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THE BANK OF ENGLAND

A HISTORY

BY

SIR JOHN CLAPHAM

VOLUME I
1694-1797

CAMBRIDGE
UNIVERSITY PRESS

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THE BANK OF ENGLAND, A History

Volume I. 1694-1797. Volume II. 1797-1914

THESE two volumes have been written at the request of the authorities of the Bank of England for its 250th birthday. All its surviving books and papers were thrown open to Sir John Clapham, and he has had full supporting help from the whole staff.

The book was, however, allowed to be wholly its author's child; choice of material and expression of opinion were purposely left entirely to his discretion.

The History as it is written here ends with the beginning of the first World War. Although the history during the years 1914-1918 might have been written now, that history, says the author, could only be a preface to the story of the years between the wars, a story that cannot yet be written in its entirety; and it seemed better to defer any full discussion until the whole period could be dealt with. An Epilogue, *The Bank as it is*, rounds off the book for the time being.

The design stamped upon the binding of these volumes is taken from one of the old stamps and appears on a Bank Stock Transfer book of 1694, the year of the Bank's foundation. It represents 'Britannia sitting on a bank of money.'

The two volumes

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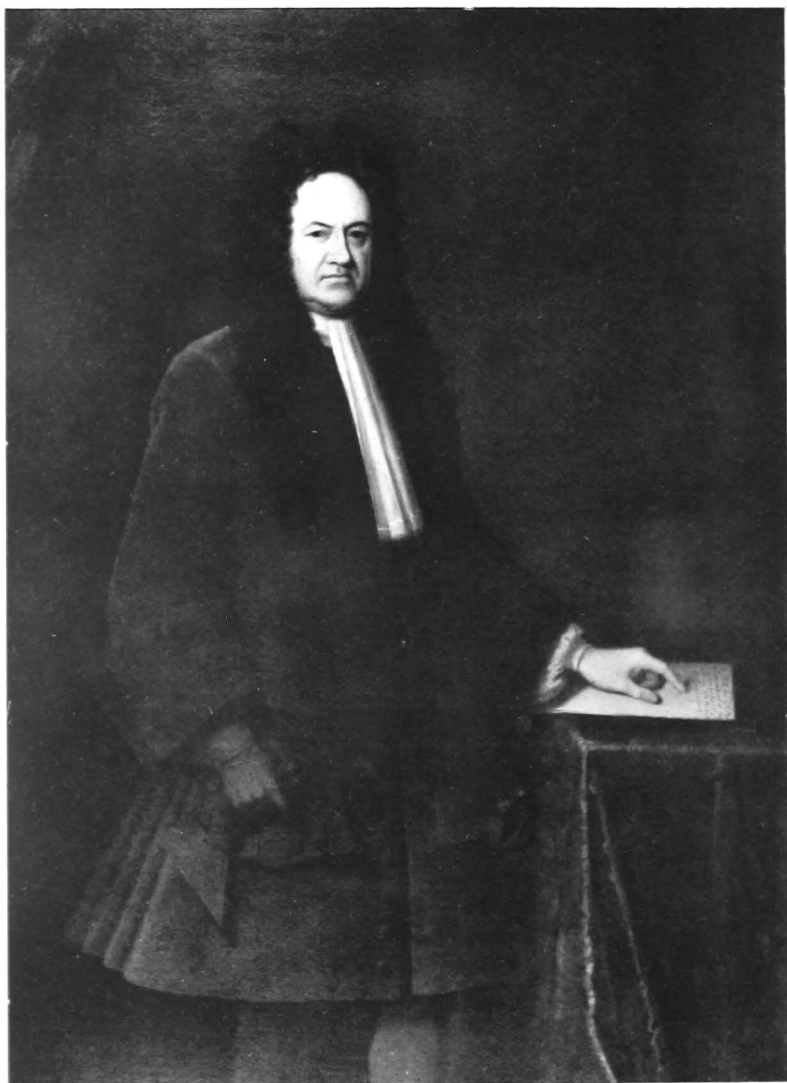
THE
BANK OF ENGLAND
A HISTORY

IN TWO VOLUMES
VOLUME I

CAMBRIDGE
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WILLIAM LOWNDES

Secretary to the Treasury 1695-1724

THE
BANK OF ENGLAND

A History

BY

SIR JOHN CLAPHAM

C.B.E., Litt.D., F.B.A.

VOLUME I

1694-1797

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PREFACE

These two volumes have been written at the request of the Bank for its two hundred and fiftieth birthday. They aim at telling its public and economic history, with no more than a light background of general affairs, economic or political. That the volumes might not grow into three, or even four, the temptation to wander into attractive bypaths has been resisted. For their composition all the surviving books and papers of the Bank have been thrown open to me. Its whole staff, from the Governor to the messengers, have helped me. Retired Directors and Officers have contributed their memories. But selection of material for use, with expression of opinion, is my own throughout. Various Directors and Officers have read the typescript or the proofs, in whole or in part, and have corrected facts or suggested modifications. But nothing whatever has been imposed.

