

XXVIII.—'THE OLD BANK' (BELL, COOKSON, CARR,
AND AIREY), NEWCASTLE-UPON-TYNE.

BY MABERLY PHILLIPS.

[Read on the 20th December, 1893.]

RALPH CARR, general merchant, of Newcastle-upon-Tyne, and afterwards of Dunston Hill, may justly be considered the father of all north-country bankers. For Newcastle I claim the honour (until documentary evidence can be shown to the contrary) of possessing the first provincial bank in England, subsequently known as the 'Old Bank.' Before giving an account of it, let us see how it originated.

After gaining a thorough knowledge of all local business, Ralph Carr travelled extensively on the continent until 1737, when he returned to Newcastle and commenced trading as a general merchant, and very soon after added bill-broking to his other engagements. In 1745 occurred the Rebellion, when the Young Pretender, Prince Charles Edward, landed in Scotland, and Newcastle being one of the largest towns near the scene of action, became a centre for the operations of the royal army. Drafts on the paymaster in London, required to be cashed, and money had to be sent into Scotland to pay the troops. Ralph Carr readily availed himself of the business opportunities thus offered. Records are available to show that he forwarded to Scotland at various times, no less than £30,000 in coin, and that he cashed two orders, one for £500, and another for £200, drawn at Berwick on the 23rd of September, by Sir John Cope, upon the Hon. Thomas Wennington, paymaster-general. The drafts were drawn only two days after the disastrous battle at Preston Pans, where the Pretender gained such a signal victory, so that Mr. Carr must have had great confidence in the Government. The documents were made out in favour of Matthew Ridley, esq. On the 2nd of October a sum of £640 was paid for the subsistence of major-general Guise's regiment, and £200 to the earl of London, who was proceeding to Scotland.

Mr. Carr had an intimate friend in Edinburgh, John Coutts, and in a letter to him he thus refers to the victories gained by the



PORTRAIT OF JOHN COUTTS,
After a painting by Ramsay, in the possession of the Baroness Burdett-Coutts.

(This illustration has been kindly lent by Mr. Maberly Phillips.)

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Pretender:—‘You may be quite easy about your gold, for should the Highlanders come this length, it is easy to put it out of their way, but I apprehend they will not be allowed to cross the Firth, nor have any encouragement for so doing as so few are ready to join them. However, the sooner I am cleared of it the better.’ He remarks upon the Preston Pans calamity in a letter to Mr. Alexander Couatts of London, September 24th, ‘I forwarded you a packet by last post from Mr. John Couatts, which was brought me by his servant from Allanbank. I hope it came safe to hand. I doubt not ere this you’ve heard of Sir John Cope’s defeat We are here in the greatest consternation, not knowing but they may march here, this makes London bills not to be had almost on any terms, the people would give a premium as every one is remitting away what they have.’

The duke of Cumberland, general of the royal forces, passed through Newcastle, Tuesday, January 28th, 1745-6. A legend has been handed down to the effect that on the evening of the day named, he dined with a number of leading citizens, and after dinner said, ‘Gentlemen, which of you will lend me £30,000, for I and my army are in great straits for want of money.’ All present looked aghast at such a request, except one, who boldly said, ‘You shall have it in cash to-morrow,’ this being Ralph Carr. ‘Thank you kindly,’ said the duke, ‘I do not want the money, but only wished to prove your loyalty.’ The real facts of the matter I have shown. The money was not all Mr. Carr’s own, but received by him as banker from others, and invested by him in these advances.

It is quite possible that the duke and Mr. Carr conversed upon the subject, for in a letter of February 4th, addressed to Messrs. Middleton, bankers, London, Mr. Carr acknowledges the receipt of their letter of the 30th ult., ‘announcing the dispatch of £2,000 by carrier.’ At this time postal communication was by stage-waggon, which did not travel more than about four miles an hour, so that it took about four days for a letter to travel between London and Newcastle by post. It is therefore quite possible that Ralph Carr may have despatched a private messenger to Messrs. Middleton & Co., after an interview with the duke on the 28th, and that Messrs. Middleton’s letter of the 30th announcing the immediate despatch of £2,000, may have been their prompt response. The Government were obtaining all the gold they

could for Scotland, where their credit was bad. On December 13th Mr. Carr wrote again to his friend John Coutts of Edinburgh, 'Regarding the scarcity of specie for the payment of the troops, we are still in the same position. When Mr. Wade's army lay here they drained this place, and as trade is much at a stand, many of their bills still continue on hand. I have them myself for a considerable sum.' In another letter to the same friend (February 7th) he says, 'Mr. Calcraft parted with me . . . and is gone with some Dragoons to Hull and Leeds to bring cash.' Again, on March 7th, Mr. Carr writes to Mr. Coutts, 'the last £2,000 (last of the £30,000) is despatched. If our trade sets in briskly, cash will be more plentiful here, and now and then I may be able to furnish you with a £1,000.'

