

BARCLAYS BANK ARCHIVE

Jessie Campbell

An opportunity now exists for local historians to research in a major banking archive which is in the process of being opened at Wythenshawe, near Manchester. Barclays Bank decided to establish a centralised archive unit to ensure the proper control and preservation of its archives, and to ease access for bank staff and researchers to information currently scattered throughout different branches and regional offices. The site at Wythenshawe, which was occupied in October 1989, was chosen because the Bank's Central Records Store was already there. In the future it is intended to integrate the work of the two departments, enabling essential records to be identified for permanent preservation as part of the records management process.

Historically Barclays has strong local roots and its records were geographically scattered. Survival was often a matter of chance. Our first task has been to collect the records held at head office and regional offices. Fortunately, the first two regional offices to transfer their archives to us were Manchester and Liverpool.

The bank we know today as Barclays Bank PLC was founded as an amalgamation of twenty private banks in 1896. Between 1896 and 1969 Barclays took over or amalgamated with a number of banks culminating in the merger with Martins, which was itself a major national bank created out of various amalgamations and take-overs, in 1969.

The founding banks were private partnerships whose individual histories are various. The London partnerships grew out of goldsmiths' businesses. Our history is usually traced back to John Freame who traded in Lombard Street from 1692 and whose son Joseph moved to other premises in Lombard Street at the sign of the Black Spread Eagle in 1728. The Black Spread Eagle was adopted as Barclays' coat of arms in 1937. The name Barclay first appears when James Barclay, who married John Freame's daughter was taken into the business by his brother-in-law in 1736. Goslings, the other London bank in the 1896 amalgamation, also traces its history to goldsmiths who traded at

the sign of the Three Squirrels in 1650. Martins can also trace their history back to 1563 when Sir Thomas Gresham started trading in Lombard Street at the sign of the Grasshopper.

Country banks usually grew out of the other trading activities of the partners. If a merchant had an account with a London bank other local tradesmen might ask him to transact business for them and he might offer local banking services. The use of the bill of exchange made every businessman a banker to a certain extent and the shortage of cash encouraged such banks to issue notes within their own community. Those who were trusted by their fellow businessmen and were of sound financial standing often developed their banking interests and allowed their original business to wither away. The success of such banks depended on trust. Quakers, who were highly respected members of many provincial communities, became involved in a number of the successful banking partnerships. Barclays used to be called the Quaker Bank because so many of the founding partners were Quakers. Most of the provincial partnerships were founded

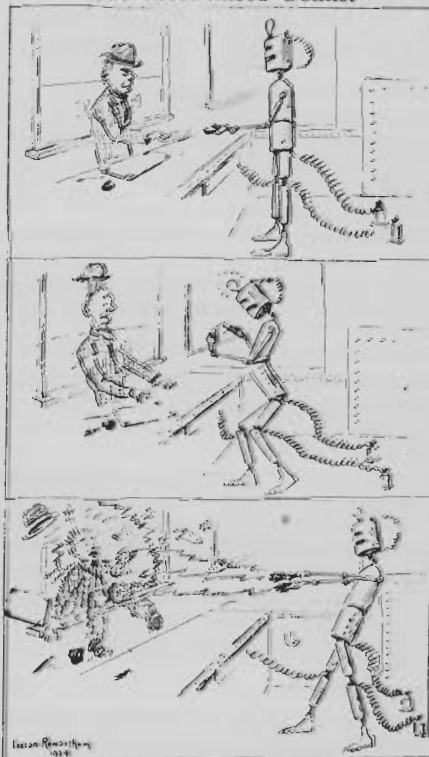
in the eighteenth century. James and Jonathan Backhouse who were Lancashire Quakers founded a bank in 1774, and the East Anglican Gurney family founded their first partnership in 1775.

