

Banking in Great Britain





1979

the law on banking activity

credit institutions

recognized banks

licensed companies
accepting deposits

The banking system of Great Britain

- Level 1: Central Bank
- Level 2: Commercial Banks
Specialized Banks:
 - Trading
 - Foreign
 - Savings Banks
 - Discount Houses



A photograph of the Bank of England building in London, featuring classical architecture with columns and a pediment. A red double-decker bus is visible in the bottom left corner, and a modern glass skyscraper is under construction in the background.

Central Bank of Great Britain

Bank of England

Founded in 1694

1268 shareholders

1200 pounds

Nationalized in 1946

The role of the Central Bank

- emission of banknotes
- Influence on the size of cash reserves of banks and money stock
- the adviser of the government concerning monetary and credit policy
- operations on management of official gold and exchange currency reserves
- regulation of an exchange rate of pound sterling



Supervision of banking system

- Accounts of other banks
- Accounts of the government and the governmental departments
- Management of a public debt





Commercial Banks



“the great four”:

National Westminster

Barclays

RBS

Lloyds



Passive operations:

- reception of deposits:
 - deposits at call
 - deposit accounts
 - savings deposits



Active operations:

- discount loans
- investments in securities



Specialized banks

- Trading banks
- Foreign banks
- Savings banks