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**MIDLAND
BANK
HISTORICAL
COLLECTION**

CATALOGUE

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CATALOGUE

of the

EXHIBITION OF DOCUMENTS

AND OTHER ITEMS

illustrating the

HISTORY

OF THE MIDLAND BANK

MIDLAND BANK
POULTRY
LONDON, E.C. 2

INTRODUCTION

Private
banks

Note
issues

Joint
stock
banks

Bank
charters

Deeds of
settlement

Amalgamations

The first joint stock banks in England were established little more than a century-and-a-quarter ago. Until then commercial banking had been conducted by small partnerships, and firms of this kind increased rapidly in number to serve the expanding activity in trade and commerce which followed the industrial revolution. By the first decade of the nineteenth century over seven hundred country banks were in existence, many having developed as a side line to trading or manufacturing activities, and nearly all of them issued their own notes. Some of these early private banks were wisely managed and had sufficient resources, but others were far from secure and in times of crisis large numbers of them failed.

Reform of banking constitutions began in 1826, when new legislation first permitted joint stock banks to be established in the country, and it was carried a stage further in 1833, when it was recognized that joint stock banks could be formed in London provided that they did not issue notes. In 1844 the Bank Charter Act set in train a process of consolidating note issues into the hands of the central bank, and in the same year a banking code was introduced which required all new joint stock banks to obtain a charter. This requirement was withdrawn in 1857 and in the following year banks were permitted to adopt limited liability in respect of all liabilities except note issues, though twenty years and more were to pass before this form of shareholding was generally accepted. Until limited liability was applied in banking, the constitution of the early joint stock banks had been that of large co-partnerships, in which every shareholder signed the "deed of settlement" or "deed of co-partnership" of the bank and all were jointly and severally liable for the whole of its commitments.

As the banking habit extended cheques drawn on bank accounts came to represent the principal form of money, notes—like coin—being used mainly for wage payments, small change and till transactions. Meanwhile, the structure of the banking system was also changing. Joint stock banks first absorbed large numbers of the old private banks and then began to join together through sweeping amalgamations which gathered banking resources into the hands of a few large institutions with country-wide branch systems.

In this amalgamation movement the Midland Bank was a leader. It was founded in Birmingham in 1836 as the Birmingham and Midland Bank. Several changes of title were made following upon amalgamations, but in 1923 the Bank's name was simplified to that by which it had always been known, that is, the Midland Bank. As may be seen from the pedigree diagram beside case A, of which a copy appears at the end of this catalogue, joint stock banks predominated in Midland Bank amalgamations, and most connections with private banking have been derived indirectly through amalgamation with a joint stock bank which had absorbed such firms. Nevertheless, from the Bank's considerable collection of material on its own history items have been selected for exhibition which illustrate both private and joint stock banking activities in England. Items from the Bank's affiliations in Scotland and Northern Ireland have not been included since in both areas banking history has followed differing courses.

The development of commercial banking, as exemplified in the story of the Midland Bank, can be followed by looking through the cases in order. A to C, against the wall, contain items from private banking, the following cases exhibit documents arising in the formation of some of the first joint stock banks, and thereafter various items illustrating developments in the activities of some of the banks are shown. In case L, on the middle table, is to be seen the Deed of Settlement of the Birmingham and Midland Bank itself: in cases N and O are Royal Charters of two banks which came to form part of the Midland organization. Other cases in this group display weapons used to defend banks in days gone by, and a few items recalling the experiences of the second world war. The history of the Midland Bank was published in 1936 under the title of "A Hundred Years of Joint Stock Banking", by W. F. Crick and J. E. Wadsworth, and its war story was told in "Counter Defensive", by J. E. Wadsworth, published in 1946. An account of the Head Office premises was published in 1950 as "A Site in Poultry", by F. J. Froom.

Requests for further information and questions arising out of material exhibited in this collection should be addressed to the Intelligence Department, Midland Bank, Poultry, London, E.C. 2.

