

With regards to your recent announcement that banks are to offer more help to small business I applaud you. The banks seem to be able to do what they want when they want, this has to stop especially as it is their greedy financiers that has lost us our pensions, our houses, and our savings helping to bring this country to its knees.

I am co-director of a small business in Oxfordshire called Bin Looney Ltd. As a complete new comer to business I was unaware of the ins and outs of business and especially business banking. It is this reason I am writing. After our 1 year free banking, as a start up company, we now will look forward to the following charges:

Credit

Auto: £0.18 p /per item

Cheque: £0.74 p /per Cheque

Cash /Mixed Credit: £0.74p/ per item

Debit:

Direct Debit: £0.32p / per item

Standing Orders: £0.54p / per item

Cheques: £0.63p/ per item

Branch Counter Withdrawal: £0.63p/ per item

Other Debits: £0.32p/ per item

Maestro: £0.23p / per item

Cash Machines: £0.23p/ per item

Internet Banking: £0.21 / per item

Cash Paid in:

Branch Cash Notes: £0.53 per £100

Branch Cash Coins: £0.53 per £100

Bill Payment Dr: £0.23 per item

Cash Paid Out

Branch Cash out Coin: £0.68 per £100

Branch Cash out Notes: £0.68 per £100

Cash Machine Cash Out: £0.42 per £100

Sundry

Branch Cheques Collected: £0.28

Account Fee: £3.15

Based on my first year figures I forecast that next year I will be paying £625.62 for a business account with no credit facilities and £761.56 for PDQ payments. A total of £1387.18 and as my small business is growing, I suspect, so will the charges.

No explanation has been offered other than it is "Normal banking practice". But why? If these charges were applied to my personal account, I would keep my money under my bed. If everyone in the country did that where would the British economy be then? As a business we have no option but to have a business account, if we didn't we would be breaking the law. Surely charging us the above, for the money we spend 7 days a week 15 hours a day working for, should be illegal as well!!!

It doesn't stop there, after looking at the length of time it takes for a PDQ payment to hit my business bank account I have written to HSBC Global Payments to ask for an explanation as to why it takes 3 days for the payments to hit the business account even if it is from a personal HSBC account. In letter and on the phone they are unable to explain why it takes this long and where it goes. I am charged 0.25p per transaction or 2%, and on top of that I am looking forward to a rental fee of £25 per month, plus £250 paid out to start up the service. And HSBC still feel it is their right to earn interest on my money, that they have already charged me for.

The business banking system is affecting my staff as well as my small business. Although my account was showing funds (albeit uncleared-lost in the 3 day PDQ system) they bounced staff wages but were able to take their charges immediately. How is this helping businesses?

Small businesses need more help than credit interest reductions. Our bank refused to help us get our viable business off the ground so we have no credit facility. We have been told our GP is 87% in our first year!

Rt Hon Darling, this needs to stop. Small businesses are the back bone of the economy and are as equally important as the larger businesses. This is our hard earned money and it is supposed to aid our fledging economy. Who runs the country the banks or our MP's?

I look forward to your response

Yours Sincerely

Lucie Eadon