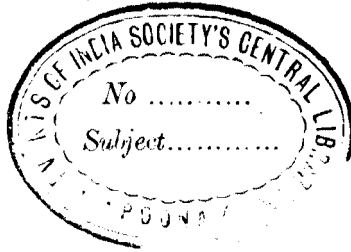


**THE
POUND STERLING**

THE
POUND STERLING
A HISTORY OF ENGLISH MONEY

BY
A. E. FEAVEAREY



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PREFACE

THIS book is an attempt to combine a history of the coinage and the paper currency with so much of the history of the Bank of England and the other banks as was required to make a complete account of the development of the monetary system. Except where it was obviously unnecessary, the author has endeavoured at all times to go back to the original sources of information, and he believes that in a few places he has been able to correct errors or misconceptions commonly found in text-books and standard works on the subject. His thanks are due to Mr. C. R. L. Fletcher, of Oxford, who read the whole of the manuscript and made many valuable suggestions, particularly on points of general history, and to Sir Charles Oman, who has been good enough to go through the proofs and make several useful criticisms on matters connected with the coinage, of which his knowledge is unrivalled.

30 *July* 1931.

A. E. F.

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ABBREVIATIONS

The following abbreviations are used in the footnotes:

- P.R. Calendar of the Patent Rolls.
- C.R. Calendar of the Close Rolls.
- F.R. Calendar of the Fine Rolls.
- R.P. The Rolls of Parliament.
- S.P.D. Calendar of the State Papers, Domestic Series.
- S.P., E. and S. Calendar of the State Papers, England and Spain.
- L. and P. Letters and Papers of the Reign of Henry VIII.
- T.P. Treasury Papers.

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APPENDIX I

A Table of the Rating of Sterling Silver, the Mint Charges, and the Mint Price.

Date.	Rating of Sterling Silver per ounce troy.	Mint Charges.			Percentage of Charges to Money Coined.	Mint Price per ounce troy.
		Seignorage.	Expenses.	Total.		
Alfred	d. 20·0	d.	d.	d.		d.
991 (?)	21·3			?		?
1276	21·6	0·80	0·49	1·29	6·0	20·3
1290	21·6	0·53	0·49	1·02	4·7	20·6
1343	Not stated	0·53	0·80	1·33		
1344	23·6	0·53	0·71	1·24	5·3	22·4
1345	23·8	0·53	0·71	1·24	5·2	22·6
1346	24·0	0·64	0·60	1·24	5·2	22·8
1349	24·0	0·77	0·47	1·24	5·2	22·8
1351	26·7	0·53	0·71	1·24	4·7	25·5
1355	26·7	0·44	0·58	1·02	3·8	25·7
1361	26·7	0·27	0·62	0·89	3·3	25·8
1412	32·0	0·27	0·80	1·07	3·3	30·9
1464	40·0	3·56	1·24	4·80	12·0	35·2
1466	40·0	2·13	1·24	3·37	8·4	36·6
1467	40·0	1·60	1·24	2·84	7·1	37·1
1471	40·0	0·53	1·06	1·59	4·0	38·4
1492	40·0	0·18	0·89	1·07	2·7	38·9
1526	45·0			1·00	2·2	44·0
1542	64·2			16·20	25·2	48·0
1544	59·2			11·20	18·9	48·0
1545	88·8			37·00	41·7	51·8
1546	133·2			81·40	61·1	51·8
1547	133·2			74·00	55·6	59·2
1549	133·2			64·70	48·6	68·5
1551	266·4			155·40	58·3	111·0
1552	60·1 <i>a</i>					
1553	60·5 <i>a</i>					
1560	60·0	0·30	1·20	1·50	2·5	58·5
1583	60·0	0·70	1·20	1·90	3·2	58·1
1601	62·0			2·00	3·2	60·0
1604	62·0			2·50	4·0	59·5
1626	62·0	0·80	1·20	2·00	3·2	60·0
1666	62·0			Nil		62·0
1816	66·0					(b)

(a) These coins were issued in exchange for base ones. The market price of silver was such that they must have been minted at a loss.

(b) Silver purchased at market price.

Where no figures are shown in the third and fourth columns the division of the charges between the King and the Moneyers is not known.

APPENDIX II

A Table of the Rating of Fine Gold, the Mint Charges, and the Mint Price.