LIST OF EXHIBITS

CASE · A ·

Records of early banking

- 1 Grave of first private bankers in the city of Coventry—
photograph of tablet originally in the Mercers' Chapel,
Coventry Cathedral. The Mercers' Chapel and
tombstone were destroyed by enemy action in 1940

The inscription reads: "Here lie the remains of Little, Lowke & Co. who under that Firm in 1762 commenced the Banking Business in this City. John Lowke obt. 23 Jan. 1776 aet 82. Tho. Little, obt. 14 Oct. 1790 aet. 57". The successors of the firm, Messrs. Little and Woodcock, carried on the bank, which was absorbed by the Birmingham Banking Co. in 1865

- 2 London Stock Exchange Official Lists of prices of securities for 1762 and subsequent years

A collection of early lists of security prices on the London Stock Exchange.

- 3 Exchequer tally stick

From medieval times, money paid into the Exchequer was recorded by preparing a hazel stick with notches cut to indicate the amount. Other particulars were recorded on each side of the tally stick, which was then split lengthwise through the notches. One part was kept at the Exchequer, the second being given to the subscriber. This part could circulate from hand to hand, and coincidence of the two established claim to repayment. Use of tally sticks was discontinued early in the nineteenth century

4 An early certificate for government securities

In 1888 holders of Consolidated 3 per cent Annuities, issued in 1752 and subsequent years, were offered conversion into Consolidated Stock, at 2½ per cent until 1903 and thereafter at 2¼ per cent

5 Pocket scales for weighing guineas and half-guineas

The scales, which fold into a small case to be carried conveniently in a pocket, were made in Ormskirk early last century

6 Government lottery ticket and advertisement, 1810

The raising of funds for government purposes by way of lotteries was brought to an end in 1823. Many private bankers seem to have acted as distributing agents for these tickets

7 Circular of 1813 announcing a new Bankers' and Merchants' Almanack

8 Report of "a numerous and respectable meeting of bankers" held in 1815 to discuss the duties on promissory notes and on bills of exchange

9 Duties on windows and male servants, receipt dated 1819

From the records of Nicholls Baker and Crane, bankers of Bewdley, established 1782; absorbed by Birmingham and Midland Bank 1862

10 Report of a meeting of country bankers in 1827 to protest against the competition of the Bank of England

When the law permitted joint stock banks to be formed in the provinces the Bank of England began to open country branches and in other ways became more competitive

CASE 'B'**Notes and cheques of private banks**

- 1 Note for 5s. 3d., undated, issued by William Blow Collis, founder of the bank of Bate and Robins
For payment, four such notes had to be presented together. The issue of notes of a lower denomination than £1 was prohibited in 1775
- 2 Cheque on Bate and Robins used in 1847
Bate and Robins, Stourbridge—established about 1770; absorbed by Birmingham and Midland Bank in 1851, and representing the first direct amalgamation of the Bank
- 3 Note for £5 5s. issued in 1792 by Samuel Skey, Son and Co., predecessors of the firm of Nicholls Baker and Crane—photostat copy
- 4 Note for £5 dated 1818 issued by Pardoe, Nichols and Co., later Nicholls Baker and Crane
- 5 Bank post bill (a document generally used at one time for transferring funds safely through the post) for £20 issued in 1792 by the bank of Lewis, Greenly, Thomas, Harris and Meredith, which seems to have preceded Davies and Co.—photostat copy
- 6 Cheque of 1815 of Davies and Co.
- 7 Bank draft of 1837, Davies and Co., on their London agents, Lubbock and Co.
- 8 Note for £5 issued in 1908 by Davies and Co.
Davies and Co., Kington—established about 1808; absorbed by Metropolitan Bank 1910
- 9 Token coin for one halfpenny dated 1791 issued by Parys Copper Mines, Anglesey
At this period token coins were often issued by industrial and trading undertakings and by private banks. Use of them was prohibited in 1812

- 10 Note for one guinea issued in 1809 by Perfect and Co.

