

A Court of Directors at The Bank

on Thursday, the 30th November, 1893.

Present,

David Powell, Esq., Governor,
Clifford Wigram, Esq., Deputy Governor,

Charles George Arbuthnot, Esq.	Charles Hermann Goschen, Esq.
John William Birch, Esq.	Everard Alexander Hambro, Esq.
Henry Cosmo Orme Bonser, Esq.	Robert Henderson, Esq.
Herbert Brookes, Esq.	Frederick North Jackson, Esq.
William Middleton Campbell, Esq.	Reginald Eden Johnston, Esq.
Sir Mark Willes Collet, Bart.	The Right Hon. William Siddons
James Pattison Currie, Esq.	Edward Howley Palmer, Esq.
Samuel Stewart Gladstone, Esq.	Augustus Prescott, Esq.
Benjamin Buck Greene, Esq.	Albert George Sandeman, Esq.
Henry Riversdale Grenfell, Esq.	Hugh Colin Smith, Esq.
Henry Buckle Gibbs, Esq.	and
John Saunders Gilliat, Esq.	Alexander Falconer Wallace, Esq.

The proceedings of the last Court
were read.

Ordered,

At the recommendation of the

Committee

Banks notes, &
lost, &c.

30th Nov: 1893.

Committee of Treasury.

That £69. 19. 11 be paid for sundry Post Dividend Warrants and Bank Notes, as detailed in the Governor's Declaration Book; the vouchers relating thereto having been examined, and security given to indemnify the Banks.

Audit of Securities.

A Report from the Committee of Daily Waiting was read, stating that they had audited the Securities contained in Drawers Nos: 85 and 155, and had satisfied themselves that the same were in the safe custody of the Chief Cashier.

Audit of Securities at the Western Branch.

A Report from Mr. Smith was read, stating that he had audited the Securities at the Western Branch comprised in sections numbered 74 and 141, and had found the same in the safe custody of the Agent.

Quarterly Report of the Committee for the House and Servants.

The following Report of the Committee for the House and Servants having been read;

"The Committee for the House and Servants
"Report to the Court of Directors,

"That the Assistant Chief Accountant has certified the payment of £4.962. -- 2 entered in General Cash Book and ledgers, all being for Accounts ordered by the Committee to be paid in August last; also that he has certified the payment of £6.859. 9. -- ordered by the Governor to be paid during the quarter.

"The Secretary has certified that the Chief Cashier has produced vouchers for £8.499. 11. 5 disbursed
"by

30th Nov. 1893

" by him as payments in Petty Cash during the quarter;
 " and has produced his cash statement showing a
 " balance in his hands, on the 15th instant, of £2,779.18.5

" The Committee have passed the Accounts of the
 " Wages of the Servants of this House, as follows, viz:

" London	£ 51.732.13.7
" Branches	" 19.537.13.6
	<u>£ 71.270.7.1</u>

" and have ordered payment of the Pensions, amounting
 " to £12,465.15.3, for the quarter ending the 30th
 " November, 1893.

" They have also ordered payment of the Tradesmen's
 " Bills and sundry Disbursements for the quarter,
 " as follows, viz:

" London	£ 5,364.16.8
" Branches	" 1,311.5.5
	<u>£ 6,676.2.1</u>

" From a Return made by the Superintendent of
 " the Printing Department, it appears that 3,778,000
 " Bank Notes have been printed, numbered and examined
 " during the quarter ended the 31st October, 1893, and
 " that the cost for materials (not including paper) and
 " mechanical labours only was $\frac{2}{9}$ per 1000.

" From the same Return it appears that 2,908,000
 " India Notes of 10 Rupees and upwards have been
 " printed, numbered and examined during the same
 " period, and that the average cost of materials (not
 " including paper) and mechanical labours only, was
 " $\frac{2}{2}$ per 1000; and that 3,065,000 India Notes
 " have been printed in green only, at a cost of $\frac{1}{8\frac{3}{4}}$
 " per 1000.

" It also appears that 15,000,000 Postal Orders
 " have been printed, numbered and examined, cut
 " and backed during the quarter, at a cost of 16.
 " per 1000.

" The

30th Nov. 1893.

"The Clerk of Works reports that the Electric Alarms
"were tried on the 20th instant, and were found to be
"in good working order; the Fire hydrants and sluices on
"the 20th instant, and the Fire Engines on the 21st instant,
"and, together with the hoses, were found to be in goods
"order.

"The Gate Porter reports that the House Porters and
"Watchmen have been regular in their attendance at the Bank,
"and that they, have attended for instruction with the
"Fire Engines under the superintendence of the Clerk of
"Works, and that the avenues and passages about the
"Building have been kept clean and free from obstruction.
"Also that the health of the men under his charge has been
"fairly good, eleven men having been absent on accounts
"of sickness during the quarter.

"The Secretary produces lists signed by the Agents
"and Sub. Agents at the Branches, and by those Clerks
"not free of the Clerks Guarantee Fund, in declaration
"that their Sureties are living, solvent, and resident in
"the United Kingdom, except in the case of the Agent at
"the Western Branch, who is abroad.

"C. Wigram
"Secy. Genl.

"Bank of England,
"28th Nov. 1893."

approved.

The Court approved thereof.

Quarterly
Reports.

The Quarterly Reports of the Committee of
Treasury, the Committee for Building, the Committee
for Branch Banks, and the two permanent Committees
of Inspection were read and approved.

The following minute of the Committee
of Treasury having been read;

"Committee

Minute of the
Committee of
Treasury
recommending
that Mr. G. F.
Stutchbury be
appointed chief
accountant

30th Nov. 1893.