I have mentioned Mr. Carr corresponding with his London agents, Messrs. Middleton. It is necessary that I should give some little account of this firm, as they had much to do with the starting of the Newcastle bank. They were originally goldsmiths in St. Martin's lane, near St. Martin's church, and are first named in 1692, when George Middleton had a partner, John Campbell. George Middleton died prior to 1748, when George (or John) Campbell took his clerk, David Bruce, into partnership. In 1753, George Campbell was trading alone; he had a niece, Miss Polly Peagram, with whom James Coutts, a young Scotsman from Edinburgh, fell in love, and eventually they were married.¹ About this time Mr. Campbell took his nephew into partnership, the firm being Campbell & Coutts. The house of business was near Durham yard in the Strand. James Coutts was one of the sons of John Coutts, of Edinburgh, merchant (his portrait is in the possession of the Baroness Burdett-Coutts). He had four sons, John, James, Patrick, and Thomas.

With this knowledge of the London firm, we can now fully understand an account of the formation of the Newcastle bank, written by Ralph Carr some years later. He says, 'The Bank has also made many thous^d pounds by the interest of money in their hands, for I

¹ *Newcastle Journal*, May 10th to 17th, 1755:—'*Edinburgh*, May 8th. On Saturday se'nnight was married at St. George's Church, Hanover Square, London, Mr. James Coutts, of Jeffrey's Square, merchant, son to the deceas'd John Coutts, esq., Lord Provost, of Edinburgh, to Miss Polly Peagram, of Knight's-Bridge, niece to Mr. Campbell, Banker in the Strand, an amiable young lady, with a fortune of £30,000, and that day the new-married couple set out for Bath.'

most absurdly charged them with no interest for a great many years, being my Hobby Horse, and solely begun by myself, on Mr. Campbell's recommending my beginning a bank in Newcastle, to take his nephew, the present rich Banker, James Coutts, as first my apprentice, and after three years as a partner, for their father, my worthy friend John Coutts, esq., had beg'd me to be a Father to his four sons, this accident gave me the first notion of a Bank, and it proved both advantageous to us and of the utmost service to the country till too many others started up.' We see, then, that the idea of a bank pure and simple for Newcastle originated with Mr. Campbell, who was an early partner in Coutts & Co., and that the Newcastle bank might have had for its first 'junior,' 'James Coutts, the present rich Banker.' Acting upon the suggestion of Mr. Campbell, Mr. Carr eventually entered into partnership with three other gentlemen of Newcastle, to carry on the business of 'Bankers & Dealers in Exchange.' The first partners were Matthew Bell, John Cookson, Ralph Carr, and Joseph Airey. The first known deed of partnership, which is still in existence, is for ten years from January 1st, 1756. The banking premises were to be at the residence of Mr. Joseph Airey, in Pilgrim street.² The paid up capital would be considered marvelously small in the present day, £500 for each partner, or £2,000 in all, but they were all men of considerable wealth and position. Unfortunately there is some little uncertainty about the time of their first opening. The date has hitherto been ascribed to 1755, but it is likely that it may have been earlier. The *Newcastle Courant*, for August 23rd, 1755, announces that 'Yesterday, Notes were issued from the Bank Established in this Town by a company of Gentlemen of Character and Fortune, which will be of infinite Advantage to this place.' And both the *Courant* and *Journal* of November 22nd and 29th, 1755, advertise the following:—'Notice is hereby given that the Newcastle Bank will be opened on Monday next, at the house late Mr. Robinson's, in Pilgrim Street, where all Busi-

² Miss J. P. Airey, of Bath, writes as follows, January 10th, 1894:—'I have re-read the will (at Durham) of my great-great-grandfather, Thomas Airey of Newcastle and Killingworth, the father of your Joseph Airey, the banker, and in it, dated 1770, he leaves his leasehold dwelling house with the appurtenances situate in Pilgrim Street, which he then inhabited, for the remainder of the term unexpired at his death, to my great grandfather, Henry Airey. There is no number or description of the house given by which it can be identified.'

ness in the Banking and Exchange Way will be transacted as in London.' This announcement has hitherto been held as proclaiming the opening of the first bank in Newcastle, but as it was recorded on August 23rd that the bank was then issuing notes, I think the announcement of November 22nd simply speaks of a change of premises, so that we are not yet certain of the precise time or place that saw the birth of the first bank in our town.

Assuming August, 1755, to be the date of opening, we claim this to have been the first provincial bank founded in the kingdom. Lawson, in his *History of Banking*, asserts that the notes of this date were the first ever issued by a country banker. The Woods of Gloucester, Smiths of Nottingham, and many others, were transacting business of a banking nature in conjunction with their other business, but the Newcastle bank had a fixed capital and a deed of partnership for banking business pure and simple.

In 1762 or 1763, Mr. Joseph Saint became a partner, and the firm was then Bell, Cookson, Carr, Airey, & Saint. Mr. Airey died near the end of the year 1770, and his place was taken by Mr. John Widdrington (a nephew of Mr. Carr's) on January 2nd, 1771: the firm then being Bell, Cookson, Carr, Widdrington, & Saint. The capital was divided into eighteen parts, the three old partners holding four shares each, and the two new partners three shares each. 'Messrs. Widdrington & Saint had to attend to the daily business of the bank without extra remuneration.'

In 1772 there occurred in the metropolis a terrible money panic, which was not long in spreading to the provinces. Only one other bank was in existence in Newcastle, and both required public support. On June 29th, a meeting was held and a resolution passed to accept the notes of the banks.