Those inside the Bank who have helped me most and most continuously are in the Secretary's Office. It is their wish that I should not name them.

From outside, my chief debts are due to Mr W. M. Acres—once an insider—to Professor Jacob Viner of Chicago, and to Professor F. A. von Hayek of the London School of Economics. Mr Acres' *Bank of England from Within* (1931) has been my constant companion, and he has seen my proofs. Overlap between us was inevitable at certain points: though the fields—the private and the public histories—can generally be fenced off, each must at times project into the other. Mr Acres' appendices of Directors and Officers I have consulted daily.

When my work began, at the end of 1938, I found at the Bank an inquiry from Professor Viner about that then very obscure affair the Subscription for the Circulation (of 1711–1759). He supplied printed references which might otherwise have escaped

me. Guided by these, I think I have now completed the story from the MSS. (vol. 1, pp. 67-72). I have also made free use of Professor Viner's published work.

Professor von Hayek found time, during enforced residence in Cambridge, to read all my typescript and leisure to discuss many points with me. His masterly knowledge of our economic literature has been at my command; and to him I owe a number of pamphlet and press references. His edition of Henry Thornton's *Paper Credit* was always on my table for the period 1780-1820.

The Bank and I are indebted to Colonel William Selby-Lowndes of Whaddon Hall for access to the portrait of his ancestor, William Lowndes, which serves as frontispiece to this volume. The portrait of Charles Montagu, political father of the Bank, appears in Mr Acres' book. Of William Paterson, the projector, there is no good portrait. If there were, I doubt if I should have used it, as I think him an over-rated person. Lowndes, Secretary of the Treasury from 1695 to 1724, was the permanent man with whom the Bank dealt during the thirty years in which it passed from an experiment into a public institution. He, as much as anyone, was responsible for that progress (vol. 1, pp. 53-4, 63, 67 and Index).

Other portraits, all in the possession of the Bank, are of leading Governors or Directors of whom good pictures exist. The man and the portrait had both to be considered. We do not know that Bartholomew Burton, Deputy and Governor during the Seven Years' War, was a great figure; but his is an excellent picture from a period otherwise not represented. For the Waterloo age, I should have preferred Jeremiah Harman to William Manning, even though Manning was the Cardinal's father. But we could not hear of a good picture of Jeremiah; and Manning, with his background of Soane's buildings, represents his generation admirably.

Besides Lowndes, the only portrait not of a Governor is that of George Warde Norman. But he was a Director, with a few

brief intervals, for half a century (1821-1872). The Index will tell how important he was. The portrait, recently acquired by the Bank, shows him a young man, as he looked when he became an original member of the Political Economy Club, with David Ricardo. He has a further claim on any historian of the Bank to-day as grandfather of another Norman.

The writing of the book has all been done during war. The State asked only for fractions of my time. The Bank has had most of the rest. At black moments the work has been an anodyne; at all times a privilege and a pleasure. As this is not an official history I may perhaps be allowed to say that I have found the wartime atmosphere of Threadneedle Street tonic. A Frenchman would no doubt have expected to discover "le flegme britannique" in the ascendant at the Bank of England: he would not have been disappointed.

JOHN CLAPHAM

26 *November* 1943

REFERENCES

USED IN THE FOOTNOTES

BANK MSS.

<i>G.C.B. I, II, etc.</i>	General Court Books (of Minutes).
<i>C.B. A, B, etc.</i>	Court Books.
<i>C.T. 1, 2, etc.</i>	Committee of Treasury Books.
<i>L.B. various series</i>	Letter Books.
<i>G.L. I, II, etc.</i>	General Ledgers.

Other MSS are quoted by their full titles.

PRINTED SOURCES

<i>A. & P.</i>	Accounts and Papers (of Parliament).
<i>Ec.H.R.</i>	Economic History Review.
<i>E.H.R.</i>	English Historical Review.
<i>E.J.</i>	Economic Journal.
<i>E.J. (Hist.)</i>	Economic Journal. Historical Supplement.
<i>J.H.C.</i>	Journal of the House of Commons.
<i>J.H.L.</i>	Journal of the House of Lords.
<i>Q.J.E.</i>	Quarterly Journal of Economics.

APPENDIX A

THE TECHNICAL TERMS IN USE DURING THE
EARLY YEARS OF THE BANK'S HISTORY

A Director of the Bank who read the proofs thought that it might be a convenience to other readers if the various technical terms were collected together and explained in an Appendix. They are mostly explained in the text as they occur, but the explanations are here repeated, amplified, or made more precise.

Accomptable Note: one of the original forms of Bank paper: in effect a deposit receipt: a depositor could draw against it or write off from it, the withdrawals being endorsed on the note. In 1701 an Accomptable Note payable to A. B. or bearer was sanctioned (*C.B. D.*, 20 Aug. 1701) of which, however, no specimen survives. Accomptable Notes were in regular use for over forty years; but from 1741 the Ledgers contain only a dead liability on them of £700. 1s. 9d. (See pp. 21, 145.)