The Barclays, Gurneys and Backhouse families were Quakers and connected by marriage. These strong, yet informal, links enabled these private banks to withstand numerous financial crises. Private banks were constantly at risk if confidence wavered. Consequently it was important to have strong lines of credit to withstand any run on the bank. There is a story that Lord Darlington tried to break Backhouse's bank by giving notice to his tenants that they were to pay their rents in Backhouse notes. His plan was to present all the notes at once in the hope that the bank would not have enough gold to honour the notes. Jonathan Backhouse heard in time to post to London and bring enough gold back to cover Lord Darlington's demand. The story (surely apocryphal) continues that a wheel came off the chaise on the journey back and that Backhouse came into town driving on three wheels with the gold piled at the back opposite the missing wheel thus "balancing the cash".

Financial crises were a recurrent feature of banking history. One of the most serious occurred in 1825 when about sixty banks were forced to stop payment and as a result the Bank Charter Act was passed in 1826 to allow joint stock banks to be formed more than sixty five miles outside London thus spreading the risk over more shareholders and a wider geographical area. Poor management in some of the early joint stock banks and the already existing restriction of private banks to six partners meant that banks continued to be liable to financial crises and the government was forced to legislate throughout the nineteenth century to make banks safer places for the public to lodge its savings. Gradually it became clear that private banks must amalgamate with other banks to strengthen their position or become joint stock banks.

The two northern industrial and commercial centres of Manchester and Liverpool quickly took advantage of the 1826 Act. The Bank of Liverpool

Our Mechanised Banks.



Cartoon from *The Spread Eagle*, 1929

was established in 1831. It started with a capital of £2,500,000 divided into 25,000 shares of £100 each. There were, of course, already a number of private banks in Liverpool of whom the best known was probably Arthur Heywood, Sons and Company. It was established in 1773 and in 1883 was purchased by the Bank of Liverpool. Another branch of the Heywood family opened a bank in Manchester; but it became part of one of our competitors. The Bank of Liverpool became an important national bank. In 1918 it amalgamated with Martins as the Bank of Liverpool and Martins and in 1928 shortened its name to Martins. This bank grew like Barclays by taking over or amalgamating with other banks. It was the last national English bank to have its headquarters outside London; Water Street in Liverpool remained its head office until it was taken over by Barclays in 1969.



Interior of Manchester bank

Manchester had a similarly early entry into joint stock banking with the Bank of Manchester which was established in 1829. The Union Bank of Manchester was established in 1836 with capital of £6,000,000 divided into 24,000 shares of £25 each. It was affiliated to Barclays in 1919 when 99 per cent of its capital was acquired in an amicable arrangement whereby Union Bank of Manchester shareholders were given shares in Barclays to replace their Union Bank shares. It continued to be administered separately until 1940 when it was fully integrated into Barclays.

The new, well organised joint stock banks, were fully aware of the precarious position in which many of their rasher colleagues found themselves. The Union Bank of Manchester started out with a policy of confining itself to one town and decided not to issue notes. The first minute book for the Bank of Liverpool (38/577) shows the concern of reputable banks for the stability of the banking system. They, along with the Bank of Manchester, sent a deputation to Lord Althorp in 1832 pointing out that:

the law now permits the establishment of joint stock banks without providing any security as to the amount of their capital or limitation as to the number of their branches or the distance of the branches from the parent bank... that the power possessed by such banks to issue notes from all their branches without any restriction as

to the proportion such issues shall bear to their actual capital, and also to keep afloat a large fictitious capital by means of drawing bills on their various branches without any restriction as to the proportion such issues shall bear to their actual capital by means of drawing bills on their various branches may lead to results ruinous to the proprietors of such establishments and largely detrimental to the public.

This concern led to further regulation of the banking system after committees of the House of Commons were appointed to inquire into banking in 1836-7 and 1840-1. The Bank Charter Act of 1844 forbade the creation of any more note issuing banks; the Act of 1862 introduced limited liability. Partnerships of more than ten persons were forbidden unless they registered as a limited company.

There was a clear incentive for private banks to join up with other banks to form stronger units. Barclays withstood the pressure towards forming a joint stock company longer than any of the other "big five" but was encouraged by the change in the legislative climate and major crises (such as the City of Glasgow Bank failure in 1878, and the Baring crises of the 1890s when the merchant bank overstretched itself and had to be rescued by a consortium) to create a joint stock company.

It was in 1896 that twenty private banks came together to form Barclays.

