

## Why does the Bank of Guyana Supervise Banks?

*Supervision is necessary to help ensure that:*

1. your savings are “protected” and the risk of you not getting your money is minimized
2. the banks have money to meet your withdrawals
3. the banks have money to lend you
4. the banks are being effectively managed by their board of directors and senior management
5. the banks invest your money prudently so that they could earn adequate profits to pay you a reasonable return on your deposits
6. the banks are financially sound and have [reserves](#)<sup>1</sup> to meet unexpected loss
7. Safe prudential and financial practices are applied by the bank
8. the activities of the banks confirm to applicable laws and guidelines
9. the banking system (i.e. all the banks taken together) is safe and sound to facilitate continuous financial intermediation (i.e. deposit-taking and lending)
10. The country’s [payment system](#)<sup>2</sup> (dealing with cash, cheques, debit cards etc.) is working well

---

<sup>1</sup> [Reserves](#)-Funds set aside from profits

<sup>2</sup> [A Payment System](#)- refers to the system in place to move funds from an account at one bank to an account at another bank.