

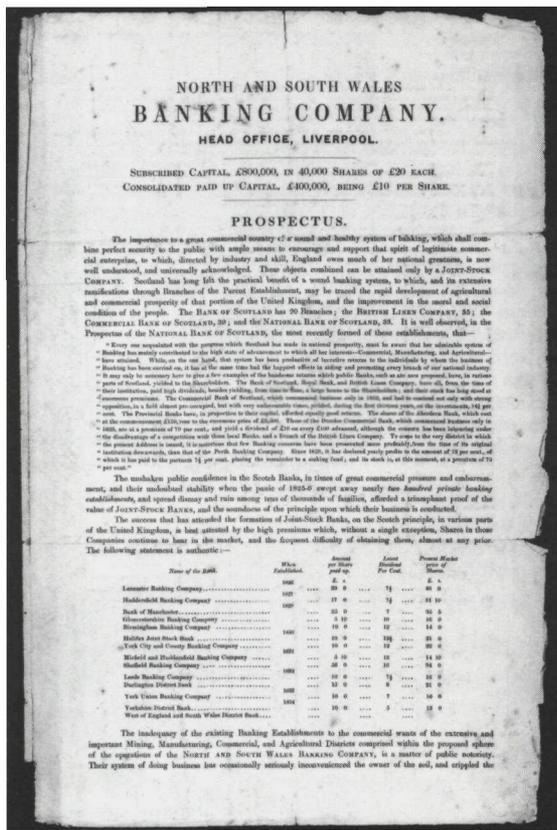


THE NORTH & SOUTH WALES BANK 1836-1908

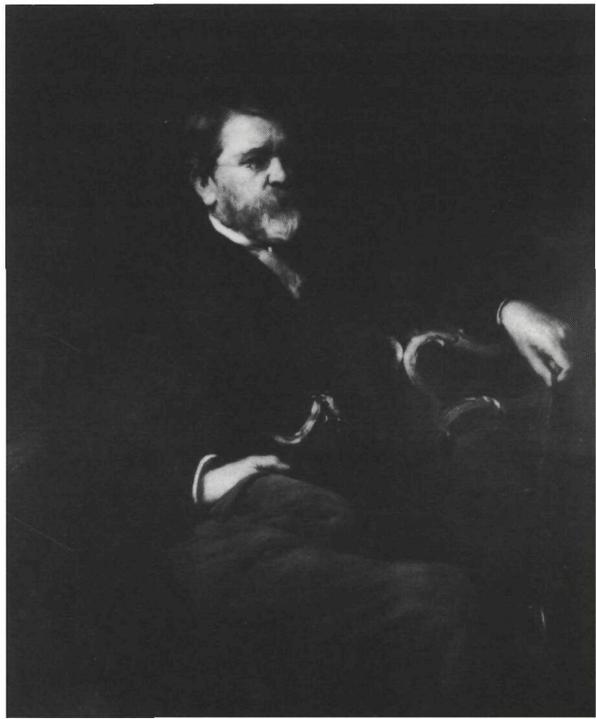
THE 150th ANNIVERSARY OF MIDLAND BANK'S FORERUNNERS IN WALES

In 1986 Midland Bank celebrates the 150th anniversary of the North & South Wales Bank, the main predecessor of its extensive business in Wales. The 'Wales Bank' was an outstanding example of country banking in the 19th century, and its achievements and traditions have a special place in banking history. By 1908, when the Wales Bank amalgamated with Midland, it was one of the largest provincial banks with over 100 branches. In this century the Wales Bank's family of branches has played an essential role in the development of Midland's modern business.

This exhibition illustrates the origins and history of the Wales Bank between 1836 and 1908 and pays tribute to eleven of its branches which celebrate their 150th anniversaries in 1986.



Prospectus of the North & South Wales Bank, issued in Liverpool early in 1836.



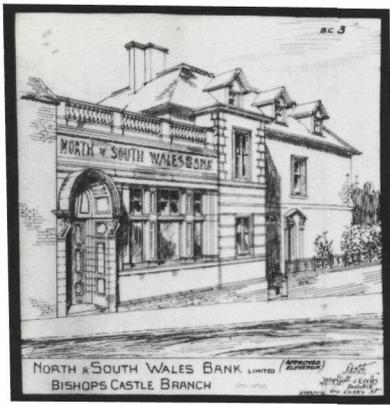
George Rae, the driving force behind the Wales Bank for most of its history. Rae was appointed general manager in 1845 and managing director in 1865, and he was also chairman of the bank between 1873 and 1897. From a portrait by Frank Holl, 1884.