" Committee of Treasury,
" 29th Nov. 1893.

" It was agreed to recommend to the Court
of Directors,

" That Mr. George Frederick Stutchbury, Deputy
Chief Accountant, be appointed Chief Accountant, in
the room of Mr. Horace G. Bowen, lately appointed
Chief Cashier.

" Bank of England."

agreed to.

The Court agreed thereto.

Minutes of the
Committee of
Inspection for the
Accountant's
Offices recom-
mending appoint-
ments.

The following minutes of the Committee
of Inspection for the Accountant's Offices having
been read;

" Committee of Inspection
" for the Accountant's Offices,
" 29th Nov. 1893.

Resolved,

" That it be recommended to the Governor to
propose to the Court of Directors to make the following
appointments:—

" In the £2.10 per Cento Office,

" Walter F. Richmond, a 2nd class clerk in Consols Office,
to be a 1st class clerk, vice C. Fearnley, deceased;

" Frank A. G. Pinfold, a 5th class clerk, to be a 4th class
clerk, vice J. W. D. H. Harrison, proposed to be transferred
to the Register Office;

" Frederick Wm Murfill, an Assistant in the Cheque Office,
to be a 5th class clerk, vice Pinfold.

" In the Consols Office,

" Wm Beauchamp Tyndall, a 3rd class clerk in the Register
Office, to be a 2nd class clerk, vice W. F. Richmond, to be
transferred to the £2.10 per Cento Office.

" In the Register Office,

" Thurlow D. W. H. Harrison, a 4th class clerk in
the

30th Novr 1893.

" the £2.10 per Cento Office, to be a 3rd Class Clerk, vice
" W. B. Tyndall, to be transferred to the Consols Office.

" In the Cheque Office,

" Bruce Macartney, an Assistant in the Accountant's
" Banks Note Office, to be an Assistant, vice F. W. Murfill, to
" be transferred to the £2.10 per Cento Office.

" In the Post Warrant Office,

" Arthur William Gough, a Clerk Unattached, to be an
" Assistant, vice W. R. Allen, resigned.

" In the Accountant's Banks Note Office,

" Eulace P. Forward, an Assistant, to be a 5th class
" Clerk, vice H. G. Tuller, appointed an Assistant at the
" Liverpool Branch.

" John Summers James, and

" Percy Bernard Argall, Clerks Unattached, to be Assistants,
" vice E. P. Forward, promoted, and B. Macartney, to be trans.
" ferred to the Cheque Office.

" Albert G. Sandeman

" Banks of England."

agreed to.

The Court agreed thereto.

The following Minute of the Committee for
Branch Banks having been read;

Committee for Branch Banks,

23rd November 1893.

Resolved,

" That it be recommended to the Court of
" Directors,

" That in view of the approaching retirement, on the 12th
" December next, of Mr. Hadow, Agent at the Leeds Branch,
" Mr. Ernest Edye, Sub. Agent at the Newcastle Branch, be
" appointed Agent at the Leeds Branch, with a salary of
" £200. a year, to succeed Mr. Hadow; and

" That Mr. Florence William Peel, late of the firm of
" Peel

Minutes of the
Committee for
Branch Banks
recommending
the appointment
of an Agent at
the Leeds Branch,
&c.

30th Nov. 1893.

"Peel, Jacob & Co, of Manchester, be appointed an Acting
 "Sub. Agents for the Branches, with a salary of £700
 "a year, to be attached for the present to the Newcastle
 "Branch in Mr. Edge's room.

"C. Wigram
 "D. G.

"Banks of England."

agreed to.

The Court agreed thereto.

Resolved,

That Richard Fredericks Sydney Pearson,
 a Clerk Unattached, at his request have leave
 to quit the service of the Bank.

Rich^d. F. S. Pearson
 quits the Service
 at his request.

The following Report of the Committee for
 the Examination of Clerks having been read;

"The Committee for the Examination of Clerks
 "Report to the Court of Directors,

Report of the
 Committee for
 the Examination
 of Clerks
 recommending
 the Election of
 17 Clerks.

"That pursuant to an Order of Court of the
 "3rd November, 1881, the Examination of Candidates for the
 "Election of Clerks on the 1st proximo, nominated by
 "Divers Directors, and, as Uncovenanted Clerks by the
 "Governor (pursuant to an Order of Court of the 25th
 "March 1863), has been carried out under the control
 "of the Committee.

"Of the number, 17, for which the Election was declared,
 "none failed to pass the examination, and the Committee
 "recommend that they be elected into the Service in the
 "order of merit in which they are classified, the service
 "of Sixey to be reckoned only from the 21st February
 "next, pursuant to a Resolution of Court of the 2nd
 "instant.

"Number

30th Nov 1893.