In 1775 another deed of partnership was entered into, under which Mr. Airey (probably son of the late partner) took Mr. Widdrington's place, the capital being divided into thirty-two shares: Messrs. Bell, Cookson, Carr, and Airey, each held seven, and Mr. Saint four, the latter to attend gratis to the business of the firm. In the directory of 1778, the bank is described as 'The Old Bank,' and occupying premises near the end of Silver street, probably the same that they moved to in 1755.

Mr. Cookson and Mr. Saint both died in 1783. On January 1st, 1784, a new partnership was entered into between Messrs. Bell, Carr, Cookson (Isaac, son of John, the late partner), Widdrington, James Wilkinson, and Thomas Gibson, Mr. Cookson taking the place of his father, Messrs. Wilkinson and Gibson being admitted in Mr. Saint's room. 'Each of the first three partners held four shares out of eighteen, Widdrington held three, while the two last named held three half shares each, and were bound to attend daily without remuneration. The style of the bank was to be Messrs. Bell, Carr, Cookson, Widdrington, & Co.'

Vol. X. of our *Archæologia Aeliana* contains a charming paper by the late James Clephan, entitled 'John Widdrington of the Old Bank, and Carlyle of Inveresk.' It gives an interesting account of the times, and shows how useful it was for the traveller to be on good terms with the few country bankers that then existed. The reverend doctor and three notable friends were returning from the south. Ere they reached Durham, says Mr. Clephan :—

They found their purse was failing, and that they must put themselves severely on short commons. 'I was sensible,' says Carlyle, (the appointed treasurer of the band,) 'that we should run out before we came to Newcastle.' It was expedient that they should push forward, and cross the Tyne early in the day to secure supplies. This they might have accomplished, 'had we not been seduced by a horse-race we met near Chester-le-Street, which we could not resist, as some of us had never seen John Bull at his favourite amusement. There was a great crowd, and the Mrs. and Misses Bull made a favourite part of the scene, their equipages being single and double horses, sometimes triple, and many of them ill-mounted;' the equestrian members of the illustrious family of Bull utterly unconscious that they were sitting for their portraits! The riders, well-mounted or ill, hastened on their headlong way, 'with a keenness, eagerness, violence of motion, and loudness of vociferation, that appeared like madness to us; for we thought them in extreme danger, by their crossing and jostling in all directions, at the full gallop; and yet none of them fell. Having tired our horses with this diversion (continues Carlyle) we were obliged to halt at an inn to give them a little corn, for we had been four hours on horse-back; and we had nine miles to Newcastle. Besides corn to four horses, and a bottle of Porter to our man Anthony, I had just two shillings remaining, but I could only spare one of them, for we had turnpikes to pay, and we called for a pint of port, which mixed with a quart of water, made a good drink for each of us. 'Our horses and their riders being both jaded, it was ten o'clock before we arrived in Newcastle. There we got an excellent supper, etc., and a good night's sleep. I sent for Jack Widdrington when at breakfast, who immediately gave us what we wanted; and we, who had been so penurious for three days, became suddenly extrava-

gant. Adam bought a £20 horse, and the rest of us what trinkets we wanted: Robertson for his wife and children at Gladsmuir, and Home and I for the children at Polwarth manse.'

Mr. Carr retired from the bank on 31st December, 1787, but he has left letters and papers that afford a full and most interesting record of the bank's transactions.³

The balance sheets for the early years of their trading are still in existence, and from them it appears that at the end of the first year the note issue was £13,523 18s. 4d., 'the odd money may be from the cost of production being included.' The deposits exceeded £10,000, £11,502 2s. 7d. was in the hands of Messrs. Vere, Glyn, & Hallifax, London, and £505 with Coutts & Co.; cash in hand, £3,000; discounts, £13,000. There was one overdraft of about £1,000. The profit for the year was £1,017 19s. 7d. Lord Ravensworth, Robert Ellison, jun., the Newcastle Infirmary, and Marine Society were amongst the depositors. In the year 1758, the profit was £3,522, which constituted the first dividend. There was difficulty in employing the 'deposits profitably in genuine banking business in the neighbourhood,' and on April 18th the following resolution was passed:—

Whereas the sums advanced by us on notes and accepted bills are found insufficient to employ the cash in our hands, we have agreed that any sum or sums of money not exceeding £7,000 be lent out.

A letter of September 15th, 1767, to Mr. John Moses of Hull, shows how the note circulation was increased.

Our bank remits for many of the large estates in these counties at the two terms in bills at 40 days at $\frac{1}{4}$ per cent., which in fact is receiving and remitting their money for nothing, as it always happens in May, that bills are $\frac{1}{2}$ per cent. premium, and we are then obliged to send many thousand pounds by land carriage to London. Our only advantage is, that the gentlemen in Northumberland order their tenants to take payment for their corn in our notes, but no trade of this kind is carry'd on in the county of Durham. Our Gentlemen have formerly suffered greatly by their agents taking bad bills.

The manner in which overdrafts were negotiated is shown by a letter (March 15th, 1768) to Messrs. Charles and Robert Falls, of Dunbar:—

³ From which much of my information is derived, and my best thanks are due for the courtesy I have received from the present representatives of the family.

Our bank at the closing of their books last year resolved to keep strictly to their original rates, which they find absolutely necessary, one of which was that all single Merchants or Houses having cash accounts sh^d give a bond to the bank with some other person as a security for the re-payment of all money that may be due to the extent agreed upon, and this is accordingly comply'd with by the first people in this country, and therefore no possibility that any can take it amiss being an established practice at all banks.