Bank Post Bill: a bill payable at first 3, subsequently 7, days after issue; for greater security in transit; issued continuously, 1728-1934.

Bill of Exchange: has its modern meaning: the complete assignability of the Bill of Exchange, allowed by the Law Merchant, was recognised by the Common Law Courts in the decades immediately before and after the foundation of the Bank. (See Holdsworth, *A History of English Law*, vol. VIII, ch. 4.)

Bill of Property: a vague term only met with in the parliamentary discussions of Paterson's original project. (See p. 16.)

Cashier's Notes: see *Running Cash Notes*.

Cheque or Check: originally check-paper, on which "drawn notes" or "drawn bills" were written: much later transferred to the "drawn note" itself. (See pp. 5, 121, 142, 143.)

Circulation Notes: interest-bearing notes issued in 1720 and 1745 in connection with calls on "the Circulation": of no general importance. (See pp. 68, n. 2, 72, n. 1.)

Debenture (Debentur): an old Exchequer term, not used at all at the Bank. Debentures were issued to officials, annuitants, etc. to whom the Exchequer owed payment. (See p. 5.)

Deposits: has its modern meaning. (See p. 20.)

Drawn Bill or *Drawn Note*: the modern cheque. (See pp. 6, 141.)

Goldsmiths' Notes: the original bank-notes: the goldsmiths' promise to pay A. B. or order or A. B. or bearer. (See pp. 10, 32.)

Inland Bills of Exchange, both to order and to bearer, "were in frequent use in England in the years immediately following the Restoration" (Richards, R. D., *The Early History of Banking in England*, p. 47) and so were at once available for discount at the Bank. (See pp. 123-4, 130.)

Notes on Marbled Paper: an experimental type of note issued in 1695 but immediately discontinued. (See pp. 23, n. 4, 144.)

Promissory Notes: confused by late Stuart lawyers with bills of exchange, they were popularised by the goldsmiths and the Bank. The year before the Bank was founded, it had been decided in Court that a promissory note to order could be transferred by endorsement. This decision was reversed in 1703, but established by an Act of 1704 (3 & 4 Anne, c. 9) which made all kinds of promissory notes negotiable. (See Holdsworth, as above.)

Running Cash Notes, also called *Cashier's Notes*: one of the three original types of Bank paper: the Bank Note *par excellence*: printed in blank without amounts from the start (31 July 1694): occasionally interest-bearing, but normally not: in the ledgers of the mid-eighteenth century often called "specie" or "cash" notes, because payable on demand. (See pp. 22, 145 and *passim*.)

Scaled Bills: the third original type of Bank paper, the most formal type, and the only type officially contemplated in the Act of foundation: drawn to order: normally interest-bearing though occasionally not: not used after 1716. (See pp. 17, 22, 144.)

Specie Exchequer Bills: Bills which the Bank was prepared to cash at first sight, instead of waiting until they had once passed the Exchequer in payment of taxes, etc. (See pp. 64, 67.)

Specie Notes: emergency notes, yielding interest and promising to repay "in the same specie" deposits of gold or good silver coin. First used in 1696 and revived for a time at the South Sea crisis in 1720. (See pp. 37, 41-2, 145.)

Tallies of Loan: tallies which, like the original tally, recognised a receipt, but the receipt being of a loan, not a tax, they were accompanied by an interest-bearing order which was negotiable. (See pp. 11, 47.)

APPENDIX B

DIVIDENDS FROM PROFITS DECLARED

1695-1797

1695	6 and 4	1715	$3\frac{3}{4}$ and 4
1696	Nil	1716-18	4 and 4
*1697	$3\frac{1}{2}$ and 4	1719	4 and $3\frac{1}{2}$
†1698	6. 3. $2\frac{1}{2}$	1720	$3\frac{1}{2}$ and 4
†1699	$4\frac{1}{2}$ and 5	1721-7	3 and 3
†1700	5. 0. $0\frac{1}{4}$ and 5. 0. $0\frac{3}{4}$	1728-9	$2\frac{3}{4}$ and $2\frac{3}{4}$
†1701	$4\frac{1}{2}$ and $4\frac{1}{2}$	1730-2	3 and $2\frac{3}{4}$
†1702-3	$4\frac{3}{4}$ and $4\frac{3}{4}$	1733-46	$2\frac{3}{4}$ and $2\frac{3}{4}$
†1704	$4\frac{1}{2}$ and $4\frac{1}{4}$	1747-52	$2\frac{1}{2}$ and $2\frac{1}{2}$
†1705-6	$3\frac{1}{2}$ and $3\frac{1}{2}$	1753-63	$2\frac{1}{4}$ and $2\frac{1}{4}$
†1707	3. 11. $11\frac{1}{2}$ and 4	1764	$2\frac{1}{4}$ and $2\frac{1}{2}$
1708	$4\frac{1}{4}$ and $8\frac{1}{4}$	1765-6	$2\frac{1}{2}$ and $2\frac{1}{2}$
1709	$4\frac{1}{2}$, $7\frac{1}{2}$ and 4	1767	$2\frac{1}{2}$ and $2\frac{3}{4}$
1710	4 and $3\frac{1}{2}$	1768-80	$2\frac{3}{4}$ and $2\frac{3}{4}$
1711	$3\frac{1}{2}$ and $3\frac{1}{2}$	1781	$2\frac{3}{4}$ and 3
1712-14	4 and 4	1782-7	3 and 3
		1788-97	$3\frac{1}{2}$ and $3\frac{1}{2}$

* Also the bonus of 20% from profits to make the old shares fully paid up.
Above p. 48.