No.	Name.	Age.	Nominated by,	Marked.
1.	Cecil William Harward Cope,	18	Mr. Bonser,	557
2.	Ernest Frederick Shephry,	21	The Gov ^r	} 532
3.	Gilbert Hugh Pagden,	19	(Uncon ^d . Clerk: Son of a Clerk), Mr. Boodle,	
4.	Francis Tanya Adenson,	19	Mr. Hambro,	497
5.	Harold Woodthorpe,	19	The Gov ^r (Son of a Branch Clerk),	} 497
6.	Walter Ebenezer Clutterbuck,	19	The Gov ^r (Uncon ^d Clerk, nominated by Mr. Greene),	
7.	Eustace Minian Haig Brown,	20	Mr. Birch,	488
8.	John Reginald Gundry,	19	Mr. Prevost,	484
9.	Leonard Cecil Woodman,	18	Mr. Blake,	477
10.	George Richmond Howers,	18	Mr. Powell,	476
11.	Hugh Spences Law,	18	Mr. Currie,	464
12.	Sydney Hastings Smith,	21	The Gov ^r (Uncon ^d Clerk, son of A. P. Smith, formerly a Clerk),	} 462
13.	John Wm. Esq. Clark-Kennedy	18	Mr. Gladstone,	
14.	Vernon Harry Moorhead,	18	Mr. Lidderdale,	448
15.	Arthur Charles Sexey,	18 on 21 Feb, 1894	Mr. Tigram,	448
16.	Roger Wm Percival Eliot,	21	The Gov ^r (Uncon ^d Clerk nominated by Mr. Greenfell),	} 445
17.	Francis Young,	18	Mr. Goschen,	

The foregoing state that they are unmarried, free from debt, and that they have no objection to go to a Branch if required, to do so. They have produced satisfactory testimonials of character.

They have been informed that they have been chosen on the express condition that their continuance and ultimate confirmation in the service will depend upon the reports which will be made upon them in the meantime by the Principals of the Offices in which they have been employed.

Favourable medical Certificates have been furnished in each case by Mr. Kingdon, and the several Candidates have been accepted for insurance (subject to their Election) by the Bank Provident Society.

Bank of England,
27th Nov 1893.

Herbert Brooks.

The

30th Nov. 1893.

approved,
and
17 clerks
elected.

The Court approved thereof, and the following persons were then elected Clerks to the Banks, during pleasure, at the salaries hereinafter mentioned; vizt.

Cecil William Harwood Cope,	at £80. per ann.
Ernest Frederick Sheffy,	" 100. "
Gilbert Hugh Pagden,	" 80. "
Francis Langye Adamson,	" 80. "
Harold Woodthorpe,	" 80. "
Walter Ebenezer Clutterbuck,	" 80. "
Eustace Ninian Haig-Brown,	" 90. "
John Reginald Grundy,	" 80. "
Leonard Cecil Woodman,	" 80. "
George Richmond Flower,	" 80. "
Hugh Spences Law,	" 80. "
Sydney Hastings Smith,	" 100. "
John William James Clark Kennedy,	" 80. "
Vernon Harry Moscohead,	" 80. "
Arthur Charles Sexey,	" 80. "
Roger William Percival Eliot,	" 100. "
Francis Young,	" 80. "

the said persons having previously signed the Declaration approved by the Court of the 28th April, 1842.

A Court of Directors at The Bank

on Thursday, the 7th December, 1893.

Present

David Powell, Esq., Governor,
Clifford Wigram, Esq., Deputy Governor,

- | | |
|--------------------------------|--|
| Charles George Arbuthnot, Esq. | Charles Hermann Goschen, Esq. |
| John William Birch, Esq. | Everard Alexander Hambro, Esq. |
| Henry Coemo Orme Bunsell, Esq. | Frederick Arthur Jackson, Esq. |
| Herbert Brookes, Esq. | Reginald Eden Johnston, Esq. |
| Sir Mark Willes Collet, Bart. | The Right Hon. the Earl of Leven
and Melville |
| James Pattison Currie, Esq. | The Right Hon. William Liddell Dale, |
| Samuel Stewart Gladstone, Esq. | Edward Howley Palmer, Esq. |
| Benjamin Buck Greene, Esq. | Augustus Prewost, Esq. |
| Henry Riverdale Grenfell, Esq. | Albert George Sandeman, Esq. |
| Henry Anselm Gibbs, Esq. | Hugh Colin Smith, Esq. |
| John Saunders Gilliat, Esq. | Alexander Falconer Wallace, Esq. |

The proceedings of the last Court were read.

Out Cash.

Mr. Arbuthnot reported the Out Cash to have been taken in and found right.

Ordered

7th Decr 1893.

Bank notes,
4, lost, &c.

Ordered,

At the recommendations of the Committee
of Treasury,

That £16. 1. 14 be paid for sundry Post
Dividend Warrants and a Bank Note, as
detailed in the Governor's Declarative Books; the
vouchers relating thereto having been examined,
and security given to indemnify the Bank.

Audit of
Securities.

A Report from the Committee of Daily Waiting
was read, stating that they had audited the
Securities contained in Drawers Nos. 32 and 153,
and had satisfied themselves that the same were
in the safe custody of the Chief Cashiers.

Audit of
Securities at
the Western
Branch.

A Report from Mr. Wallace was read,
stating that he had audited the Securities at
the Western Branch comprised in the sections
numbered 9 and "Miscellaneous", 3, and had
found the same in the safe custody of the Agent.

Report of the
Committee of
Inspection for the
Cashiers' Offices
recommending
that the resignation
tendered by Herbert
G. Nicoll, of the
Private Drawing
Office, be
accepted.

The following Report of the Committee of
Inspection for the Cashiers' Offices having been read;

"The Committee of Inspection for the Cashiers' Offices

Report to the Governor,

"That by his Direction they have considered
an application from Herbert G. Nicoll, a 4th class Clerk
in the Private Drawing Office, to be allowed to tender
his resignation, although he owes the Bank a sum of
£190, the balance of a loan of £250 granted him by the
Court on the 3rd November 1892, as security for which
Nicoll assigned to the Bank a Policy in the London Life
Assurance for £200.

"The

7th Decr 1893

"The reason Nicoll assigns for desiring to take this course is that he may join his mother, who, with a daughter and several sons, is living in New Zealand; and Nicoll would be able to render her much needed assistance by taking the place of a brother who has hitherto been her chief support, and has been now removed to another part of the Colony.