The balance sheet for 1771 gives a total of £141,340 ; discounts, £53,202 ; bills of exchange, £43,660 ; 20 overdrafts ; 42 depositors ; note issue, close on £82,000 ; profit, £3,705. During the year 1772 occurred a serious panic. In 1773 the business fell to £140,000 ; note issue, £102,000 ; and a profit of only £3,000 remained.

Business revived in the next year, the balance sheet showing £234,660 ; the capital had been increased to £8,000 ; and the note circulation had risen to £170,000.

In 1776 the turnover was £278,708 ; cash in the bank, £53,853 ; bills of exchange, £49,744 ; with Hallifax, Mills, Glyn, & Co., £36,093 ; Castell, Whately, & Powell (bankers, London), £11,767 ; navy bills, £14,609 ; bank stock, £8,500 ; 3½ per cent. annuities, £1,799 ; at the Bank of England, £443 ; overdrafts, about £38,000 ; the note issue was £180,000 ; the capital, £8,000 ; 52 depositors, £85,000 in amount ; profit, £5,712. Amongst the names of the customers are Bigge, Riddell, Williamson, Collingwood, Askew, Isaacson, Ravensworth, Headlam, Loraine, Clennell, Ellison, Fawcett, Dockwray, and others.

In the next year there was a great falling off, probably from other banks starting ; total, £183,037 ; deposits were £48,000 less ; and notes less by £52,000. From a letter that was lost in the post, containing two bills, which were advertised for in the Newcastle paper, March, 1778, we find that one of the missing documents was drawn at thirty days after date upon Castell, Whately, & Powell, bankers, London (who failed about 1802). 'Signed for Bell, Cookson, Carr, Widdrington, and self, Jos. Saint.'

A meeting of country bankers was held at the 'York Tavern,' in York, on June 6th, 1783, 'to protest and agitate against a tax on bills of exchange, promissory notes, bank notes,' etc., for which Lord John Cavendish had carried a motion in the House of Commons. Twelve country bankers are named, and at the head of the list are Messrs. Bell, Cookson, Carr, and Widdrington.

Mr. Carr's reasons for quitting the bank are shown by the following accounts left by himself:—

Too often I have lost many thousand pounds by having large sums in their (the bank's) hands, and wanted to buy stocks or other advantageous purposes. They could not pay me on the peace with America of which I had early intelligence. This prevented my buying stock to the amount of 12 to £15,000, by which I evidently lost, as I showed to them *circa* £6,800, for, on examining their discounts then in 1785 with Mr. Gibson, we found discounts of near a hundred thousand pounds intirely locked up and they could not pay me and the same has repeatedly happen'd. I always had large sums in the bank, and Messrs. . . . and . . . were generally greatly in debt to the bank, and were in fact the cause of my loss. I also lost by Mr. . . . upwards of £5,000, for when I bought . . . of him at £17,000, I ordered the bank to sell out £12,000 3 per cent. stock, then at 97 per cent., and they got the licences from the Bank of England for that purpose, and it is in their hands to this day, but Mr. . . . could not make a title for me till 1793, when stock had fallen to £48, and I still have that stock to my great loss.

On December 31st, 1787, Mr. Carr writes:—

Having from this time quitted the bank, and turned over my share to Sir John Eden and Sir Mathew Ridley, for if I had continued a banker it should have been on such terms so as to have taken in no other Partners, nor were they necessary, as my fortune alone of near a Hundred Thousand Pounds, was a sufficient security to the Publick as not being under settlements. The annual settlements of our Banking Accounts are in Small Books to which I refer, as I always placed my Bank Profits out to Interest with other savings. I calculate I have at this day made more than Forty Thousand Pounds by my concern in the bank, but now that so many Banks are begun here and everywhere, the business is spoiled and must be attended with daily hazard, and their competitions disgraceful. I wish my nephew J. W. was clear of it.

We know that in 1787, there were three other banks in Newcastle, and as the population of the town was only about 15,000, and the commerce of the district insignificant in comparison with its present volume, the competition must indeed have been keen. Doubtless Messrs. Davison-Bland & Co. (now Lambton & Co.) was one of the banks referred to in the remark, 'so many banks are begun here,' as they were forming their establishment at this very date (December, 1787).

In 1786 Mr. Bell died, and the names of Sir John Eden and Sir Matthew White Ridley, barts., were added, they being trustees for Matthew Bell, grandson of the late partner. When Mr. Carr retired, the firm was Sir John Eden, Sir Matthew White Ridley, Cookson, Widdrington, & Co,

In May, 1784, street alterations were commenced, which ended in 1789, in the formation of Mosley and Dean streets, and by 1790, the bank was established at the south corner of Mosley and Pilgrim streets, and these premises have been used for banking purposes from then until the present time. Mr. Bell's eldest son came of age towards the end of 1791, when his name was added to the firm, also that of Sir Matthew White Ridley, bart., who now became a partner in his own right, the firm being Ridley, Cookson, Widdrington, Bell, & Co. Sir John Eden's name drops out, but as he had been only a partner as trustee for young Mr. Bell, who had attained his majority, the omission is accounted for.