Perfect Seaton and Co., Pontefract—established before 1809; absorbed by Yorkshire District Banking Co. 1834

- 11 Cheque dated 1819 of J. Monkhouse Head and Co.

J. Monkhouse Head and Co., Carlisle—established 1804; absorbed by Cumberland Union Banking Co. in 1865

- 12 Note for £1 dated 1821 of Douglas, Smalley and Co.

Douglas, Smalley and Co., Holywell—established before 1822; absorbed by North and South Wales Bank in 1839

- 13 Note for one guinea dated 1824 of Connell and Co.

J. Connell and Co., Carlisle—established 1825; absorbed by Carlisle City and District Banking Co. in 1837

- 14 Note for £10 issued by Hardy and Co. in 1827. This note was paid by the Midland Bank in December 1933

- 15 Cheque drawn on Hardy and Co. in 1844

Hardy and Co., Grantham—established 1819; absorbed by Leicestershire Banking Co. in 1895

- 16 Note for £5 issued by Dresser and Co., dated 1835

Joseph Dresser and Co., Thirsk—established before 1820; absorbed by Yorkshire District Banking Co. in 1835

- 17 Cheque form of J. Sanderson used in 1835

Joseph Sanderson, Cockermouth—established about 1829; absorbed by Carlisle City and District Banking Co. in 1837

CASE · C ·**Partnership deeds and other banking relics**

- 1 Partners' agreement to conduct a bank, dated 1819

Hardy and Co., Grantham

- 2 Licence to issue notes, 1808

- 3 Deed of partnership of 1857—one partner was Mrs. Esther Crummer

Davies and Co., Kington

- 4 Deed of amalgamation with Cumberland Union Banking Co., 1865

J. Monkhouse Head and Co., Carlisle

- 5 Agreement for dissolution of partnership in 1845

Jones and Foster—established in 1824. The firm of the remaining partner, William Jones and Son, was absorbed by the Staffordshire Joint Stock Bank on formation in 1864

CASE · D ·**Relics of a Liverpool private bank**

- 1 Water colour of residence, bank and warehouse of Thomas Leyland in York Street, Liverpool in 1807.

The firm of Leyland and Bullins, established in Liverpool in 1807, was absorbed by North and South Wales Bank in 1901

- 2 Photostat copies of ships' books of 1789 and 1797 used by captains of slave-trading vessels, giving instructions for voyages and recording the sales of slaves
- 3 Cheque issued in 1838
- 4 Cheque form of later date

CASE 'E'**Beginnings of joint stock banking**

- 1 Posters advertising public meeting to form a bank in
and Bradford in 1827 and the opening of subscription lists
- 2 *Bradford Banking Co.—established in 1827 ; amalgamated with London City and Midland Bank in 1910*
- 3 Prospectus for a new bank in Huddersfield, issued in 1827
Huddersfield Banking Co.—established in 1827 ; amalgamated with London and Midland Bank in 1897. This, with the joint stock bank at Bradford, was among the first to be formed in England
- 4 Announcement of the opening of London Joint Stock Bank in temporary premises in 1836
- 5 Advertisement in John Bull in 1836 of shares in the London Joint Stock Bank. Among the names of the first directors appears that of William Ormsby-Gore, Esq., M.P., great-grandfather of Lord Harlech, the present chairman of the Midland Bank
- 6 Report of first annual general meeting of the London Joint Stock Bank held in 1837
London Joint Stock Bank—established in 1836 ; amalgamated with London City and Midland Bank in 1918

CASE 'F'**Notes and cheques of joint stock banks**

- 1 Note for £5 of Bank of Westmorland, dated 1849
Bank of Westmorland, Kendal—established in 1833 ; absorbed by London and Midland Bank in 1893
- 2 Note for £20 of Carlisle City and District Banking Co., dated 1884
Carlisle City and District Banking Co.—established in 1837 ; absorbed by London and Midland Bank in 1896