"Nicoll promises, if his resignation be accepted, to admit annually a minimum sum of £10 in repayment of his loan (which is at present repayable at the rate of £40 a year); and he states that a friend of his, Mr. Charles Mossop, a clerk in the Issue Office Gold Weighing Room, is prepared to guarantee the regular payment of the premiums on the Policy assigned to the Bank, as they fall due, on the understanding that the Policy is assigned to him when the loan is paid off.

"The Committee having given this case their careful consideration, are of opinion that the best course for the Bank to adopt in all the circumstances is to accept Nicoll's resignation, taking his promise in writing to repay the loan by the instalments he proposes, and an authority to the Bank to assign the Policy to Mr. Mossop on the loan being repaid, taking also a written guarantee from Mr. Mossop to keep up the Policy.

"C. Wigram
"S. G."

"Bank of England
"4th Decr 1893."

approved

The Court approved thereof, and the resignation tendered by Herbert G. Nicoll was accepted.

The following minute of the Committee of Inspection for the Cashier's Offices having been read;

"Committee

Minutes of the Committee of Inspection for the Cashier's Offices recommending appointments &c.

In subsequent arrangement, see Cashier's Committee Minute Book of 29 Decr 1893.

7th Decr 1893.

Committee of Inspection
for the Cashier's Office,
6th Decr 1893.

Resolved,

That it be recommended to the Governor to propose to the Court of Directors to make the following appointments:-

In the Issue Office, to supply the vacancy caused by the death of W. H. Stancomb,

John B. Lang, a 3rd class Clerk in the Private Drawing Office, to be a Clerk.

In the In. Teller's Office, to supply the vacancy caused by the appointment of A. J. Boulton to the Manchester Branch,

James Charles Houle, an Assistant in the Dividend Pay Office, to be a Clerk.

In the Dividend Pay Office, to fill the vacancy caused by the proposed appointment of J. C. Houle to the In. Teller's Office,

Ernest Arthur Gardner, an Assistant in the Private Drawing Office, to be an Assistant.

In the Private Drawing Office, to supply the vacancies to be caused by the proposed appointment of J. B. Lang to the Issue Office, and of Ernest A. Gardner to the Dividend Pay Office,

Fredric W. Freeman, a 4th class Clerk, to be a 3rd class Clerk;

Arthur C. Carey, a 5th class Clerk, to be a 4th class Clerk;

Marchant Grogan, an Assistant, to be a 5th class Clerk;

Ernest Scollie, unattached, late an Assistant at the Birmingham Branch, to be an Assistant, with seniority next below Frank E. Martin;

Bernard John Watkin, a Clerk unattached, to be

7th Decr. 1893.

be an Assistant.

Resolved, further,

That, in view of the want of system which the Committee have found to prevail in obtaining the names of candidates to fill vacancies in the offices under the inspection of the Committee, the following regulations, of which a copy is annexed, be recommended for adoption, under which the clerks in the Department generally shall receive due notice when vacancies are about to be filled up, and thereby be enabled to put forward their names as candidates, if they desire it, through their respective Principals.

Hugh C. Smith

Bank of England.

The Court agreed thereto, so far as relates to appointments recommended, the proposed regulations in regard to filling vacancies being left in the hands of the Governor, with a view to the subject being jointly considered by the Cashier's and Accountants' Offices Committees.

The Governor laid before the Court the following Correspondence:

Bank of England,

20th October, 1893.

Sir,

We beg to draw your attention to the issues of Banknotes which have lapsed lately, from various causes

The first Schedule enclosed herein shows the amount of issues which have lapsed between 1814 and 1893; the amount of additional issue on Securities made in respect thereof at different times, and the further amounts which may be authorized in respect of the same, under the provisions of the Act of 1814, 7 & 8 Vict. cap. 52, sec. 5.

The

agreed to as regards appointments.

The matter was subsequently dealt with by the Committee of Treasury, minutes of 9 May and 8 July 1894, and Governor's Order framed thereupon.

Letter to the Chancellor of the Exchequer in regard to the issues of Banknotes which have lapsed.

7th Decr. 1893.

" The second Schedule contains the particulars of
lapsed issues since 1839, amounting to £512,264.

" In view of the amount which the lapsed issues have
reached since the 10th November, 1839, we now consider it
our duty to suggest that an Order in Council should be
obtained, in conformity with the provisions of the Act of
1844, authorizing the Bank to issue against Securities an
additional amount of notes not exceeding £350,000.

" We have the honour to be,

" Sir,

Your obedient servants

" David Powell,
Governor,

" C. Wigram,
Deputy Governor.

" The Right Honble

" Sir Wm Vernon Harcourt, M. P.

" Chancellor of the Exchequer.

" Schedule No. I.

	Total amount of lapsed issues since 1844.	Two-thirds of total of lapsed issues.	Increased issues allowed by Order in Council.	Balance not dealt with.
	£.	£.	£.	£.
" $\frac{1844}{1855}$	712.623	475.082.	475.000	82-
" $\frac{1855}{1861}$	267.749	178.499.6/8	175.000	3499.6/8
" $\frac{1861}{1866}$	739.965	493.310	350.000	143.310.-
" $\frac{1866}{1881}$	951.902	634.601.6/8	634.601.6/8	
		" In respect of balance not " dealt with (£146 891. 6. 8) }	115.398.13/4	31.492.13/4
" $\frac{1881}{1887}$	647.998	431.998.13/4	431.998.13/4	
		" In respect of balance not " dealt with (£31,492. 13. 4) }	18.001.6/8	13,491.6/8
" $\frac{1887}{1889}$	373.667	249.111.6/8	249.111.6/8	
		" In respect of balance not " dealt with (£13,491. 6. 8) }	888.13/4	12,602.13/4
" Carried forward	£3,693,904	2,462,602.13.4	2,450,000.-	

7th Decr 1893.