Date.	Rating of Fine Gold per ounce troy.		Mint Charges.			Percentage of Charges to Money Coined.	Mint Price per ounce troy.	
			Seigniorage.	Expenses.	Total.			
	s.	d.	s.	d.	s.	d.	s.	d.
1257	17	9 3						
1343	26	9 7	1	9 3	3 8	2	1 1	7 8
1344	23	6 4		5 3	3 6		8 9	3 2
1345	23	6 4		5 3	2 2		7 5	2 7
1346	25	0 3		10 7	1 8	1	0 5	4 2
1351	26	9 7		7 7	2 1		9 8	3 1
1355	26	9 7		5 9	4		6 3	2 0
1363	26	9 7		3 8	1 6		5 4	1 7
1412	29	9 5		3 8	1 6		5 4	1 5
1464	37	2 7	4	2 8	2 5	4	5 3	12 0
1465	40	2 5	1	7 7	2 5	1	10 2	4 6
1467	40	2 5	1	0 8	2 7	1	3 5	3 2
1471	40	2 5		5 3	2 7		8 0	1 7
1492	40	2 5		7	2 0		2 7	6
1526								
Angel	45	2 8					2 8	5
Crown	45	8 4					3 3	6
1544 (May)	50	1 0				2	1 0	4 1
1545 (Mar.)	54	6 6				4	6 6	8 5
1546 (Jan.)	54	6 6				3	6 6	6 6
1546 (Mar.)	60	0 0				9	0 0	15 0
1546 (Oct.)	60	0 0				8	0 0	13 3
1547 (Jan.)	60	0 0				2	0 0	3 3
1549	61	10 0				1	10 0	3 0
1552								
Angel	60	3 7					?	?
1558								
Angel	60	3 7					5 0	7
Crown	60	0 0					4 8	7
1589								
Angel	60	3 7					6 0	8
1590								
Crown	60	0 0					7 6	1 0
1601								
Angel	61	1 8					10 0	1 4
Crown	60	10 9					10 9	1 5
1604								
Crown	67	7 6	2	2 2	6 6	2	8 8	4 0
1605								
Angel	67	10 2	1	11 6	6 4	2	6 0	3 7
1611								
Angel	74	7 5				3	9 0	5 0
Crown	74	4 8				4	1 1	5 5
1612								
Angel	74	7 5				2	7 5	3 5
Crown	74	4 8				2	4 8	3 2
1619								
Angel	74	7 5	1	3 0	6 4	1	9 4	2 4
Crown	74	4 8	1	4 4	6 6	1	11 0	2 6
1661								
Angel	79	7 2					(a)	(a)
Crown	79	4 3					(a)	(a)
1663	80	10 9					Nil	80 10 9
1666 (Mar.)	105	2 2					Nil	105 2 2
1666 (Apr.)	80	0 0					Nil	80 0 0
1699	86	11 7					Nil	86 11 7
1717	84	11 5					Nil	84 11 5

(a) Old coins raised in value but no new ones issued.

Where no figures are shown in the third and fourth columns the division of the charges between the King and the Moneyers is not known.

APPENDIX III

A Table of the English Coins in Order of Issue.

I. GOLD COINS

Coin.	Date.	Fineness.	Weight in troy grains.	Legal Denomination.
				s. d.
Penny	1257	Fine Gold	45·0	1 8
	1265		Value raised to	2 0
Florin	1343	Fine Gold	108·0	6 0
	Half- and quarter-florins in proportion.			
Noble	1344	23 ct. 3½ gr.	136·7	6 8
	1346	"	128·6	6 8
	1351	"	120·0	6 8
	1412	"	108·0	6 8
	1464	"	Value raised to	8 4
In all of the above issues there were half-nobles and quarter-nobles in proportion.				
Ryal or Royal	1465	23 ct. 3½ gr.	120·0	10 0
	1544		Value raised to	12 0
Half-ryals and quarter-ryals in proportion.				
Angel	1465	23 ct. 3½ gr.	80·0	6 8
	1526 (6 Sept.)		Value raised to	7 4
	1526 (5 Nov.)		"	7 6
	1544	23 ct.	80·0	8 0
	1549		Value raised to	9 8
	1552	23 ct. 3½ gr.	80·0	10 0
	1601	"	78·9	10 0
	1604	"	71·1	10 0
	1611		Value raised to	11 0
	1612	23 ct. 3½ gr.	64·7	10 0
1661	Angels of 71·1 gr. raised to			11 8
	And angels of 64·7 gr. to			10 8
Angelets or half-angels were also issued in proportion at all periods, and quarter-angels in 1544 and from 1560 onwards.				
Sovereign or Double Ryal	1489	23 ct. 3½ gr.	240·0	20 0
	1526 (6 Sept.)		Value raised to	22 0
1526 (5 Nov.)			"	22 6
	1544	23 ct. 3½ gr.	200·0	20 0
	1545	22 ct.	192·0	20 0
	1546	20 ct.	192·0	20 0
	1549	22 ct.	169·4	20 0
	1552	23 ct. 3½ gr.	240·0	30 0
	1552	22 ct.	174·5	20 0
	1601	22 ct.	171·9	20 0

Down to 1544 the half-sovereign, of course, was the ryal.
From 1544 half-sovereigns were issued in proportion.