We now come to the eventful year 1793. In April, the commencement of hostilities with France operated unfavourably upon public credit, and caused a serious run upon the provincial banks. On the 8th of the month, all the Newcastle banks had to suspend payment in specie. The same day a public meeting was held, and every effort made to restore public confidence. It was resolved that the banks 'were of unquestionable credit, and entitled to the confidence of the public in the fullest extent,' and that those present would readily accept their notes. A committee of sixteen gentlemen was appointed to investigate the affairs of the banks generally, and to report. On the same day, the following notice was issued by the bankers:—

Newcastle, 9th April, 1793.

Messrs. Ridley, Cookson, & Company, Surtees, Burdon, & Company, Baker, Hedley, & Company, R. J. Lambton & Company.

Finding that notwithstanding the liberal offer of support, made at the meeting yesterday, the public alarm still continues to occasion such considerable and unusual demands for gold, that those funds, which, a few days ago, were greatly superior to every probable exigency, are now found not adequate to the present immediate circumstances of the country, think it their duty to request the indulgence of the public for a short interval, for the purpose of supplying themselves with such additional funds, as the present extraordinary demands make necessary.

On the following day a guarantee was entered into by the merchants and townspeople, and it eventually rose to nearly half a million. Similar meetings were held in the neighbouring towns, public confidence was somewhat re-established, and cash payments resumed on Saturday, April 20th. In 1797 another panic occurred, which was met and tided over in a similar way.

Mr. Cookson retired in 1796, and Mr. Widdrington died in 1797. The firm then became Ridley, Bell, Wilkinson, and Gibson. Mr. Wilkinson died in 1800 (another account says 1802), and the firm became 'Ridley, Bell, and Gibson.' On January 1st, 1803, George Gibson, brother of Thomas, entered the firm. In June of this year, trouble again occurred in the Newcastle banks. On the 30th of this month, Messrs. Surtees, Burdon, & Co. were obliged to close their doors. On the same day a public meeting was held, and signatures solicited of those who would undertake to accept the notes of the remaining banks. The list sets forth the names of some four hundred firms and private individuals, who pledge themselves to accept the paper of Sir M. W. Ridley, Bell, & Co., Sir Wm. Loraine, Baker, & Co., R. J. Lambton & Co., and Messrs. Batson & Co.

I have been most fortunate in discovering the original sheets referring to this guarantee; they are in the possession of W. Boyd, esq., of Benton, who has most kindly allowed me to make *fac-similes* of them. They do not contain all the names that are upon the printed list, but doubtless, these are the first sheets signed at the meeting. Other names would be added in the course of the following days, and then the whole prepared for the press. Many of these signatures will be of deep interest to Novocastrians, none more so than that of Ralph Carr, the founder of the Old Bank, nearly half a century before.

Mr. George Gibson died in 1806, and in the following year, August 17th, Charles William Bigge of Eslington House, Northumberland, was admitted to the firm, Mr. Bell having retired. On October 3rd of the same year, Thomas Hanway Bigge of Benton (brother of Chas. Wm. Bigge), and William Boyd of Newcastle, were admitted into the partnership, the firm now being styled Ridley, Bigge, Gibson, & Co. In April, 1813, Sir M. W. Ridley died, and his son succeeded to the title and to his father's share in the bank. The younger Sir Matthew had only been a partner two years, when difficulties again arose in the banking world. On July 22, 1815, a meeting was held at Mr. Forster's long room, Pilgrim street, of several owners of land in the counties of Durham and Northumberland, John Carr of Dunston, esq., in the chair, when the notes of Ridley & Co., Loraine & Co., Lambton & Co., and Reed & Co. were once again agreed to be accepted. A few days after, a manifesto was issued by the 'merchants

and tradesmen,' stating that they have the most 'unlimited confidence in the solidity' of the banks just named. In the following year Messrs. Loraine retired from banking circles, and once again was it necessary to pledge the credit of the three existing banks. It would be at various times during these panics that squibs and skits regarding rag-money were issued.

The next break in the partnership was in December, 1824, when Mr. Thomas Hanway Bigge died. On January 1, 1825, Charles John Bigge, eldest son of Mr. Charles Wm. Bigge, was admitted a partner, and on January 1, 1827, Robert Boyd, son of Mr. William Boyd, was admitted to the firm.

The branch of the Bank of England was established in Newcastle in 1828. Messrs. Ridley & Co. soon opened an account with them. In February, 1829, the members of the firm were: Sir M. W. Ridley, Chas. Wm. Bigge, Thomas Gibson, William Boyd, Chas. John Bigge, and Robt. Boyd.

On the 3rd of September, 1832, Thomas Gibson departed this life, and his nephew, John Spedding, jun., was added to the firm, the style now being, Sir M. W. Ridley, bart., Chas. Wm. Bigge, & Co. The concluding account of the history of the bank I copy from the interesting MS. of Mr. William Boyd :—

On Friday the 15th of July, 1836, Sir Matthew White Ridley, Bart., died of apoplexy, at Richmond in Surrey, to which place he had gone from his residence at Carlton Terrace, for change of air, and by an article in the partnership deeds of the firm, his son (now Sir Matthew White Ridley, Bart.) succeeds to his father's interest and shares in the bank, and the business is carried on without any alteration in the style of the firm. This partnership by a special agreement was stipulated to be carried on for three years, viz., for 1837, 1838, and 1839, when it was to cease and determine; at the end of that time it was understood, —indeed it was the declared wish of Sir M. W. Ridley to disconnect himself with business, and retire from the bank, which for so many years had been a source of great profit to his father and grandfather. The other partners therefore took steps to remedy the chasm which would be made in the establishment by the retiring of Sir M. W. Ridley, and after several schemes and negotiations, it was determined to join a Joint Stock Bank which had been established some years in Newcastle, under the title of The Northumberland and Durham District Bank.