	" Total amount of " Lapsed Issues " since 1844.	Two-thirds of total of Lapsed Issues.	Increased Issues allowed by Order in Council.	Balance not dealt with.
" Brought " forward	3,693,904	2,462,602.13/4	2,450,000----	
" 1889 1893	512,264	341,509.6/8		
	<u>£ 4,206,168</u>	<u>2,804,112-----</u>		

" The increased Issue which may now be granted on
" Lapsed Issues since 1889 is -

" Two-thirds of £512,264	£341,509.6.8
" Together with balance not " yet dealt with, as above,	.. 12,602.13.4

£354,112-----

" Banks of England,
" 70th October, 1893."

" Schedule No. II.

" Issues of Private and Joint Stock Banks which have
" lapsed since the 1st November, 1889, when application was
" last made by the Banks for a further issue on Securities.

" Deansfoot Bank	-----	Hodge & Coy	-----	£10,664
" Northamptonshire Banking Coy. Limited	-----		-----	" 26,401
" Brecon Old Bank	-----	Wilkins & Co	-----	" 68,271
" Penzance Bank	-----	Batten & Coy	-----	" 11,405
" Winclescombe Bank	-----	W. Hancock & Son	-----	" 7,602
" Old Bank, Tonbridge	-----	Bealings & Coy	-----	" 13,183
" Macclesfield Bank	-----	Brookhurst & Coy	-----	" 15,760
" Stamford & Rutland Bank	-----	Eaton Cayley & Coy	-----	" 31,858
" Thornbury Bank	-----	Harwood & Coy	-----	" 10,026
" Colchester & Essex Bank	-----	Mills & Coy	-----	" 48,704
" Winchester, Alresford & Alton Bank,	-----	Bullett & Hall,	-----	" 25,892
" Salop Old Bank	-----	Eyton & Coy	-----	" 65,529
" Ryas Bank	-----	Curtis, Pomfret & Co	-----	" 29,864
" Whitby Old Bank	-----	Simpson, Chapman & Co.	-----	" 14,258
" Godalming Bank	-----	Mellersh & Coy	-----	" 6,322
" Kendal Bank	-----	Wakefield, Gwendon & Co.	-----	" 44,663
" Bank of Westmorland, Limited	-----		-----	" 12,225
" Essex Bank & Bishop's Stortford Bank, Sparrow, Tufnell & Co.	-----		-----	" 69,637
" Bank of England, " 70 th October, 1893."				<u>£512,264</u>

Treasurer

119.

7th Decr. 1893.

Letter from the Treasury in reply to the foregoing.

hms.

Treasury Chambers,
14th November, 1893.

Gentlemen,

"The Chancellor of the Exchequer has laid before the Lords Commissioners of Her Majesty's Treasury the letter which you addressed to him on the 20th ultimo, suggesting that, inasmuch as the Issues of Private and Joint Stock Banks have lapsed to the further extent of £512,264, the Bank of England should, in conformity with the Act of 1844 (17th Vict. c. 32), be authorised to issue against securities an additional amount of notes not exceeding £350,000.

"In reply I am to state that my Lords are willing to take the proposal into favourable consideration; and I am accordingly to request that the usual Memorial to Her Majesty in Council may be forwarded to this Board.

I am,

Gentlemen,

Your obedient servant,

R. E. Selly

The Governors and Deputy Governors
of the Bank of England.

Memorial to Her Majesty, The Queen in Council relative to an additional Issue of Bank Notes on Securities.

The Court then agreed to the following Memorial to The Queen in Council;

To Her Most Gracious Majesty,

The Queen in Council,

The Humble Memorial of The Governors
and Company of The Bank of England

Sheweth,

"That by an Act passed in the 7th & 8th years of Your Majesty's Reign Cap. 32 entitled "An Act to regulate the issue of Bank Notes and for giving to the Governor and Company of the Bank of England certain privileges for a limited period" it was amongst other things enacted

7th Decr 1893.

" enacted, sec. 2, that upon the 31st Day of August 1844
 " there should be transferred appropriated and set
 " apart by Your Memorialists to the Issue Department
 " of the Bank of England securities to the value of
 " £14,000,000 as therein mentioned and there should
 " also at the same time be transferred appropriated
 " and set apart by Your Memorialists to the said
 " Issue Department so much of the Gold Coin and
 " Gold and Silver Bullion then held by the Bank of
 " England as should not be required by the Banking
 " Department thereof and that thereupon there
 " should be delivered out of the said Issue Department
 " into the said Banking Department of the Bank of
 " England such an amount of Bank of England Notes
 " as together with the Bank of England Notes then in
 " circulation should be equal to the aggregate amount
 " of the Securities Coin and Bullion so transferred to
 " the said Issue Department of the Bank of England
 " and the whole amount of Bank of England Notes
 " then in circulation including those delivered to the
 " Banking Department of the Bank of England as
 " aforesaid should be deemed to be issued on the
 " credit of such Securities Coin and Bullion so
 " appropriated and set apart to the said Issue
 " Department and from thenceforth it should not be
 " lawful for Your Memorialists to increase the amount
 " of Securities for the time being in the said Issue
 " Department save as hereinafter was mentioned and
 " from and after such transfer and appropriation to
 " the said Issue Department as aforesaid it should
 " not be lawful for Your Memorialists to issue Bank
 " of England Notes either into the Banking Department
 " of the Bank of England or to any person or persons
 " whatsoever save in exchange for other Bank of
 " England Notes or for Gold Coin or for Gold or Silver
 " Bullion received or purchased for the said Issue
 " Department

