Preface

Since publication of the second edition of this handbook in 1993, a number of significant developments have occurred to fundamentally alter the conduct of banking supervision in the UK. On the international front, risk-based capital adequacy assessment has been formally extended to embrace market risk; and other multilateral initiatives have focused on interest rate risk, settlement risk, internal risk management and control, and the prerequisites of effective banking supervision. On top of this, the member states of the European Economic Area have formally adopted a range of Directives designed to complete the Single Market in financial services by the end of 1996. Closer to home, we have witnessed continuing developments in the Bank of Credit and Commerce International saga, the collapse of the Barings Group and the transfer of responsibility for banking supervision from the Bank of England to a new super-regulator, the Financial Services Authority. All of these events receive detailed coverage in this updated and completely revised text which, as before, charts the evolution of banking supervisory practice in the UK as well as providing an in-depth analysis of the various components of UK supervisory policy.

Given its up-to-date and comprehensive treatment of the subject matter, its policy orientation and the depth of analysis provided, the book should appeal to both students of banking and finance and practitioners (i.e. commercial and central bankers, lawyers, accountants, etc.) alike.