- 3 Note for £50 of Leamington Priors and Warwickshire Banking Co., dated 1880
Leamington Priors and Warwickshire Banking Co.—established in 1835 ; absorbed by Birmingham and Midland Bank in 1889
- 4 Notes of different branches of York City and County Bank, with appropriate local designs—York, £5, dated 1830 ; Ripon, £5, dated 1842 ; Boroughbridge, £5, dated 1844
- 7 Back of Boroughbridge note, dated 1834
York City and County Bank—established in 1830 ; absorbed by London Joint Stock Bank in 1909
- 8 Note for £5 of Yorkshire Banking Co., dated 1899
Yorkshire Banking Co.—established in 1834 ; absorbed by London City and Midland Bank in 1901
- 9 Post bill form for £20 of Stourbridge and Kidderminster Banking Co.
- 10 Note for £5, Stratford upon Avon branch, 1872, Stourbridge and Kidderminster Banking Co.
Stourbridge and Kidderminster Banking Co.—established in 1834 ; absorbed by Birmingham Banking Co. in 1880
- 11 Note for £1 issued in 1832 by Hugh Godfray, Sons and Co., predecessors of the Channel Islands Bank
Channel Islands Bank—established in 1858 ; absorbed by London and Midland Bank in 1897
- 12 Cheque drawn in 1857 on City Bank at temporary address
- 13 Cheque drawn in 1865 on City Bank at the permanent address, now the Threadneedle Street Branch of the Bank
City Bank—established in 1855 ; amalgamated with London and Midland Bank in 1898

CASE 'G'**Records of the London Joint Stock Bank**

- 1 Cheque issued in 1836 in payment for premises of Bank in Princes Street, London

On the site of the Princes Street premises, with substantial additions from adjoining areas, stands the Head Office of the Midland Bank

- 2 Receipts for various items supplied to Bank in its early years ; dip and mould candles, wax tapers, soap, sperm oil—bought in 1836 ; charge for laying on gas in 1837 ; window duty ; church rate ; tithes ; water rate and watch rate—all paid in 1838

- 9 Photograph of Poultry chapel used as part of the banking premises in 1872 and for several years thereafter

The London Joint Stock Bank was established in 1836 and amalgamated with the London City and Midland Bank in 1918

CASE 'H'**Staff and service conditions**

- 1 Cheque of London Joint Stock Bank payable to "Bank of England clerks' Xmas boxes" for 21 guineas, dated 1838

Even in 1849 it was stated that in some banking houses the clerks received quite half their earnings from Christmas boxes, but the practice seems to have ceased shortly afterwards

- 2 Declarations of the trustees and directors of Cumberland Union Banking Co., dated 1829

Cumberland Union Banking Co.—established in 1829 ; absorbed by York City and County Bank in 1901

- 3 Staff fidelity bond executed in 1837

Carlisle City and District Banking Co.

- 4 Memorial addressed, in 1846, by staff to directors asking for holidays
Sheffield and Hallamshire Bank—established in 1836; absorbed by London City and Midland Bank in 1913

- 5 Letter to Birmingham and Midland Bank from Edward Holden (later Sir Edward Holden, Bart.) applying for post of accountant in 1881
He afterwards became chairman and managing director of the Bank and the principal architect of its expansion through amalgamation. He held this dual post from 1908 until his death in 1919. His son, Sir H. Cassie Holden, Bart., is now a deputy chairman of the Bank

CASE 'I' George Rae and the "Wales Bank"

- 1 Minute book showing entry, 1843, recording the threatened dismissal of George Rae on his application for an increase in salary

- 2 Sketch-book of George Rae

- 3 Photostat copies of "serial story" included in the sketch-book

- 4 "The Country Banker"—latest edition
North and South Wales Bank (generally known as the "Wales Bank") was established in 1836 and amalgamated with London City and Midland Bank in 1908
George Rae entered the service of the North and South Wales Bank in 1839 and six years later, when only twenty-eight years of age, was appointed general manager. In 1865 he became managing director and after eight years in this office he was made chairman of the bank, a post he held for twenty-five years. He was a prolific writer on banking subjects, his best-known work being "The Country Banker" which is still widely read. It was last reprinted in 1930