7th Decr 1893

" Department under the provisions of the said Act
 " or in exchange for Securities acquired and taken in
 " the said Issue Department under the provisions
 " therein contained. And it was further enacted, sec 5,
 " that if any Banker who on the 6th Day of May 1844
 " was issuing his own Bank Notes should cease to issue
 " his own Bank Notes it should be lawful for Your
 " Majesty in Council at any time after the cessation
 " of such issue upon the application of Your Memorialists
 " to authorize and empower Your Memorialists to increase
 " the amount of Securities in the said Issue Department
 " beyond the total sum or value of £14,000,000 and
 " thereupon to issue additional Bank of England Notes
 " to an amount not exceeding such increased amount
 " of Securities specified in such Order in Council and
 " so from time to time. Provided always that such
 " increased amount of Securities specified in such
 " Order in Council should in no case exceed the
 " proportion of two thirds the amount of Bank Notes
 " which the Banker so ceasing to issue might have been
 " authorized to issue under the provisions of the now
 " reciting Act and every such Order in Council should
 " be published in the then next succeeding London Gazette.

" That subsequently to the passing of the said Act
 " various Orders in Council have been made and the
 " last of such Orders in Council was made on the 8th
 " Day of February 1890.

" That on the making of such last mentioned
 " Order in Council there remained a balance of
 " £12,602. 13. 4 by which sum Your Memorialists might
 " have been but were not empowered and authorized to
 " increase the amount of Securities in their Issue
 " Department and to issue additional Notes.

" That since the 5th Day of December 1889, the date
 " of the last Memorial to Your Majesty in Council
 " upon which the said Order in Council of the 8th
 " Day

7th Decr 1893.

" Day of February 1890 was made, the undermentioned
 " Bankers in addition to those referred to in the previous
 " Memorials have discontinued the issue of their own Notes;
 " that is to say:-

Name of Bankers.	Amount of Issue.
" Devonport Banks (Hodge & Co)	£10.6614
" Northamptonshire Banking Company Limited	" 26.401
" Brecon Old Banks (Willems & Co)	" 68.271
" Penzance Banks (Datten & Co)	" 11.405
" Tivoliscombe Banks (W. Hancock & Son)	" 7.602
" Old Banks Torrington (Beckings & Co)	" 13.183
" Macclesfield Banks (Brookhurst & Co)	" 15.760
" Stamford & Rutland Banks (Eaton Cayley & Co)	" 31.858
" Thornbury Banks (Harwood & Co)	" 10.026
" Colchester and Essex Banks (Mills & Co)	" 48.704
" Winchester Alresford & Alton Banks (Dulfer & Hall)	" 25.892
" Salop Old Banks (Eyton & Co)	" 65.529
" Ryce Banks (Curtis Pomfret & Co)	" 29.864
" Whitley Old Banks (Simpson Chapman & Co)	" 14.258
" Godalming Banks (Mellersh & Co)	" 6.322
" Kendal Banks (Wakefield Greenwood & Co)	" 44.663
" Banks of Westmorland Limited	" 12.225
" Essex Banks & Bishops Stortford Banks " (Sparrow Tupnell & Co)	" 69.637
	<u>£512.264</u>

* See letter
 from Messrs Lockfield
 in regard to this
 paragraph, put up
 with First Minutes
 of 7 Decr 93.

" That although the name of the said Devonport Banks
 (Hodge & Co) is included in the above list, the discontinuance
 " of the said Firm actually took place on the 30th November
 " 1889 whilst the preparation of the above mentioned
 " Memorial was in progress, and it was therefore impossible
 " to include the name of the said Bank in the said Memorial
 " of the 5th Day of December 1889.

" That under the provisions of the said Act and in respect
 " of the said ceased issues it would be lawful for Your
 " Majesty to authorise and empower Your Memorialists further
 " to increase the amount of Securities in their Issue
 " Department to the extent of £341.509.6.8, and
 " thereupon

7th Decr 1893.

" thereupon to issue additional Bank Notes from the said
 " Issue Department in manner in the said Act mentioned
 " to that amount.

" That accordingly the total sum to the extent of which
 " it is now lawful for Your Majesty, to authorise and empower
 " Your Memorialists further to increase the amount of Securities
 " in the said Issue Department and thereupon to issue
 " additional Notes from the same Department is £354.112.7,
 " being the aggregate of the said sums of £341.509.6.8
 " and £12.602.13.4

" Your Memorialists therefore humbly make application
 " to Your Majesty that under the provisions of the said
 " Act they may be authorised and empowered to
 " increase the amount of Securities in the Issue
 " Department of the Bank of England to the extent of
 " £350.000 (beyond the amount now authorised)
 " being a sum not exceeding two thirds of the amount
 " which the Bankers who have ceased to issue their
 " Notes since the 30th Day of November 1889 were
 " then authorised to issue under the provisions of the
 " said Act and the before mentioned sum of £12.602.13.4
 " And that Your Memorialists may be authorised and
 " empowered to issue their own Bank Notes to the
 " extent of the said sum of £350.000 in addition to
 " the amount of £16.450.000 which they are now
 " authorised to issue under the provisions of the said
 " Act and the said several Orders in Council, and
 " that the balance of £4.112, being the difference
 " between the said sums of £354.112 and £350.000
 " may be allowed to remain to be dealt with in
 " any future Memorial."