† In these years capital dividends were also declared in connection with the repayment of the 'ingrafted tallies': see p. 46 and p. 51 above.

APPENDIX C

BULLION, CIRCULATION, DRAWING
ACCOUNTS AND 'REST', 1720-1797

In the *Report on the Bank Charter of 1832* (*A. & P.* 1831-2, VI, Appendix 5) is a return made by the Bank, on the basis of its half-yearly statements, of its circulation, deposits, bullion, securities and 'rest' of undivided profits for the years 1778-1832. Comparing these returns with the originals one can see the basis on which they were compiled. Circulation is notes created less those in a 'store' of notes included in the Ledgers and Statements under 'cash'. Fortunately, in the *Yearly Statements*, compiled from the Ledgers for 1729-73, and in the *Half Yearly Statements* which follow on, the amount to be deducted from 'notes' and 'cash' to arrive at the net circulation has been pencilled in by a Bank official. On this the circulation figures of 1831-2 are based.

Bullion in the 1832 return covers gold and silver of every sort including the small sum of hard coin in the cash.

The 'rest' is the balance on the profit and loss account, the 'balance of gains resting' or 'net gains resting'. It was £76,000 in August 1695. It never fell below £71,000, and by 1713 stood at £194,000. These three sets of figures are strictly comparable with those of the 1832 Return from 1728-9. They have been carried back from the Ledgers in the accompanying table to 1720; but for the years 1720-8 the pencilled guidance about the notes is lacking. I have assumed the same amount of coin in the cash as in 1728-9; but as notes only had amounts printed on them from

1725 it is not easy to see how a 'store' of unissued notes could be valued in the early twenties. Hence the uncertainty.

Deposits as returned in 1832 included (i) balances in the drawing accounts, (ii) Bank dividends voted but not yet paid out, (iii) the balances in the 'Exchequer and Audit Roll' of dividends on government stocks managed by the Bank, received but not yet paid out. In 1778 the drawing account balances were about half the deposits so defined (£2,355,000 out of £4,700,000). They would become a larger proportion the further back one goes—smaller figures under (ii) and (iii); but as they are nowhere summarised in annual form it has not been possible to include them.

So with the securities. The main item in public securities was always the Exchequer Bills and in the private securities the Bills and Notes discounted. These could be traced back without much difficulty to 1729 at latest; but the other items would present more difficulty. For the public securities they are unimportant. Even in 1778, out of £7,898,000 of public securities, £7,726,000 were the Exchequer Bills. The rest were Navy and Victualling Bills, Treasury Bills of Exchange, and a few minor items. Private securities other than the Bills and Notes were much more important and for the period before 1778 are nowhere summarised in the surviving books. They include bonds given by debtors, perhaps a few mortgage documents, and so on.

It is for these reasons that the sections of the 1832 return which deal with deposits and securities have not been carried back from 1778. But drawing account balances are tabulated. In this period no distinction was made between public and private balances. It may be noted that when the distinction was first drawn (August, 1806) the public balances were seven times the private—£5,091,000 *v.* £723,000—but at a time of high taxation and high public expenditure.

	<i>Bullion</i>	<i>Circulation</i>	<i>Drawing Accounts</i>	<i>'Rest'</i>
1720	*1,001,000	*2,480,000	1,568,000	145,000
1721	*1,048,000	*1,925,000	1,108,000	133,000
1722	*1,246,000	*2,762,000	1,198,000	166,000
1723	*1,658,000	*3,323,000	791,000	410,000
1724	*1,918,000	*3,758,000	1,479,000	537,000
1725	*1,178,000	*4,470,000	1,233,000	283,000
1726	*1,763,000	*2,966,000	1,703,000	311,000
1727	*2,961,000	*4,465,000	2,129,000	303,000
1728	*2,444,000	*4,281,000	2,256,000	281,000
1729	2,324,000	4,200,000	1,919,000	290,000
1730	2,201,000	4,416,000	1,888,000	298,000
1731	2,691,000	5,250,000	1,805,000	295,000
1732	2,537,000	4,592,000	2,459,000	280,000
1733	3,356,000	4,543,000	2,038,000	275,000
1734	3,714,000	4,573,000	2,825,000	278,000
1735	3,736,000	4,739,000	2,917,000	284,000
1736	3,968,000	5,078,000	2,599,000	291,000
1737	3,317,000	4,415,000	2,607,000	309,000
1738	2,980,000	4,609,000	2,549,000	308,000
1739	4,087,000	4,062,000	2,671,000	307,000
1740	4,801,000	4,444,000	2,845,000	308,000
1741	4,075,000	4,084,000	3,203,000	300,000
1742	3,424,000	5,011,000	2,732,000	325,000
1743	2,613,000	4,250,000	2,745,000	352,000
1744	1,732,000	4,270,000	2,868,000	370,000
1745	808,000	3,465,000	2,172,000	346,000
1746	2,335,000	3,845,000	1,978,000	308,000
1747	1,938,000	3,652,000	2,441,000	279,000
1748	2,179,000	3,790,000	1,683,000	280,000
1749	2,062,000	4,183,000	1,880,000	338,000
1750	1,959,000	4,318,000	1,914,000	358,000
1751	2,970,000	5,195,000	1,933,000	330,000
1752	2,730,000	4,750,000	2,135,000	290,000
1753	2,289,000	4,420,000	1,723,000	262,000
1754	2,829,000	4,081,000	1,675,000	310,000