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				<i>s.</i>	<i>d.</i>
Double Sovereign	1489	23 ct. 3½ gr.	480·0	40	0
Crown of the Rose	1526	22 ct. (?)	54·0	4	6
Crown of the	1526	22 ct.	57·3	5	0
Double Rose	1545	22 ct.	48·0	5	0
	1546	20 ct.	48·0	5	0
Half-crowns in proportion.					
George Noble	1526	23 ct. 3½ gr.	71·1	6	8
Half-George-nobles in proportion.					
Treble Sovereign	1549	22 ct.	508·2	60	0
	1642	22 ct.	421·5	60	0
Unite	1604	22 cr.	154·8	20	0
Double-crowns of 10s., Britain crowns of 5s., thistle crowns of 4s., and half-crowns of 2s. 6d. in proportion.					
	1611	The value of all the above raised by 10 per cent.			
	1612	22 ct.	140·8	20	0
	1619	22 ct.	140·5	20	0
The unites of this issue were sometimes called laurels.					
	1661	Unites of 154·8 gr. called up to 23s. 6d. and unites of 140·8 or 140·5 gr. to 21s. 4d.			
Rose Ryal	1604	23 ct. 3½ gr.	213·3	30	0
Spur ryals of 15s. in proportion.					
	1611	Value of the above raised by 10 per cent.			
	1612	23 ct. 3½ gr.	194·1	30	0
Spur ryals of 15s. in proportion.					
	1661	Rose ryals of 213·3 gr. called up to 35s. and those of 194·1 gr. to 32s. Spur ryals in proportion.			
Guinea	1663	22 ct.	129·4	20	0
	1696 (Lady Day)	Value raised to		26	0
	1696 (10 Apr.)	Value reduced to		22	0
	1699	"		21	6
	1717	"		21	0
Five-guinea pieces, two-guinea pieces, half-guineas, and quarter-guineas in proportion.					
	1797	Seven-shilling pieces in proportion.			
Sovereign	1816	22 ct.	122·274	20	0
Five-pound pieces, two-pound pieces, and half-sovereigns in proportion.					

II. SILVER COINS

The Penny of Sterling Silver.

	<i>Grains Troy.</i>
Traditional weight (from the eighth century to about 991)	24'00
From about 991 to about 1275	22'50
About 1275	22'00
1343	20'30
1345	20'15
1346	20'00
1351	18'00
1412	15'00
1464	12'00
1526	10'70
1544	10'00
1552	8'00 (of 11 oz. 1 dwt. fineness)
1560	8'00 (of sterling silver)
1601	7'80
1816	7'27

Farthing and halfpenny.

First issued by Edward I, of proportional weight.

1335. Halfpennies containing one-sixth copper and five-sixth silver issued, weighing 10·7 gr.

1345. Halfpennies, 9·7 gr.; farthings, 4·8 gr. These continued to be made until 1351.

At other times halfpennies and farthings were made in proportion to the penny. They continued until the Tudor debasement.

Groat.

Known definitely to have been issued in 1279. Became a regular issue in 1351, when half-groats were issued also. Both coins were always proportional to the penny.

Shilling, Teston, Testoon, or Tester.

First issued 1504. Always proportional to the penny except during the debasement period.

Threepenny piece, Sixpence, Half-crown, and Crown.

First issued 1552.

Three-farthing and Three-halfpenny piece.

Issued as an experiment in 1561.

Ten-shilling and Twenty-shilling piece.

Issued during the Civil War.

Two-shilling piece or Florin.

Issued in 1849.

Double-florin.

Issued in 1887.

APPENDIX IV

I. *The First Bank Return after the Bank Charter Act, 1844.*

BANK OF ENGLAND

Week ended 7 September 1844.

Issue Department.

	£		£
Notes Issued	28,351,295	Government Debt	11,015,100
		Other Securities	2,984,900
		Gold Coin and Bullion	12,657,208
		Silver Bullion	1,694,087
	<u>£28,351,295</u>		<u>£28,351,295</u>

Banking Department.

	£		£
Proprietors' Capital	14,553,000	Government Securities	14,554,834
Rest	3,564,729	(including the Dead	
Public Deposits	3,630,809	Weight Annuity)	
Other Deposits	8,644,348	Other Securities	7,835,616
Seven-day and other		Notes	8,175,025
bills	1,030,354	Gold and Silver Coin	857,765
	<u>£31,423,240</u>		<u>£31,423,240</u>

II. *The First Bank Return under the Currency and Bank Notes Act, 1928.*

BANK OF ENGLAND

Week ended 28 November 1928

Issue Department.