The Memorial
 sealed.

The said Memorial was then sealed
 with the Common Seal in Court.

Letter from Mess^{rs}
 Freshfield with
 Power of Attorney
 authorizing
 ml.

The following letter from Mess^{rs} Freshfield
 having been read;

7th Decr 1893.

M^r. E. Waterhouse
to represent the
Banks of England
in connection with
the liquidation of
the South American
& Mexican Cy Lim^{td}
to be sealed.

" 5 Bank Buildings,
" London,
" 6th Decr 1893.

" Dear Sir,

" We beg to hand you the engrossment of a Power
of Attorney for sealing by the Court tomorrow, and advise
that the Seal of the Bank be affixed to it.

" The Power is for the purpose of enabling M^r. Edwin
Waterhouse the Accountant to represent the Governor and
Company of the Bank of England on the Committee of
Inspection in the liquidation of the South American and
Mexican Company Limited.

" The Act of Parliament requires that the authority shall
be in the form which we have sent.

" We are, Dear Sir,

" Yours faithfully,

" Freshfields

" The Secretary

" Bank of England.

approved,
and
Power of Attorney
sealed.

The Court approved thereof, and the Power
of Attorney in question was sealed with the Common
Seal in Court.

A Court of Directors at The Bank

on Thursday, the 14th Decem^r, 1893.

Present,

David Powell, Esq., Governor,
Clifford Wigram, Esq., Deputy Governor,

John William Birch, Esq.	Everard Alexander Hambro, Esq.
Henry Cosmo Orme Ormer, Esq.	Robert Henderson, Esq.
Herbert Brookes, Esq.	Federick Huth Jackson, Esq.
Sir Mark Wills Collet, Bart.	Reginald Eden Johnston, Esq.
James Pattison Currie, Esq.	The Right Hon. William Siddons, Esq.
Samuel Stewart Gladstone, Esq.	Edward Howley Palmer, Esq.
Benjamin Buck Greene, Esq.	Augustus Prevost, Esq.
Henry Riversdale Greenfell, Esq.	Albert George Sandeman, Esq.
John Saunders Gilliat, Esq.	and
Charles Hermann Goschen, Esq.	Alexander Falconer Wallace, Esq.

The proceedings of the last Court were read.

Ordered,

At the recommendation of the Committee
of Treasury,

Bank notes,
or, lost, or.

That

^{tho}
11th Decr 1893

That £29. 19. 11 be paid for sundry Bank notes and Post Dividend Warrants, as detailed in the Governor's Declaration Book; the vouchers relating thereto having been examined, and security given to indemnify the Bank.

Audit of
Securities.

A Report from the Committee of Daily Waiting was read, stating that they had audited the Securities contained in Drawers Nos: 55 and 62, and had satisfied themselves that the same were in the safe custody of the Chief Cashier.

Audit of
Securities at
the Law Courts
Branch.

A Report from Mr. Jackson was read, stating that he had audited the Securities at the Law Courts Branch comprised in the section numbered 1, and had found the same in the safe custody of the Agent.

Minutes of the
Committee of
Treasury
recommending
appointments.

The following Minutes of the Committee of Treasury having been read;

" Committee of Treasury,
" 13 December, 1893.

" It was agreed to recommend to the Court of Directors to make the following appointments:-

" Mr. John Douglas Farrell, Controller of Stock Offices, to be Deputy Chief Accountant, in the room of Mr. Stutchbury, lately appointed Chief Accountant:

" Mr. Edward Ely Daly, Deputy Chief Cashier, to be Controller of Stock Offices, in the room of Mr. Farrell - Mr. Daly to receive the salary (£800) attaching to the post, and to retain his present personal additional salary of £200; and

" Mr.

11th Decr, 1893.

" Mr. John Gordon Nairne, 1st Clerk in the Chief Cashier's Office, to be Deputy Chief Cashier, in the room of Mr. Daly.

" Bank of England."

agreed to.

The Court agreed thereto.

Mr. J. G. Nairne
empowered to
sign Bills & Notes.

The said John Gordon Nairne was then empowered to sign Bills and Notes for the Governor and Company of the Bank of England, and it was

Ordered,

That his appointment be advertised in the London Gazette of the 15th instant, and that he be required to give the usual additional security in £1000.

This appointment
to be advertised,
a.

Resolved,

That Arthur Ernest Henry Eliot, a Clerk Unattached, at his request have leave to quit the service of the Bank.

Arthur E. H. Eliot
quits the Service
at his request.

Resolved,

That the Election into the Service of the Unattached clerks of the age of 20 and upwards do sanctioned by the Court of the 19th October last, be appointed to take place on Thursday next, the 21st instant.

Election of clerks
over 20 years of age
on the Unattached
list appointed.

The following Minutes of the Committee of Treasury having been read;

" Committee

Minutes of the
Committee of
Treasury
recommended
a

14th Decr 1893

Donation of £50
to the funds of
King's College
Hospital.

Committee of Treasury,
13 December, 1893.

A letter was read from the Warden and
Chaplain of King's College Hospital, in which he appealed
for aid towards a maintenance fund now being raised,
and it was agreed to recommend the Court to
contribute a sum of Fifty pounds in aid of the
object proposed.

Bank of England.

agreed to.

The Court agreed thereto.

The Result of
the Appeal in
the case of
Prescott & Co^{rs}?
against The Bank

With respect to the Action brought against the
Bank by Mess^{rs} Prescott & Co^{rs} Limited, in regard to
Compositions for right of Issue formerly granted to
firms who had amalgamated with them, the Governors
reported that on appeal (sanctioned by the Court of
the 5th July last) the judgment given against the
Bank had been reversed, and now stood for The
Bank on all points.