Origins of the North & South Wales Bank

The North & South Wales Bank (known throughout its life as the "Wales Bank") was formed in Liverpool early in 1836. A prospectus was issued offering shares of £20, with £10 paid up, and calling attention to the needs of the "extensive and important mining, manufacturing and agricultural districts comprised within the proposed sphere of operations," and declaring that "proprietors of collieries, mining and smelting works are reduced to the necessity of doing most of their banking business out of the district, and in some instances, of submitting to the inconvenience of being their own bankers." It envisaged a branch system eventually extending throughout Wales, which showed considerable courage in view of the acute transport and communication problems – there were no railways in Wales at the time.

The provisional committee of Liverpool merchants, manufacturers and businessmen appointed a deputation to visit Welsh towns and London for interviews with leaders of the nobility and gentry of Wales and the Welsh Members of Parliament. Sir Love Parry Price Parry, Ambrose Lace and John Dean Case were appointed trustees, and applications for shares soon exceeded the proposed allotment. The capital structure had meanwhile been altered to £600,000 in £10 shares with £7 10s paid up.

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Perspective drawing of Bishops Castle branch, 1899.



Chester branch shortly after the First World War.



The old branch premises at Newtown in the early 1920s.

The Class of 1836

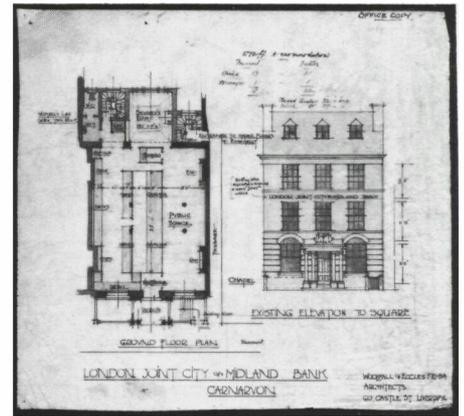
The Wales Bank opened in April 1836 in temporary premises in James Street, Liverpool. Deputations equipped with "a phaeton and a good strong horse" were sent through Wales with "full powers to treat with any bank or bankers for the purchase of the business of their establishments and also for the appointment of any clerk or clerks they may think fit" and also to "proceed to such places as they may think proper with a view to open banks."

The new bank immediately took over the business of several private banks. At the same time branches were established in several towns in North Wales and a deputation was sent to South Wales. Plans for expansion came to a halt with the collapse of the Northern & Central Bank of England, a Manchester bank with 40 branches, many in North Wales. Eight of these were taken over by the Wales Bank, which by the end of the first year had 13 branches and 10 sub-branches, one being 100 miles from Liverpool.

No less than eleven of Midland Bank's modern branches were opened in those first hectic months of the Wales Bank's history. The opening dates of these "first eleven" offices show how quickly the new bank was organized:

30 May 1836	Bishop's Castle (Shropshire)
30 May 1836	Newtown (Powys)
30 May 1836	Welshpool (Powys)
8 June 1836	Llanfyllin (Powys)
8 June 1836	Oswestry (Shropshire)
27 June 1836	Ruthin (Clwyd)
1 July 1836	Llanrwst (Gwynedd)
4 July 1836	Caernarfon (Gwynedd)
4 July 1836	Chester (Cheshire)
9 August 1836	Mold (Clwyd)
19 September 1836	Wrexham (Clwyd)

Although some of the Wales Bank's other branches were at least as long-established in origin, these branches have the distinction of uninterrupted operation by the Wales Bank and, since 1908, by Midland from 1836 until the present day.



Architect's drawing of Caernarfon branch in about 1923.



Architect's drawing of the former premises of Mold branch in 1904.



Ruthin branch in 1964, one of a series of branches designed for the Wales Bank by Woolfall & Eccles at the beginning of the century.



Wrexham branch in about 1925.