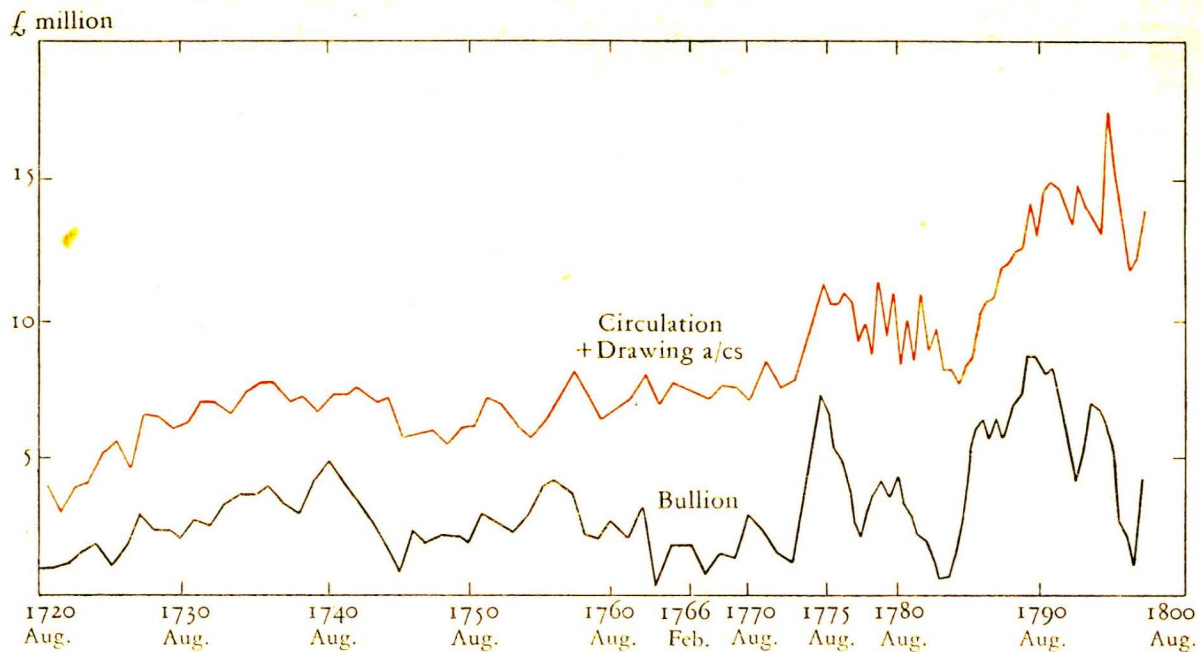
* An element of conjecture in these figures.