	£		£
Notes Issued		Government Debt	11,015,100
In Circulation	367,001,448	Other Government	
In Banking De-		Securities	233,568,550
partment	52,087,797	Other Securities	10,176,193
		Silver Coin	5,240,157
		Amount of Fiduciary	
		Issue	260,000,000
		Gold Coin and	
		Bullion	159,088,945
	<u>£419,088,945</u>		<u>£419,088,945</u>

APPENDIX IV

Banking Department.

	£		£
Proprietors' Capital	14,553,000	Government Securities	52,180,327
Rest	3,254,001	Other Securities	
Public Deposits	21,452,051	Discounts and Advances	13,586,293
Other Deposits		Securities	20,214,855
Bankers 62,379,409			<u>33,801,148</u>
Other Accounts 37,185,203		Notes	52,087,797
	<u>99,564,612</u>	Gold and Silver Coin	757,041
Seven-day and other bills	2,649		
	<u>£138,826,313</u>		<u>£138,826,313</u>

APPENDIX V

A Summary of the Present Monetary Regulations.

THE COINAGE

Coinage Act, 1870

Weight of the Sovereign	123·27447 gr. troy.
Weight of the Half-sovereign	61·63723 „
Weight of the Shilling	87·27272 „
The other silver coins in proportion.	
Weight of the Penny	145·83333 „
Weight of the Halfpenny	87·5 „
Weight of the Farthing	43·75 „

The gold to be of eleven-twelfths fineness. The pennies, &c., to be of mixed metal, copper, tin, and zinc.

The least current weight of the sovereign to be 122·5 gr., and of the half-sovereign 61·125 gr.

Coinage Act, 1891

The Mint remedy for the sovereign to be 0·2 gr. for weight and 2 per mille for fineness.

The Government empowered to direct by Order in Council that gold coins which have not been illegally dealt with and are not more than three grains light shall be exchanged by the Mint at their nominal value.

Coinage Act, 1920

The silver coins to be one-half fine silver, one-half alloy, or millesimal fineness 500, instead of sterling silver, millesimal fineness 925.

Silver and bronze coins are issued in the quantities and of the denominations asked for by the public through the agency of the banks and the Bank of England. Though not required by any Act of Parliament to do so, the Mint exchanges worn silver and bronze coins for other money at par, and thus the legal value is maintained.

Gold Standard Act, 1925

No person to have the right to bring gold to the Mint and have it assayed and coined except the Bank of England.

THE NOTE ISSUE

No banks other than the Bank of England may issue notes in England and Wales. (Act of 1844.) Scottish and Irish Banks which were issuing notes in 1845 are entitled to issue notes without cover up to a maximum then fixed, and to issue any further quantity they please covered in full with gold and silver coin or Bank of England notes. (Acts of 1845 and 1928.) The Bank of England is bound to

purchase with notes all gold offered, at the price of £3 17s. 9d. per ounce of standard gold. (Act of 1844.) The Bank of England is bound to sell, for any legal tender money, gold at £3 17s. 10½d. per ounce of standard gold in the form of bars containing approximately 400 oz. of fine gold. (Act of 1925.) The fiduciary issue of Bank of England notes of all denominations must not exceed 260 millions, unless the Government by Treasury minute authorize a temporary increase. The holders of Bank of England notes of £5 and upwards may demand notes of £1 and 10s. in exchange at the Bank. (Act of 1928.)

LEGAL TENDER

The exact amount of the debt must be tendered. No person is bound to give change.

Gold coins are legal tender up to any sum, but silver coins to a greater amount than £2 or bronze coins to a greater amount than 1s. may not be tendered in any one payment. (Coinage Act, 1870.)

Bank of England notes of £5 and upwards are a legal tender for all amounts in England and Wales, except at the Bank of England. (Acts of 1833, 1845, and 1928.)

Bank of England notes of £1 and 10s. are a legal tender for all amounts in Great Britain and Northern Ireland, and at the Bank of England. (Act of 1928.)

Scottish and Irish bank notes, except the notes of the Bank of Ireland, are not a legal tender.

The notes of the Bank of Ireland are a legal tender in payment of taxes in Ireland, except in so far as this is abrogated by the Currency Act of the Irish Free State, 1927. (Act of 1821, 1 & 2 G. IV, c. 72.)

The Executive Council of the Irish Free State may declare any of the token coins of Great Britain no longer legal tender in the Irish Free State. (Coinage Act of the I.F.S., 1926.)

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