The bank was strongest in the eastern and south eastern counties. It continued to expand by amalgamating with or taking over other banks. Particularly important for expanding the branch network were the amalgamation with the Consolidated Bank of Cornwall (Bolitho and Co) in 1905; the amalgamation with the United Counties Bank which expanded the branch network into the Midlands in 1916; the amalgamation with London Provincial and South Western Bank in 1918 which expanded the branch network into the London suburbs, the south east and Wales; and the take-over of the Union Bank of Manchester in 1919 which expanded the branch network into the north west.

The London and South Western provided Barclays with its first foreign branches through its shareholdings in Coxes (France) and the Colonial Bank. Between 1918 and 1920 Barclays bought more shares in the Colonial Bank and acquired shares in the Anglo-Egyptian Bank and the National Bank of South Africa. Their foreign interests were expanded by the creation of Barclays (Dominion, Colonial and Overseas) in 1925 from the Colonial, Anglo-Egyptian and National Bank of South Africa. This became Barclays Bank International in 1971 and is now, along with other foreign subsidiaries part of the "one bank" established by Act of Parliament in 1985. From a north western point of view the most important parts of Barclays are Union

Bank of Manchester and the Bank of Liverpool with their subsidiary banks.

The survival of records has been a somewhat haphazard affair. For some banks a great deal has survived and for others very little. The main types of records to expect are deeds of partnership or settlement, minute books, shareholders' records, accounting books, customers' records, staff records, and premises records.

The records of the private banks tend to be the least revealing as they had no need to keep information available for shareholders. The deed of partnership gives name, address and, sometimes occupation, of the owners. Occupations of the partners can be useful for seeing which trade provided the impetus for starting the bank. The deed also lays down the constitution and terms of the agreement, and occasionally the name of the first manager. Of course agreements were changed as partners died or withdrew from the bank. An agreement for the Kendal Bank in 1874 records that they "shall keep proper books of account in writing of all moneys received and paid all contracts entered into and all business transacted" (25/67). Anyone who has tried to make sense of an early partnership account book in which the records of a partner's private account is mixed up with the customer accounts will appreciate this attempt to make record keeping more systematic. However the best early customer ledgers usually survive in private banks. A good local example is Heywoods of Liverpool. The best series is probably held at Fleet Street, the branch in which Gosling's traded. These series of ledgers have not yet been transferred to Wythenshawe.

For joint stock banks the minute books usually survive and constitute the main source for the bank's history. They record changes in share ownership, appointment of directors and staff, opening of new accounts and details of overdrafts, opening of new branches and improvements to established ones. Lending policies and information on the local economy can also be traced.

Annual reports are sometimes bound into minute books and sometimes kept in separate series. They often list branches and give the names of managers as well as giving the balance of the accounts. Although they are useful for tracing the financial state of health of the bank they have to be treated with caution as they painted as rosy a picture as possible.

THE UNION BANK OF MANCHESTER LIMITED.

ESTABLISHED 2ND MAY, 1836.

NOMINAL CAPITAL, £2,500,000.

ISSUED, £1,000,000, in 40,000 Shares of £25 each. Paid up £440,000.

RESERVE FUND, £230,000.

Board of Directors.

J. A. RAILTON, Esq., CHAIRMAN.
 BENJAMIN HEAPE, Esq., DEPUTY-CHAIRMAN.
 FREDERICK B. ROSS, Esq. WM. HY. VERDIN, Esq. SIR ANTHONY MARSHALL.
 ROBERT J. WOOD, Esq. GEORGE F. FISHER, Esq. A. J. FLETCHER, Esq.

Head Office.

YORK STREET, MANCHESTER.
 General Manager: F. W. MASON. Joint Managers: R. C. WREAKS and J. M. SINCLAIR.
 Manager of Branches: E. GITTINS. Sub-Manager: D. WHITE.
 Secretary: E. HUGHES. Accountant: J. NUTTALL. Chief Cashier: T. HARRISON.

Branches.

