

# COMMUNITY ACTION: MK

## Opening a Bank Account

### Choosing your bank

If money is going to be coming into and out of your group, it is a good idea to set up a group bank account. You will need to set up an account in the name of your group, not a personal account which the group would have access to (funders would not consider this).

Most high-street banks and financial institutions offer group bank accounts (although they are often called different things by different banks). There are also specialist voluntary sector bank account providers. It is up to you to investigate each option and make the best decision for your group.

Whoever you choose to bank with, they will probably require you to have:

- A copy of your governing document
- Signatories who will have access to the account
- Minutes of your first meeting
- Names of people associated with the organisation
- Completed copy of the form, signed by appropriate people

It may also be useful to bring any leaflets or publicity material about the group.

### The people you need in order to get an account

The bank will probably also expect you to have a Chairperson, Secretary and Treasurer who are likely to be 'named' on the forms.

The bank will ask you to appoint what it calls the 'signatories' for your organisation. These are the people who sign the cheques and are usually the treasurer and up to 3 other committee members, staff or volunteers. These are usually appointed by you for a year at a time. When first appointed, signatories will need to give proof to the bank personally that they are who they say they are. If you change your signatories at any time the new people you appoint will also have to go through this procedure.

## Comparing the options

You need to compare what the banks offer to see which option is best for your group. Look at charges they make, and any restrictions on how the accounts operate. Ask the bank if you are unsure or book an appointment to go and talk to them about your needs. Always check with the other committee members before signing on the dotted line!

## Checking out your signatories (nearly there!)

The bank has a legal obligation to make sure that each signatory is exactly who they say they are so they will run some checks on your signatories.

Each 'signatory' has to come to the bank *in person* with two kinds of identity documents. The bank will provide two (very long) lists of acceptable documents and each signatory *must* provide one kind of document from each list. Talk to the advisor if there are any problems.

*Examples to prove signature:* Passport, driving licence, immigration papers, employers ID cards

*Examples to prove address:* Utilities bill; driving license, NHS medical card

Once the bank has verified the signatories the account will be active.

## Examples of points to watch for on bank conditions:

- Signatories who are related or living at the same address may not be accepted
- Look out for any charges and compare these
- The number of free cheques you can write each month may be limited
- The amount of coins that can be paid in or taken out over the counter at any one time can be limited
- Building societies have a different method of issuing cheques

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