This was accomplished on the 20th March, 1839, The whole weight and influence of the Old Bank was thrown into the scale of the new establishment around which all the old friends and customers

of Ridley, Bigge, & Company rallied, which had the effect of making the District Bank the largest establishment in the north of England, Ridley & Co., transferring in money, bills of exchange, promissory notes, mortgages, and customers' accounts, to the extent of upwards of £800,000.

It has been stated that all the friends of Ridley & Co. rallied round the new establishment; to this there were three exceptions, all of whom had been under great obligations to Ridley & Co. One of them especially had an advance of nearly £19,000 granted during the panic of 1825-6. This house could not pay a shilling in liquidation of this enormous debt, and it was foolishly imagined that these men might have had some gratitude for favours received, but they were actuated by other feelings and removed their accounts to other houses; they certainly paid the debt after 1839, it having been considerably reduced previously to that time, but the Old Bank was still obliged to accommodate them and take their promissory notes, payable at distant periods, for the balance due in 1839.

Messrs. Bigge, Boyd, & Spedding became large shareholders in the District Bank; Mr. C. J. Bigge, Mr. Robert Boyd, and Mr. Spedding being appointed directors. Thus ended the career of this notable firm, the first provincial bank in the kingdom, which had successfully weathered the storms and gales of the banking world for 84 years.

The Old Bank had a very large note issue; after the amalgamation this paper was withdrawn and the circulation confined to the notes of the Bank of England.

I now give some miscellaneous items that I have gathered regarding the business of the Old Bank.

One of the early transactions of the newly-formed bank was the issue of lottery tickets, that most reprehensible system of gambling supported by the Government for so many years. The *Newcastle Journal*, September 8th, 1759, says:—'Any person wanting tickets in the present State Lottery may be supplied at the Newcastle Bank on the same terms as at London.' Some local speculator seems to have been fortunate, as in the balance sheet of 1774 one of the items is a lottery ticket for £10,000, it was probably lodged for collection.

The practice of opening subscription lists for various public purposes, at the banks, appears to have been of early origin. The *Courant* of September, 1759, announces:—

‘Whereas at this time of imminent danger the speedy recruiting of His Majesty’s forces seems most expedient for the public service.

‘Resolved unanimously “That a subscription be forthwith opened at the Newcastle Bank for an immediate voluntary contribution to be distributed in bounties. Each man to have £2 2s. over Government money.”’

In 1772, the question of maintaining the standard of gold coin was perplexing the Government in the early days of banking, as it has so often done since. The receivers of public revenue were empowered to cut and deface all unlawfully diminished coin that should be tendered to them in payment; and all gold coin under the weight specified was to be considered by them as unlawfully diminished. But for the accommodation of the holders of light money, the receivers were empowered to accept all such cut money in payment at the rate of £3 18s. per ounce, and the Bank of England would purchase cut money at the same rate. On July 31st, the Bank of England gave notice that any quantity of guineas, half-guineas, and quarter-guineas (cut and defaced agreeable to the act), not less than fifty guineas in a parcel, would be taken in on Monday, August 2nd, and every Monday, Wednesday, and Saturday, till further notice at the rate of £3 17s. 10½d. per ounce. By an act of Parliament made in king William’s reign, and still unrepealed, ‘whoever takes or pays away any milled money, not cut to pieces, for less than it passed current when first coined, shall be deemed guilty of felony, and suffer death accordingly.’

Arrangements were subsequently made with some of the provincial banks, to clear the country of the light money, the Newcastle bank, being one so engaged, as they announced on August 10th, 1774, ‘Messrs. Bell, Cookson, Carr, Widdrington, & Saint, give Notice that attendance will be given at the sign of the Black Bull, in Wooler, on Thursday next at nine o’clock in the morning, to exchange the light money according to His Majesty’s Proclamation and Appointment.’ Made July 29th, 1773. The confidence in their notes was such that within two years of their establishment it is announced, ‘We hear that the Collector of Excise for the County of Northumberland will take Newcastle Bank Notes in payment for duty or give cash for them when upon his collection.’

The following letter from Matthew Bell to Ralph Carr, who was

evidently in London, is interesting, as it shows the commencement of the £1 issue. It is dated February 6th, 1758 :—

I was desired [by the other members of the firm at their annual meeting] to send you the enclosed to have a plate cut for twenty shilling notes, one pound in the body of the note, and the twenty shillings at the bottom are both intended to be in the like hand that the sum is wrote in in the notes of the Bank of England, and a scrawl in the left hand. You will hear of the man who cut the plate for the other notes at Vere's, he lives in Wine License Court in Fleet Street, it wo'd be well you co'd bring it down with you, if you give the engraver a short day he will oblige you, if you indulge him, he will not be punctual, you must also provide a large quantity of a strong tough paper for these notes.