	<i>Bullion</i>	<i>Circulation</i>	<i>Drawing Accounts</i>	<i>'Rest'</i>
1755	3,789,000	4,115,000	2,259,000	285,000
1756	4,034,000	4,516,000	2,815,000	259,000
1757	3,727,000	5,150,000	3,052,000	265,000
1758	2,241,000	4,864,000	2,328,000	295,000
1759	2,208,000	4,800,000	1,620,000	363,000
1760	2,628,000	4,936,000	1,913,000	297,000
1761	2,020,000	5,247,000	1,814,000	347,000
1762	3,053,000	5,887,000	2,121,000	484,000
1763	367,000	5,315,000	1,550,000	515,000
*1764	1,873,000	6,211,000	1,504,000	512,000
1765	<i>No August statement</i>			
†1766	1,871,000	5,846,000	1,497,000	484,000
†1767	818,000	5,511,000	1,568,000	384,000
†1768	1,564,000	5,779,000	1,797,000	499,000
†1769	1,379,000	5,707,000	1,810,000	437,000
†1770	2,873,000	5,237,000	1,820,000	614,000
†1771	2,278,000	6,823,000	1,716,000	593,000
†1772	1,504,000	5,962,000	1,553,000	666,000
†1773	1,192,000	6,037,000	1,784,000	648,000
1774	<i>No February statement</i>			
1775	<i>Feb.</i> 7,142,000	9,125,000	2,131,000	858,000
	<i>Aug.</i> 6,515,000	8,398,000	2,140,000	885,000
1776	<i>Feb.</i> 5,373,000	8,701,000	1,820,000	885,000
	<i>Aug.</i> 4,909,000	8,551,000	2,395,000	833,000
1777	<i>Feb.</i> 3,905,000	8,712,000	1,924,000	1,026,000
	<i>Aug.</i> 2,653,000	7,354,000	1,792,000	976,000
1778	<i>Feb.</i> 2,011,000	7,440,000	2,355,000	1,219,000
	<i>Aug.</i> 3,128,000	6,758,000	2,008,000	1,283,000
1779	<i>Feb.</i> 3,711,000	9,013,000	2,333,000	1,276,000
	<i>Aug.</i> 3,983,000	7,277,000	2,149,000	1,356,000
1780	<i>Feb.</i> 3,581,000	8,411,000	2,547,000	1,347,000
	<i>Aug.</i> 4,179,000	6,342,000	2,065,000	1,528,000

* To this date all statements are as at Aug. 31.

† February statement, 28 or 29 Feb.

		<i>Bullion</i>	<i>Circulation</i>	<i>Drawing Accounts</i>	<i>'Rest'</i>
1781	<i>Feb.</i>	3,280,000	7,092,000	2,969,000	1,577,000
	<i>Aug.</i>	2,863,000	6,309,000	2,159,000	1,712,000
1782	<i>Feb.</i>	2,158,000	8,029,000	2,882,000	1,793,000
	<i>Aug.</i>	1,957,000	6,759,000	2,157,000	1,922,000
1783	<i>Feb.</i>	1,321,000	7,675,000	1,959,000	1,977,000
	<i>Aug.</i>	590,000	6,307,000	1,862,000	2,019,000
1784	<i>Feb.</i>	656,000	6,203,000	1,898,000	2,168,000
	<i>Aug.</i>	1,540,000	5,593,000	2,041,000	2,205,000
1785	<i>Feb.</i>	2,741,000	5,923,000	2,447,000	2,321,000
	<i>Aug.</i>	5,487,000	6,571,000	2,053,000	2,609,000
1786	<i>Feb.</i>	5,979,000	7,582,000	2,576,000	2,599,000
	<i>Aug.</i>	6,311,000	8,184,000	2,435,000	2,638,000
1787	<i>Feb.</i>	5,627,000	8,330,000	2,393,000	2,754,000
	<i>Aug.</i>	6,293,000	9,686,000	2,145,000	2,829,000
1788	<i>Feb.</i>	5,743,000	9,561,000	2,419,000	2,870,000
	<i>Aug.</i>	6,899,000	10,003,000	2,379,000	2,938,000
1789	<i>Feb.</i>	7,229,000	9,807,000	2,660,000	2,845,000
	<i>Aug.</i>	8,646,000	11,122,000	2,970,000	2,819,000
1790	<i>Feb.</i>	8,633,000	10,041,000	2,858,000	2,701,000
	<i>Aug.</i>	8,386,000	11,433,000	3,056,000	2,757,000
1791	<i>Feb.</i>	7,869,000	11,440,000	3,483,000	2,668,000
	<i>Aug.</i>	8,056,000	11,672,000	3,044,000	2,765,000
1792	<i>Feb.</i>	6,468,000	11,307,000	2,843,000	2,706,000
	<i>Aug.</i>	5,357,000	11,006,000	2,285,000	2,731,000
1793	<i>Feb.</i>	4,011,000	11,889,000	2,850,000	2,781,000
	<i>Aug.</i>	5,322,000	10,865,000	3,169,000	2,824,000
1794	<i>Feb.</i>	6,987,000	10,744,000	2,852,000	2,876,000
	<i>Aug.</i>	6,770,000	10,287,000	2,699,000	2,994,000
1795	<i>Feb.</i>	6,128,000	14,018,000	3,466,000	2,949,000
	<i>Aug.</i>	5,136,000	10,862,000	3,965,000	3,109,000
1796	<i>Feb.</i>	2,540,000	10,730,000	2,727,000	3,248,000
	<i>Aug.</i>	2,123,000	9,247,000	2,316,000	3,245,000
1797	<i>Feb.</i>	1,086,000	9,675,000	2,554,000	3,358,000
	<i>Aug.</i>	4,090,000	11,114,000	2,733,000	3,471,000



Notes. (i) From 1775 both February and August figures are plotted.

