.
- Withdraw up to £750 a day and make payments of up to £500 for a single transaction with a business debit card.

## LLOYDS BANK

- 18 months fee-free banking. £6.50pcm post fee-free period, £1 cost per £100 of first £1,500pcm cash deposit, 80p cost per £100 over £1,500pcm cash deposited. 65p charge for cheque transactions in and out.
- Take out a Small Business Loan from between £1,000-£25,000. With 8.7% representative APR.
- Apply for a £500-£25,000 overdraft with an arrangement fee of 1.5% of the overdrafts value.
- 12 month fee-free business credit card, then annual cost of £32. Interest free credit for 45 days.
- Typically 22.4% APR.

## NatWest

- 18 month fee-free banking. £5.00pcm post fee-free period, 70p per £100 cash transactions in and out, 70p per cheque payment, 35p per electronic payment.
- Can arrange a fee-free £500 overdraft within first 12 months, £50 set-up fee post 12 months.
- Access to FreeAgent business software.
- 50% discount on DHL Express standard tariff for international shipping for 12 months (with DHL Express account).
- Take out a Small Business Loan from between £1,000-£35,000. Typically between 8.99% and 9.49% APR. 12 month fee-free business credit card, then annual cost of £32.
- Interest free credit for 45 days. Typically 23.2% APR.

## RBS

- 24 month fee-free banking. £3pcm post fee-free period, 66p per £100 cash paid in, 76p per manual credits, 22p per electronic payment.
- Can arrange a fee-free £500 overdraft.
- Take out a Small Business Loan from between £1,000-£35,000. Typically between 8.99% and 9.49% APR. 12 month fee-free business credit card, then annual cost of £32.
- Interest free credit for 45 days. Typically 23.2% APR.

## Santander

- 12 month fee-free banking, 18 month if 123 World or Santander Select customer.
- £7.50 post fee-free period which includes all transaction payments.
- Earn 0.10% interest on any credit balance.
- Post fee-free period deposit up to £1,000 cash pcm for free, anything over £1,000 is charged at 50p per £100 deposited.
- Can apply for a business overdraft and borrow between £500-£25,000 (1% arrangement fee).
- Take a Small Business Loan from between £2,000-£25,000. Typically between 4.9% and 24.9% APR. £30 annual business credit card.
- Interest free credit for 56 days. Typically 23.7% APR.
- 1% cashback on spending.

Understanding payment methods coming in and out of your business will be vital to ensure you keep banking costs to a minimum once the fee-free period has ended.



PROFESSIONAL



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SUPPORT