Branch	Manager	Branch	Manager
12, NORFOLK STREET:	J. SUTCLIFFE	HEYWOOD:	C. B. FARR
50, SWAN STREET:	T. J. MACKINOSH	BURY:	J. BERRY
137, OXFORD STREET:	F. T. LLOYD	BURNLEY:	"
242, STRETFORD RD., HULME:	"	NELSON:	"
11, OXFORD STREET:	A. F. ELLISON	COLNE:	"
(ST. PETER'S)	"	WARRINGTON:	W. H. WRIGHT
8, ARDWICK GREEN:	G. I. ELAKE	SOUTHPORT:	R. HARVEY
156, DEANS GATE:	T. C. GRUNDY	MIDDLEWICH:	SUB-BRANCH TO NORTHWICH.
314, DEANS GATE, CAMPFIELD:	C. W. NEEDHAM	WINSFORD:	"
CHEETHAM HILL:	T. R. ACKROYD	SALFORD CATTLE MARKET:	" SALFORD
PICCADILLY:	H. W. MARSH	ROYTON:	" OLDHAM
CORN EXCHANGE:	W. DENNETT	SHAW:	"
ROYAL Do.:	A. H. BROADBENT	LEES:	"
SALFORD:	H. PEARSON	CHURCH:	" ACCRINGTON
KNUTSFORD:	F. HURST	BLACKLEY:	" MIDDLETON
NORTHWICH:	W. MOSS	HORWICH:	" BOLTON
MIDDLETON:	P. T. DEAN	WHITWORTH:	" ROCHDALE
OLDHAM:	H. T. KAUNTZE	RADCLIFFE:	" BURY
ASHTON-UNDER-LYNE:	"	DIDSBURY:	" STOCKPORT
TYLDESLEY:	T. REDFORD	PENDLEBURY:	" SALFORD
ASHTON-IN-MAKERFIELD:	"	PRESTWICH:	" CHEETHAM HILL
LEIGH:	"	BROUGHTON ROAD:	" SALFORD
ACCRINGTON:	W. G. KAUNTZE	GORTON:	" ARDWICK
STOCKPORT:	J. L. WALSH	NORDEN:	" ROCHDALE
WILMSLOW:	R. CROMPTON	WOODLEY:	" STOCKPORT
ALDERLEY EDGE:	"	REDDISH:	" SALFORD
ROCHDALE:	E. HEALEY	STRANOEWAYS:	"
LITTLEBOROUGH:	"	IRLAMS-OTH-HEIGHT:	"
BOLTON:	I. A. BENNETT	BOOTHSTOWN:	" TYLDESLEY
FARNWORTH:	J. H. STRANGER	HOLMES CHAPEL:	" WILMSLOW
		ROMILEY:	" STOCKPORT

Agents.

LONDON: Messrs. GLYN, MILLS, CURRIE & CO.

ENGLAND.	BANK OF ENGLAND, LIVERPOOL. BANK OF LIVERPOOL FARR'S BANKING CO. LONDON & MIDLAND BANK. MESSRS. BECKETT & CO. LEEDS. SHEFFIELD AND HALLAMSHIRE BANK, &c., &c.
IRELAND.	NATIONAL BANK AND BRANCHES. ULSTER BANK AND BRANCHES. HIBERNIAN BANK AND BRANCHES.
SCOTLAND.	CLYDESDALE BANK AND BRANCHES. NATIONAL BANK OF SCOTLAND AND BRANCHES.

Foreign Agents.

BANK OF AUSTRALASIA.	BANK OF NEW ZEALAND.
UNION BANK OF AUSTRALIA.	NATIONAL BANK OF NEW ZEALAND.
BANK OF BRITISH NORTH AMERICA.	THE SOCIETE GENERALE, PARIS.

Union Bank of Manchester circular

Shareholders' registers are valuable for the information they give on the owners. Examination of the list of shareholders for the Union Bank of Manchester in 1888 reveals that out of 708 shareholders 57 were spinsters and 35 widows. Even more interesting was the fact that some shares were held in the joint names of a husband and wife. There is considerable scope for analysis of shareholders' registers for the nineteenth century. Similar analysis of branch security registers would show the types of shares and other securities owned by customers.