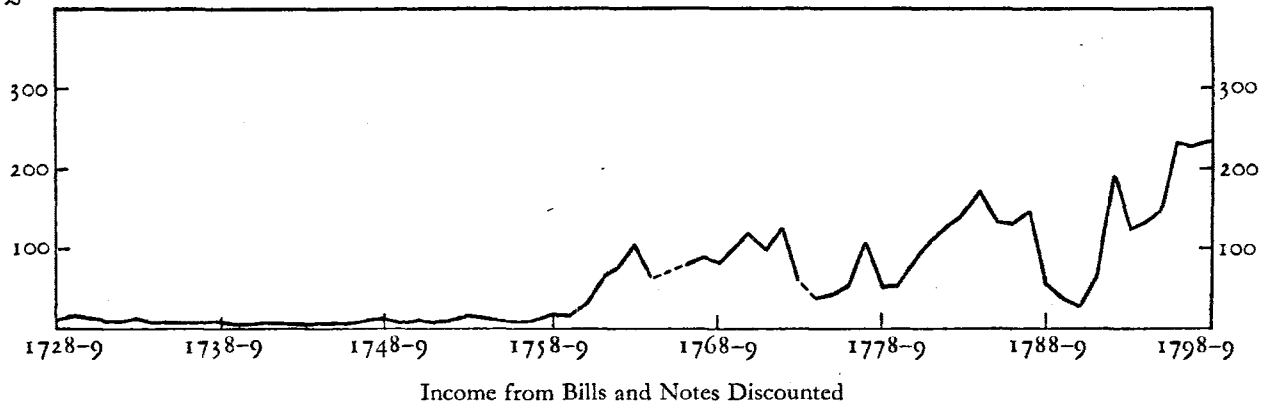
(ii) From 1778 to 1797, both included, the "deposits", as returned in 1832, averaged 3.3 millions more than the drawing accounts. The main items of the difference are dividends on government stocks, in the Exchequer and Audit Roll, not yet paid out, and Bank dividends, the same.

APPENDIX D

DISCOUNT RATES, AS SHEWN BY THE
COURT BOOKS, 1694-1822

Date (of Minutes)	Inland Bills	Foreign Bills
1694 Aug. 8	%	%
30		6
Oct. 24	6 (for customers)	4½
Dec. 19	6	
1695 Jan. 16	6	6
	4½ (for customers)	3 (for customers)
May 29	3 (for customers)	
1698 Jan. 12		4½ (for customers)
1699 June 28	4½ (for customers)	
1705 Feb. 28		4 (if payable at the Bank)
		5 (if not so payable)
1710 June 22		5
1716 July 26	4 (for customers)	4 (for customers)
1719 Apl. 30	5 (for customers)	5 (for customers)
1720 Oct. 27		5 (for customers)
1722 Aug. 23		4
1742 Nov. 18	5	4
1745 Dec. 12		5
1746 Apl. 17	5	5
May 1	5	4
1773 May 13		5
1822 June 20	4	4

£ Thousands



APPENDIX E

THE BANK'S INCOME FROM DISCOUNTS
AND PRIVATE LOANS, 1728-1798

	<i>Bills and Notes discounted</i>	<i>Private Loans</i>		<i>Bills and Notes discounted</i>	<i>Private Loans</i>
*1728-29	£13,225	£ 634	1749-50	6,371	5,762
1729-30	15,992	206	1750-51	8,153	21,632
1730-31	12,483	7,679	1751-52	4,994	3,624
1731-32	8,249	17,850	1752-53	8,470	3,276
1732-33	7,845	2,426	1753-54	15,016	17,805
1733-34	12,650	2,567	1754-55	11,350	19,458
1734-35	6,915	4,835	1755-56	8,464	22,522
1735-36	6,562	2,055	1756-57	6,219	23,816
1736-37	6,233	2,928	1757-58	12,224	22,748
1737-38	7,887	2,737	1758-59	17,747	25,294
1738-39	6,595	1,307	1759-60	14,942	27,616
1739-40	4,050	1,525	1760-61	30,319	22,864
1740-41	4,074	1,603	1761-62	61,090	21,861
1741-42	5,731	1,906	1762-63	79,166	20,660
1742-43	3,475	1,716	1763-64	101,746	20,236
1743-44	3,175	1,559	1764-65	61,308	18,188
1744-45	3,232	2,106	[Aug. 1765-Feb. 1766		
1745-46	2,934	1,950		33,014	8,704]
1746-47	4,565	1,651	†1766-67	80,421	21,084
1747-48	11,214	3,655	1767-68	87,877	22,601
1748-49	10,623	7,652	1768-69	80,397	20,842

* Year Aug. 31-Aug. 31.

† Year Feb. 28 or 29-Feb. 28 or 29.