I have a copy of a note, which is doubtless from the plate referred to, as it is dated in the following month, and bears out the instructions given. It was probably the first one pound note issued in the provinces.

The old banks in their early days were subject to the forgery of their notes. Perhaps the earliest and most interesting instance occurs in 1765. Amongst the Carr papers still exists the following letter :—

Edinburgh, November 21st, 1765.

Dear Sir,—Mr. Cookson and I are called to this place on account of our having last week discovered a forgery of two of our five pound bank notes, and being informed that your bank as well as the Royal and British Linen Comp's. are in the same situation, we wou'd request your informing me if you have got already any lights and what they are in this dark affair—how many notes you have detected, and whether you think it proper to pay them—it is thought here that the whole forgery's have been done in Ireland—if you have the names and descriptions of any of the accomplices please to fav' us with them directly to the care of John Forrest, Esq'.

We are now able to throw the light upon these forgeries that Mr. Carr so longed for when in Edinburgh. The forger was really a Newcastle man, and no less a personage than the principal engraver in the town, Thomas Jameson. A newspaper of the day says :—

Last Monday was committed to Newgate Thomas Jameson, an engraver in this town, who had a few days before been apprehended at Edinburgh, charged with counterfeiting about a dozen of five pound notes of the Newcastle Bank. But we hear the greater part of them are come in, and have been paid, so that 'tis hoped a total stop is put to this pernicious fraud.

It was shown that a woman, named Jean Grey, had been detected in uttering a forged note of the Newcastle bank, value £5. Upon her examination, she accused Jameson, an engraver, with whom she

lived, as the person from whom she got it, and said that she had seen him engrave and fill up notes, of which she made oath of the truth and signed her examination before a magistrate. Upon this evidence Jameson was committed to the assizes. By the time the trial came on there, Grey had relented. She knew that her evidence must convict her lover, and that his punishment would be death. She therefore

boldly denied what she previously made oath of, upon which the judge ordered an indictment to be drawn for perjury with intent to take away the life of a man who had been tried and found innocent. She was tried in an hour, found guilty, sentenced to be pilloried and transported seven years. On August 2, 1766, a temporary pillory was erected upon the Sandhill, Newcastle, and Jean Grey for the crime of perjury was *evalted* and stood therein one hour at midday, as an example of public shame, in the presence of many thousands of spectators who behaved towards her with great decency and humanity. Grey lived in the High Bridge, and was famous for making excellent mutton pies, to which she returned at the expiration of her banishment, and resumed the making of pies, for which she had a greater demand than before.

It would appear that Jameson resumed his business, as in the *Newcastle Directory* for 1788, under 'Engravers' we have Beilby and Bewick, south side of St. Nicholas's churchyard; Thomas Jameson, ditto. But in one of the lives of Bewick it is stated that Jameson's business fell off, which brought the other firm very rapidly to the front.

Another forgery was committed upon the bank in 1799, which might have proved of very great inconvenience, had it not been nipped in the bud by the prompt and energetic action of Mr. Boyd. He has left a most graphic account of the chase and capture of the forger, which I copy from the MS. in his own writing:—

ACCOUNT OF LOUGH THE FORGER.

On Wednesday the 23rd of October, 1799, between the hours of 10 and 11 in the forenoon, a decent, well-dressed young man entered the Newcastle Bank and presented nine twenty shilling notes to Mr. Geo. Gibson, the cashier. On looking them over he immediately knew eight of them to be forged, and carried them into the inner room to Mr. Wilkinson, one of the partners, who called Mr. Marshall and myself into the room where he was, and informed us of the circumstance. The person who presented them was then called for. On enquiring where he had got the notes then lying on Mr. Wilkinson's desk, he answered he could not tell of whom he had received them, and on further enquiry said his name was Lough, that he travelled for the house of Messrs. Cooperthwaite & Co., of London, and that at present he was upon his round, that he received the notes