Amalgamation papers frequently survive and are very useful for revealing the true state of the finances of a bank being taken over. It was in the course of examining the books of J. and W. Pease of Darlington in 1902, that Barclays' auditors discovered that Sir Joseph Whitwell Pease, who effectively owned the bank (all the shareholders were members

of the family), was in serious financial difficulties. He and the other members of the family were saved from bankruptcy by a voluntary liquidation, the sale of their assets and the rallying round of the family. Sir Joseph died a year after the crash.

Internal accounting records including cash books, journals and ledgers are like those found in any business. Surprisingly, for an organisation which would have kept meticulous records there are remarkably few sets of complete accounts for the banks in our custody. Branch statistics seem to be kept more carefully but even they rarely survive in a complete series. There is a series for the Union Bank of Manchester from the 1920s to the 1960s and for Barclays branches from 1931 to 1938. Customer accounts seem to survive most frequently in the small private banks and the best series are for the eighteenth century.

Other useful sources of information on customers are signature books and reference books. There is a particularly good set of reference books for the Bank of Liverpool from the 1840s to 1914. They give details of a customer's standing and credit worthiness. Sometimes a firm can be followed over quite a long period. John Laird of the Birkenhead Iron Works is described in 1850 as "personally a very respectable man but he has been so mixed up and involved with Birkenhead affairs that his name is not current with us here for transactions of any moment". By 1860 John Laird and Sons "are in an undoubted position and quite good for large amounts", and by 1893 "still occupy the same high position in ship building and are in my opinion very trustworthy for any contract which they enter".

Another useful source of customer information, this time of customers who failed was kept by the Union Bank of Manchester in a series of Failure books. They give details of firms which failed while owing money to the bank. One such entry concerned a builder from Warrington who left the country in 1912 where the cause of failure is "disagreed with solicitor and ground landlord and disappeared". Another Warrington builder left the country for Australia in 1911 having paid all his creditors "except his family" in full.

Staff appointments can be found in the minute books for the nineteenth century but as banks started to employ more people staff records began to be kept separately and usually occur in the form of salary lists. They rarely survive in a complete series. One unusual record is a volume of

photographs of sixteen-year-old boys who joined the Union Bank of Manchester in 1916. Alongside each photograph is a note of the branch at which he started and a list of his referees. The names of the referees normally include his headmaster and consequently tell us to which school he went. Salary lists can be used to trace the increase of female employment within the bank and the relative salary scales paid. Staff handbooks which are also available are useful guides to staff conditions and the introduction of new technology.

Premises records also feature in the archive. We have a set of registers for all Barclays branches from 1896 or whenever the branch was taken over. There are photographs of many of the branches, but they are often fairly modern. Record cards are kept within the unit for each branch with



Maurice Vincent Limbott Green
32 Adelaide Terrace,
Blackburn.

Age: 15 years.

Commenced at Blackburn Branch
July 3rd 1911.