APPENDIX E

	<i>Bills and Notes discounted</i>	<i>Private Loans</i>		<i>Bills and Notes discounted</i>	<i>Private Loans</i>
1769-70	97,768	20,030	1783-84	139,661	6,563
1770-71	118,918	19,961	1784-85	167,607	15,906
1771-72	95,303	18,160	1785-86	130,481	16,282
1772-73	124,293	32,276	1786-87	129,685	16,333
1773-74	57,546	21,361	1787-88	141,070	13,643
[Feb.-Aug.			1788-89	58,177	23,532
1774	14,785	4,186]	1789-90	35,090	39,670
*1774-75	36,066	4,799	1790-91	26,520	22,518
1775-76	40,621	7,003	1791-92	68,721	35
1776-77	58,386	9,115	1792-93	193,823	23,429
1777-78	102,729	12,069	1793-94	123,870	24,103
1778-79	51,740	12,535	1794-95	134,133	26,445
1779-80	55,414	4,992	1795-96	147,401	34,907
1780-81	84,390	4,944	1796-97	233,815	84,349
1781-82	106,100	5,276	1797-98	229,606	41,949
1782-83	126,595	8,851			

* Year Aug. 31-Aug. 31.

APPENDIX F

THE BOOKS OF THE BANK

FROM ITS FOUNDATION TO THE END OF
THE EIGHTEENTH CENTURY

The series or books which have survived are:

I. *Series*

(i) *Bank Stock Ledgers*, with records of the various holdings. The series is complete. Based on it are the printed *Lists of Proprietors*, fairly complete from 1701.

Dividend Books: a very defective series, with dividend payments: only samples have been preserved.

(ii) *Bank Accounts. General Ledgers*: a complete series in ponderous folios. There are seventeen for the years 1695-1805, with supplementary volumes, in the earliest years for the Remises and in later years for the Exchequer and Audit Roll (see pp. 26 and 187). The first covers the period from 1 June 1695 to 31 December 1698.

Journals: a complete series of day-to-day transactions, beginning 1 June 1695.

Cash Books: a very defective series, of which, however, the earliest survive. The books are in pairs, morning and afternoon. Book A begins on 27 July; its companion book on 3 August (see Note, p. 304 below).

Yearly Accounts (1729-73) and *Half-Yearly Statements* (1773 seq.): summary volumes based on the General Ledgers.

(iii) *Drawing Accounts. Drawing Office Ledgers*: an immense series of all accounts from the beginning, with Alphabets (Indices).

Firm Books, with signatures of customers: the earliest begins in 1727. There are eight consecutive volumes.

(iv) *Bank Notes*. The original Bank Note Ledgers have not survived. Based on them are the surviving Clearers, i.e. records of notes 'cleared'—the *Old Clearer*, 1697-1764; No. 7 *Clearer*, 1764-94. There is also *Clearing Note Book* No. 1, 1697-1709.

- (v) *Minutes and Correspondence. Minutes of the General Court*: complete.
Minutes of the Court of Directors: complete.
Minutes of the Committee of Treasury: a volume, 1779-83; from May 1789 complete.
Letters: a volume, *Copies of Letters*, with a mixed selection, 1717-66; *Letters*, from 1783 complete.

II. *Miscellaneous Books*, in chronological order

- The Books of the Subscriptions*, 1694 and 1697, with subscribers' signatures.
Bank Stock Journal (with *Journal in Shorthand*), 1694.
Journal of the Books in the Accountant's Office, 1694-1717.
Governors' Memorandum Books, 1695-1722.
Instruments which have passed the Bank Seal, 1697 seq.
Bank Notes Lost, 1697-1706.
Bills and Notes Discounted, 1702-9.
Abstracts of Quietuses and Audit Rolls, 1710-85.
Tallies and Orders Delivered, 1718-24.
Register, No. 1, 1721-99, contains originals of authorisations to draw on accounts, with a few bankers' orders and other communications from customers.
Discounted Bills Unpaid Ledgers, 1728-70, 1770-93.
H.M. Exchequer Books (Cash), 1732-1809.
"In the Great Iron Chest in the Parlour": accounts of deposits for money lent, 1735-52.
Post Bills Abstract, 1738-1854.
"Monies Received", 1745-52.
Bullion Ledgers, 1770-1809.
Copies of Memorials, etc. for Parliament, 1773 seq.
Voluntary Contribution to the War with France, 1798.

Note on the Cash Books and the original subscription

The survival of the first cash-books enables us to follow the payment of the original subscriptions. The first entry in Book A (27 July 1694) is "cash for $\frac{1}{4}$ of the £1,200,000 subscribed", from the Commissioners for the Subscription, £300,000. After that there is a series of entries of "stock and subscription cash brought from stock cash book", in connection with the calls. The second 25 per cent was due by Michaelmas. By 30 September £204,933 out of the £300,000 due had been

paid in. Another 10 per cent. was due by 27 November. At the end of the year £95,225 had been paid. Two further books carry the record to 31 May 1695: they contain no more "stock" payments, and there is no evidence of money being put aside in "the Vault", as it was later (see p. 42 above). Apparently then £600,158 was the full immediate response to calls of £720,000. In its first statement, of November 1696, the Bank reported £101,755 "unpaid on account of the Stock, for which Bonds are given...so reckoned as Cash" (see p. 43 above). The deficiency of £119,842 in May 1695 had thus been slightly reduced. Its reduction cannot be followed because the next Cash Books have not survived.

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