

# **THE WORK OF A BANK**

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The Work of a Bank by H. T. Easton

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**H. T. EASTON**

**THE WORK  
OF A BANK**



THE  
WORK OF A BANK

BY

H. T. EASTON

AUTHOR OF "BANKS AND BANKING"

*Associate of the Institute of Bankers; 1st Gilbert Prize-man,  
King's College, 1879*

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## PREFACE.

THE purpose of this small volume is to give an outline of the work carried on in a bank, and is intended chiefly for those who are about to commence their banking career.

Although there are many books which treat of the history of banking, there are but few which give an account of the actual work.

The successful candidate on obtaining his appointment soon realises the difference between school and office work. For example, the book-keeping taught in school is of a theoretical nature, without reference to the different methods required for every business. This is illustrated in the case of banking, where the chief commodity is money in a variety of forms. Again, the terms used, such as drawer, acceptor, indorser; and the documents handled, *viz.*, cheques, and bills of exchange, are possibly met with for the first time.

The author has endeavoured to give a general outline of the work by means of specimens of books and forms actually in use. It would be impossible in a small manual to mention all the subsidiary books, but forms of the principal ones are given.

The author wishes to express his thanks to many banking friends, who have kindly furnished him with valuable information.





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# BANKS AND BANKING.

## **PRESS OPINIONS.**

"A considerable number of facts in the history of banking are brought within a small compass, and the principles that underlie the different operations of banking are successively shown."—*Journal of the Institute of Bankers.*

"The history of banking is continued carefully from the foundation of the Bank of England, and Mr. Easton deserves our thanks for his remarks upon the same. The main features of our existing system are given in a manner which will be very clear to those who have adopted banking as their profession."—*Athenaeum.*

"The subject of banking in the United Kingdom is dealt with in this volume in a thoroughly scientific and lucid manner. Copious extracts from the work relating to the Bank of England's Discount Rate have been published in the previous numbers of the *Bankers' Magazine*. Those who desire to gain a knowledge of British banking methods will find Mr. Easton's book most valuable."—*Bankers' Magazine, New York.*

"Finance in all its forms is exhaustively dealt with, as well as the growth of banks in general, and the Bank of England in particular from the earliest time."—*The World.*

"An admirably lucid statement of the main facts with regard to banks and banking business, well fitted for the careful study of all who are either directly or indirectly interested in the monetary concerns of the country."—*The Scotsman.*

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1896.



## CHAPTER I.

### INTRODUCTION.

A KNOWLEDGE of banking practice and work is essential to those who intend to follow the banking profession, because although the work seems at first somewhat mechanical, yet the clerk might at some future period become a manager of a branch or possibly the general manager of a large bank, where a practical knowledge of the subject in all its aspects is indispensable. The work of a bank appears somewhat complicated, but when analysed is of a simple nature.

For example, a banker is a merchant dealing in capital, and in this capacity acts as a broker between two principals; on the one hand we have the depositor who leaves his capital in order to obtain interest for the same, and on the other hand the borrower who is willing to pay a certain sum for the loan of capital. The difference between the amount paid to the depositor and the amount received from the lender would constitute the banker's profit.

The banker, however, obtains additional profit in the shape of commission for certain work done, and also earns a profit from capital left with him, for