Recommended by:-

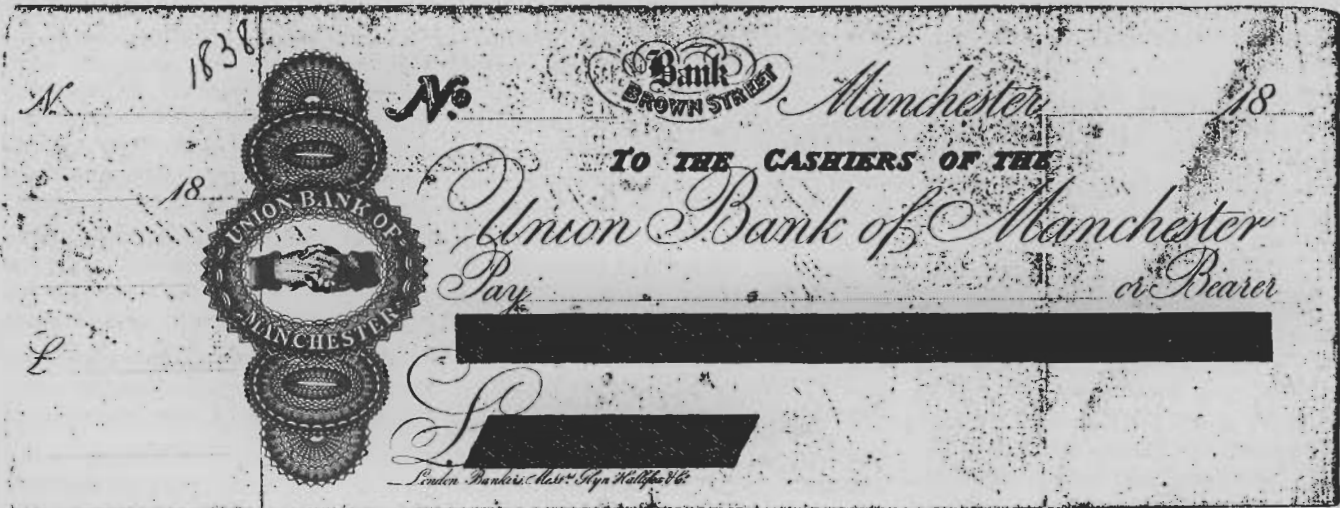
Geo A Stocks, M.A.,
Head Master
The Grammar School,
Blackburn.

J. L. Cappell,
Assistant Curate,
Parish Church,
Blackburn.

J. Higginson,
Solicitor,
2 Corporation St.,
Blackburn.

H. W. Biddy, B.Sc. Lond.,
Head Master,
Higher Grade C.B. School,
Blackburn.

Med. Cert. by:
St. Henry, M.D.,
Aurham
Blackburn.



Union Bank of Manchester cheque, 1838

information on its foundation and names of managers. Deeds and architectural plans are held outside the record office.

The above is a very summary account of the main types of records to be found in our archives. We are not yet able to publish a catalogue but an appendix has been added listing the north western banks for which we have material. We hope that the existence of such an extensive archive in the north west will lead to full use of our resources being made by local

and national historians. We are however funded primarily to provide a service within the bank and while we are always willing to answer enquiries and encourage the use of our archives, we cannot provide the kind of service provided by a publicly funded record office.

Confidentiality for customers' records is paramount and we operate a 50-year closed period for corporate customers and 100-year closed period for individual customers. Additionally we ask permission of the family or firm

before allowing access even after the closed period. For the bank's own records we operate the normal 30 year closure period. Access is by appointment after we have received a letter of introduction from a suitable referee, and we would require to see a copy of any research which was to be published. Despite these restrictions I hope that the presence of a major banking archive in the north west will encourage research into the region's banking history.

Appendix

List of banks in the north west for which we have records. It is not yet possible to provide a complete list of records for each bank.

Adelphi Bank (1862-1899)
Bank of Liverpool (1831-1969)
Blackburn Bank Ltd (1881-1906)
British Mutual Bank Ltd (1857-1951)

Bury Banking Co (1836-1888)
Carlisle and Cumberland Banking Co (1836-1911)
Cattle Trade Bank (1920-1923)
Craven Banking Co (1791-1906)
Equitable Bank (1899-1927)
Arthur Heywood, Sons and Co (1773-1883)
Kendal Bank (1788-1893)

Lancashire and Yorkshire Bank (1872-1928)
Liverpool Commercial Banking Co (1832-1889)
Mercantile Bank of Lancashire (1890-1904)
Palatine Bank Ltd (1899-1919)
Union Bank of Manchester (1836-1940)
E. W. Yates & Co (-1904)

Further Reading

P. W. Matthews and A. W. Tuke, *History of Barclays Bank Ltd* (London, 1972)
A. W. Tuke and R. J. H. Gillman, *Barclays Bank Limited 1926-1969*, (London, 1972)
George Chandler *Four Centuries of Banking Vol I and II* (History of Martins) (London, 1969)
Leo H. Grindon, *Manchester Banks and Bankers* (Manchester, 1877)
John Hughes, *Liverpool Banks and Bankers 1760-1837* (Liverpool, 1906)
L. S. Presnell and John Orbell, *British Banking* (1985) - This is a survey of all banking records funded by the Business Archives Council