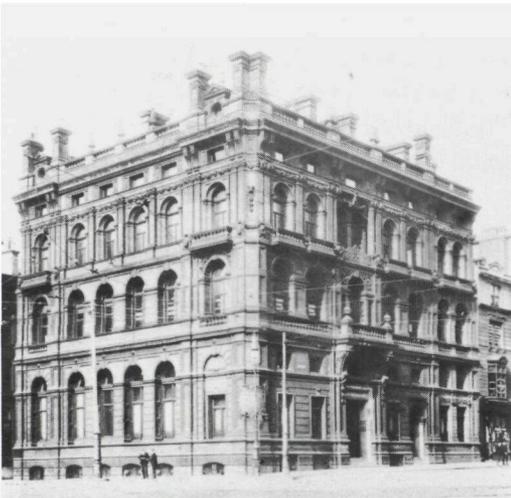


Oswestry branch in the 1920s.

The Wales Bank's Liverpool home

The financial and business links between North Wales and Liverpool grew increasingly strong in the Victorian period. This factor and the large capital resources of the Mersey area made Liverpool a natural focus for the new Wales Bank. The bank's headquarters remained in the city throughout its history, initially in James Street and, from 1873, at 62 Castle Street. The Castle Street office continued as a Midland branch between the amalgamation in 1908 until the early 1980s; its business has now been merged with Midland's Dale Street branch, itself the successor of another old-established Liverpool bank.

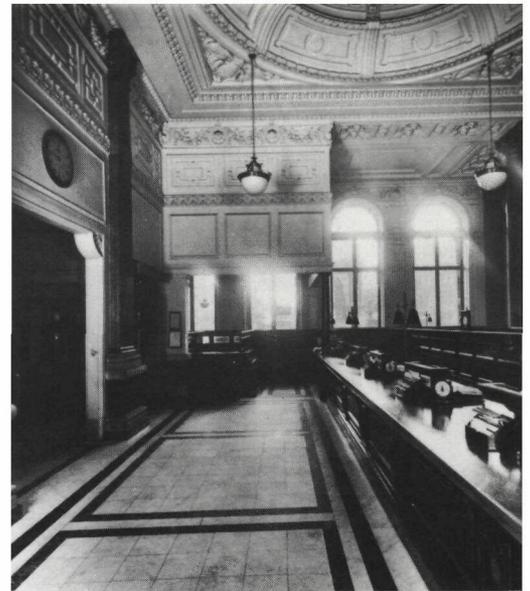
The Wales Bank, in addition to its Liverpool headquarters, also emerged as one of the leading banks in the Merseyside region. From the 1860s onwards 'town branches' were established in Liverpool, and the network of branches was subsequently extended into new suburbs and into the Wirral. These branches – many of them with large numbers of industrial, trading and shipping customers – provided a balance for the predominantly agricultural business of the branches in North Wales, Cheshire and Shropshire. In 1901 the Liverpool base was even further strengthened when the Wales Bank acquired Leyland and Bullins, a banking firm with strong shipping and cotton trade connections which had been founded as early as 1807.



62 Castle Street, the Wales Bank's headquarters from 1873.



The 'Lyceum clock' at 62 Castle Street.



Part of the original banking hall at 62 Castle Street.

The Wales Bank scene

The Wales Bank owed much of its reputation to the quality of its staff and its methods. Under George Rae's management, the selection and training of staff and the efficiency of book-keeping systems were given high priority in comparison with other country banks. The large number of Welsh-speaking managers and clerks was particularly distinctive. Graduates of the Wales Bank tradition included (in addition to Rae) distinguished bankers such as R Meredith Jones, Liverpool manager between 1868 and 1894, and Rowland Hughes, general manager between 1897 and 1908.

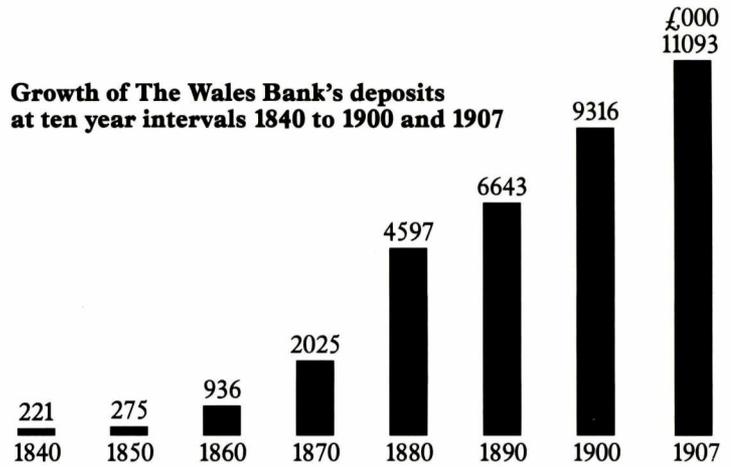


The Wales Bank's managers, in a montage photograph, in 1898. Rowland Hughes, the bank's general manager, is in the centre foreground.