- 1 Certificate of allotment of shares, dated 1833
Bank of Westmorland, Kendal
- 2 Certificate for shares Nos. 1-5, dated 1834
Stourbridge and Kidderminster Banking Co.
- 3 Pass book in use in 1835
J. Monkhouse Head and Co., Carlisle
- 4 Pass book in use in 1836
North and South Wales Bank, Wrexham
- 5 Certificate of allotment of ten shares in the bank, dated 1839
Leicestershire Banking Co.—established in 1829 ; amalgamated with London City and Midland Bank in 1900
- 6 Agreement not to transfer shares for two years—signed by shareholders when the bank was in difficulties in 1868
Preston Banking Co.—established 1844 ; absorbed by London and Midland Bank in 1894
- 7 Deposit receipt issued in 1883
Cumberland Union Banking Co., Carlisle
- 8 Paying-in slip dated 1886
- 9 Deposit receipt of 1885
Huddersfield Banking Co.
- 10 Transfer of shares, 1887
Leamington Priors and Warwickshire Banking Co.

CASE · K · Sovereign weighing and sorting machine

The machine was used at a Liverpool branch during last century

CASE · L · The parent bank

Birmingham and Midland Bank

Original deed of settlement of 1836 showing signature of the founder, Charles Geach. (The Bank was established largely as a consequence of the discontent of Charles Geach with his prospects as a clerk in the Birmingham branch of the Bank of England)

Minutes of the provisional meeting for establishing the Bank, held in Birmingham in 1836. The title then proposed of Birmingham Exchange Bank was altered to Birmingham and Midland Bank

Below Case L

Brass combination lock from safe door used in Liverpool over a century ago

CASE · M · An early deed of settlement

Original deed of settlement of Huddersfield Banking Co., 1827
Printed deed of settlement, 1874

CASE · N · Royal charter of a London bank

Original charter of City Bank, 1855

CASE · O · Royal charter of a country bank

Original charter of Preston Banking Co., 1844

CASE 'P' Banking weapons

1 Horse pistols

Provided for use of members of private banking firm of Farrer Williamson, established in Ripon in the early nineteenth century and taken over by York City and County Bank in 1838