in question in the neighbourhood of Carlisle, and that having offered them with others at the house of Messrs. Toritus in Carlisle for the purpose of procuring a bill upon London to remit to his employers, Toritus told him that eight of the notes were forged, and that they could not take them, upon which he took a seat in the diligence and came to Newcastle to get value for them. Mr. Wilkinson informed him that he would not give cash for them, but desired him to call in a short time, and that he should have a final answer. Lough asked in how short a time, Mr. Wilkinson answered at any time before 3 o'clock in the afternoon at which time the bank closed. Three o'clock arrived, but Lough returned not. He was of course strongly suspected as being concerned in the forgery, and enquiry having been made for him at Sunderland's Inn where the Carlisle coach comes to, it was found he had not been there since the morning, and had left his bill unpaid, it was then determined that some person should be sent in pursuit of him, and as it was suspected that he had taken the Carlisle road which he had come the day before, after procuring a warrant to apprehend him I set off about six o'clock in a post chaise with Manners the county bailiff for the purpose of pursuing him. We made several enquiries on the road, but got no intelligence till we arrived at Heddon-on-the-Wall, when describing his dress and person to a woman who lives in a public house in that village she thought she remembered to have seen a person answering the description pass her house in the forenoon of that day. We then proceeded to Harlow Hill where we found that Lough had dined, and not being able to procure a post chaise had proceeded to Hexham on foot. We then resumed our journey, and arrived at Hexham at ten in the evening. On enquiring for Lough we found he had been there some time ago, and that he had enquired for a post chaise to take him forward towards Carlisle, but not being able to procure one he hired a horse to carry him to Glenwhelt. We found from the landlady of the Golden Lion at Hexham that he had lived there from the Friday preceding till the Tuesday, when he went in the diligence to Newcastle, and that before he had set off for Glenwhelt he had packed up a trunk and parcel, and had given them to the Alston carrier. We found the carrier in bed, and told him we had a warrant to apprehend the person who had left with him the trunk and parcel, and that he must deliver them to us. After some hesitation he complied, and we found them directed to 'Richard Thompson, Milmerby, to be left at Alston till called for, carriage paid.' These we committed to the charge of Mrs. Hutchinson at the Golden Lion till we returned. On enquiring of her whether Thompson (for he went by that name in Hexham) had discharged his bill, she said he had, and that he behaved very decently whilst in her house, but they wondered very much what his business could be, as he never stirred out of the house, and did not seem to be acquainted with any person; she said he paid his bill on Tuesday when he set out for Newcastle with a Scotch note, but that this afternoon he had given her a 20s. Newcastle note. I immediately requested to see this last note; Mrs. H. said she had it not, for not having silver sufficient to change it she had sent it to a neighbour for that purpose. The person was then sent to who returned the note by a servant of the inn, and I found it to be a forged note. We immediately proceeded in a chaise with four horses to Glenwhelt; the keeper of the turnpike gate remembered to have seen a man answering Lough's description pass through the gate on a brown horse and enquiring the road to Glenwhelt. At Haydon

Bridge he had passed unobserved; at Haltwhistle the landlord of the inn informed us that a person such as we described had called there on the preceding evening (it being now the morning of the 24th October) and had got a glass of spirit without alighting and enquired how far it was to Glenwhelt. To this place we proceeded, and learnt from the servant of the inn that the person we were in quest of was in the house and in bed. We ordered the landlord to be called, and on being made acquainted with our business readily granted us his assistance. We now proceeded to the bed-room where Lough slept, and having entered the room found the object of our search. The bailiff immediately arrested him, his clothes being searched we found a red morocco pocket book and a parcel resembling a half bound octavo book wrapped in a handbill, and tied with a piece of string, the pocket book contained a variety of memorandums and a letter to Mr. Blair, White Lion Inn, Carlisle. On opening the parcel it was found to contain the engraved plate from which the notes had been struck, and about 200 notes ready for filling up (on being counted the parcel contained 196 notes). During our stay at Glenwhelt Lough avoided all conversation, and only gave evasive answers to all the questions put to him during our journey to Newcastle, where we arrived at one o'clock, p.m. On searching Lough's trunk 16 notes filled up and ready for circulating were found in a small book of the roads with the following letters on its back—R. L., 1799. After being examined by the magistrates he was fully committed to take his trial at the next assizes. Lough remained about three months in gaol, and contrived with three other prisoners to make a hole in the wall of the prison through which he and two others escaped. Lough's chains were found in the plantation at Fenham; he proceeded to Liverpool, took shipping for America, and was never after heard of.

W. BOYD.

A local paper tells how Lough and two other prisoners effected their escape: 'Wrenching a bar from the inside of the chimney of their cell, they forced their way up the chimney to the roof of the prison, whence, cutting their bed-clothes and knotting the pieces together which they tied to a sun-dial on the roof, they descended to the field adjoining Gallowgate. Another man attempted to escape at the same time, but being rather corpulent, he stuck fast in the chimney and could neither get out or back again till he was assisted down by the keeper.' Two of the men were recaptured, but Lough escaped.

From time to time various interesting advertisements appear regarding the loss of the notes of this bank.

January 22, 1757. A promissory note, No. 680, dated the 16th February, 1756, for £40 payable to Thomas Aubone or bearer, and issued by Matthew Bell, Esq., and Company, is lost, and a reward of five guineas offered for its recovery.

March 6, 1756. Lost, 'an old bank note for £100. As it is not yet restored, though ten guineas' reward has been offered, it's probable

the person who found it is resolved to keep it. That such dishonesty may be brought to light 'tis earnestly entreated that such as are possessed of an old hundred pounds note will send them to the bank office, where they will get other notes or money to the value, or if that be inconvenient, they will please to acquaint Mr. James Spencer, Secretary to the bank, of their names or places of abode, and the number and date of the notes they have.' Another announcement records the loss of a £20, 'late in the possession of William Smith, surgeon,' the owner does not know the number but offers a reward of five guineas to anyone who has lately paid him a £20, and can give such particulars as will lead to finding the number of the lost note—information to be given to Mr. Henry Aiskell, attorney, in the Middle street.

These early notes were all issued in the name of the first holder or bearer, and were afterwards freely circulated.

One of the firm, Mr. William Boyd, took a great interest in the various methods used to prevent forgery. A letter from him to Mr. Barnes dated May 10, 1822, has a long account regarding forged notes and paper and says, 'Mr. Bewick spent all one afternoon examining some paper you sent,' and adds, 'our notes have not been forged for twenty years,' and lays claim to general good workmanship and certain red flourishes which are very difficult to imitate.