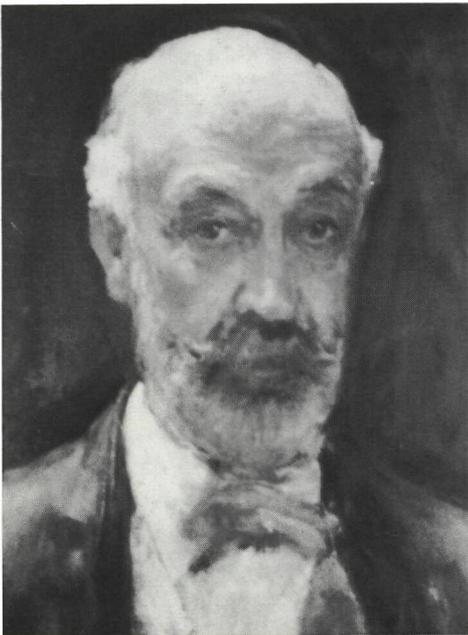
The staff of Conway branch a typical Wales Bank office shortly after the amalgamation with Midland in 1908.

Growth of The Wales Bank's deposits at ten year intervals 1840 to 1900 and 1907



Joining the Midland

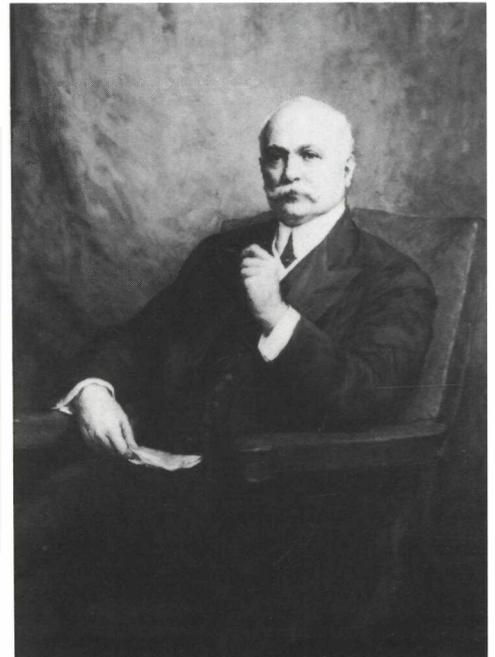
The years 1868-95 were prosperous for the Wales Bank and dividends of 17½% were paid. By the beginning of the 20th century, however, the country business had declined and business tended to stagnate. Large interests in the cotton industry, with its heavy seasonal demands, were increasingly difficult to handle and the American financial crisis of 1907 precipitated the decision to agree to an amalgamation with Midland. At the time of the merger in November 1908, there were 84 branches and 24 sub-branches; paid-up capital was £750,000, reserves £512,000, deposits £11 million and advances and bills £7½ millions.



Thomas Brocklebank, the Wales Bank's chairman at the time of its merger with Midland. From a portrait by G Hall Neale.



The Prince of Wales feathers and other details from the Wales Bank's branch at Charing Cross, Birkenhead. The 'feathers' emblem can still be seen at many of Midland's branches in North Wales, the Wirral and Liverpool.



Sir Edward Holden, Midland Bank's chairman and managing director between 1908 and 1919. Holden was the driving force behind the growth of the Midland Bank at the beginning of the twentieth century. Midland's merger with the Wales Bank in 1908 was at that time the largest amalgamation of a provincial bank in England and Wales.

At the time of the amalgamation in 1908, Midland was already one of the foremost banks in the United Kingdom. Midland, like the Wales Bank, had been founded in 1836 but after the 1880s it had rapidly expanded beyond its home territory of Birmingham and by 1891 it had entered London. The merger with the Wales Bank was initiated by Edward Holden, Midland's chairman and managing director, who was already the leading figure in the bank mergers of the period.

After the amalgamations, the branches and staff of the Wales Bank became part of the much larger Midland network. As a result, the branches established 150 years ago play their part today in offering a range of banking business which was undreamed of in the days of the North & South Wales Bank. At the same time, as representatives of a broadly-based modern banking group, Midland's Wales Bank branches continue their long tradition of making bank services more widely and easily available to their local communities.