2 Pistols, cutlasses and truncheons

Provided for use of staff of London Joint Stock Bank

CASE 'Q' Banking and the Second World War

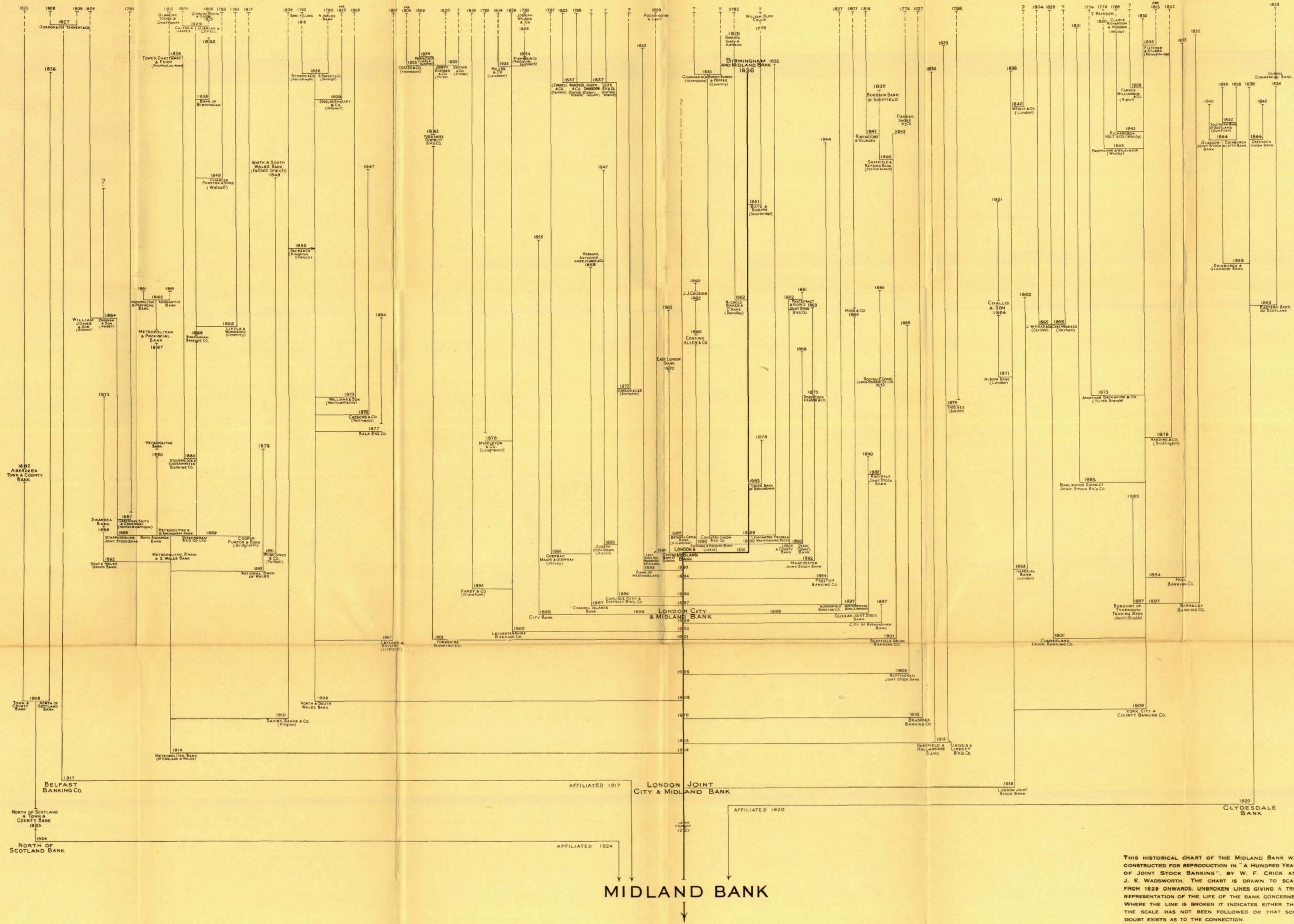
1 The "Red Circular". This circular, printed in red, was displayed at various branches on the south and east coasts of England which were threatened by invasion

2 Notes issued in Channel Islands (Jersey, Nos. 2-6 ; **to** Guernsey, Nos. 7-14) during the occupation by **14** German forces

Although the currency in general use was changed to occupation marks, the Channel Islands authorities provided notes expressed in pounds, shillings and pence, just as the banks continued to maintain all customers' and their own accounts in sterling. The notes issued in Jersey were designed by Edmund Blampied

15 "In Duty Bound"—reprint as a pamphlet of chapter on the Channel Islands in "Counter Defensive". The jacket was designed by Edmund Blampied

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MIDLAND BANK

THIS HISTORICAL CHART OF THE MIDLAND BANK WAS CONSTRUCTED FOR REPRODUCTION IN "A HUNDRED YEARS OF JOINT STOCK BANKING", BY W. F. CRICK AND J. E. WADSWORTH. THE CHART IS DRAWN TO SCALE FROM 1829 ONWARDS. UNBROKEN LINES GIVING A TRUE REPRESENTATION OF THE LIFE OF THE BANK CONCERNED. WHERE THE LINE IS BROKEN IT INDICATES EITHER THAT THE SCALE HAS NOT BEEN FOLLOWED OR THAT SOME DOUBT EXISTS AS TO THE CONNECTION.