The following letters from Mess^{rs} Freshfield
having been read;

Letter from Mess^{rs}?
Freshfield with
a Deed of
Reconveyance,
to be sealed, in
reference to the
repayment of a
loan by the
Commissioners
for the Exhibition
of 1851.

5 Bank Buildings,
6th December, 1893.

Dear Sir,

We beg to report that on behalf of the Bank of
England we have settled with the Solicitors for the Commis-
sioners for the Exhibition of 1851 the form of Reconveyance to be
executed when the Commissioners repay the loan made to
them by the Bank.

We now beg to hand the engrossment of the Deed to you
for execution by the Bank and advise that the seal of the
Bank be affixed to it.

We are, Dear Sir,

The Secretary
Bank of England.

Yours faithfully,
Freshfield

11th Decr. 1893.

Letter from Messrs
Freshfield with
a Memorial, to
be sealed, in
reference to the
repayment of a
loan by the
Commissioners
for the Exhibition
of 1851.

approved
and
documents
sealed.

A Compassionate
Allowance
granted to
Mrs May.

A Committee
appointed, to
examine into
the Advances
to Customs.

5 Bank Buildings, E.C.

12th December, 1893.

Dear Sir,

" We beg to hand to you the Memorial for the
registration at the Middlesex Registry of the Reconveyance
by the Bank of England to the Commissioners for the
Exhibition of 1851.

" The document contains only such particulars of the
Deed as are required by the Land Registry, and should
be sealed by the Bank when the Deed of Reconveyance
is sealed.

" We have indicated in pencil where the seal should
be affixed, and care should be taken that no part of
it covers the margin marked by a red line on the
document.

" We are, Dear Sir,

" Yours faithfully,

" Freshfield

" The Secretary
" The Bank of England."

The Court approved thereof, and the
documents in question were sealed with the
Common Seal in Court.

Resolved,

That, during the pleasure of the
Court, a Compassionate Allowance at the rate
of £600 a year be granted to Mrs May, the
Wife of the late Chief Cashier, to commence
from the cessation of her husband's salary.

Resolved,

That a Committee, consisting of

Mrs.

14th Decr. 1893.

The Deputy Governor
was added to this
Committee by the
Court of the 21st Decr
1893.

Mr. Birch,
Mr. Grenfell,
Lord Leven,
and
Mr. Jackson,

be appointed to examine into the Advances now
standing to the debit of the various customers of
the Bank, and report thereon to the Court.

A Court of Directors at The Bank

on Thursday, the 21st December, 1893.

Present,

David Powell, Esq. Governor,
Clifford Wigram, Esq.

Charles George Arbuthnot, Esq.	Everard Alexander Hambro, Esq.
John William Birch, Esq.	Robert Henderson, Esq.
Henry Cosmo Orme Bonsor, Esq.	Frederick Huth Jackson, Esq.
Herbert Brookes, Esq.	Reginald Eden Johnston, Esq.
William Middleton Campbell, Esq.	The Right Hon: the Earl of Sevens and Melville,
Sir Mark Wiles Collet, Bart.	The Right Hon: William Liddell Dale,
James Pattison Currie, Esq.	Edward Howley Palmer, Esq.
Samuel Stewart Gladstone, Esq.	Augustus Prevost, Esq.
Benjamin Duck Greene, Esq.	Albert George Sandeman, Esq.
Henry Riversdale Grenfell, Esq.	Hugh Colin Smith, Esq.
John Saunders Gilliat, Esq.	and
Charles Hermann Gooden, Esq.	Alexander Falconer Wallace, Esq.

The proceedings of the last Court
were read.

Out Cash.

Mr. Johnston reported the Out Cash to
have been taken in and found right.

Ordered

21st Decr 1893.

Bank Notes
lost, &c.

Ordered,

At the recommendation of the Committee
of Treasury,

That £55. be paid for sundry Bank Notes, as
detailed in the Governor's Declaration Book; the
vouchers relating thereto having been examined,
and security given to indemnify the Bank.

Audit of
Securities.

A Report from the Committee of Daily Waiting
was read, stating that they had audited the
Securities contained in Drawers nos. 66 and 135, and
had satisfied themselves that the same were in
the safe custody of the Chief Cashier.

Minute of the
Committee of
Treasury
recommending
that R. H. Sharp,
of the Branch
Bank Office,
be appointed a
Cashier, &c.

The following Minute of the Committee of
Treasury having been read;

Committee of Treasury,
70 December, 1893.

" It was agreed to recommend the Court
to make the following appointments:-

" Henry Holman Smith, the 2nd Cashier in the Treasury,
to be Senior Cashier, in the room of Francis R. Gibson,
deceased:

" Thomas Webb Whitman, a Cashier, to be 2nd Cashier,
in the room of Mr. Smith; and

" Robert Harrison Sharp, Revenue and 1st Clerk in the
Branch Bank Office, to be a Cashier, to fill the vacancy.

" In the Cashier's Store,
" Frederick Stephens, the 1st Clerk, to be Deputy
" Superintendent, in the room of Charles Luson, about
to retire on a pension;

" Thomas Smith, 2nd Clerk, to be 1st Clerk, in the
" room

21st Decr. 1893.

" room of Fred^{lc}. Stephens; and
 " Zachariah Tenner, a clerk, to be 2nd Clerk, in
 " the room of Mr. Smith.

" In the Branch Banks Office,

" Alfred Death, 2nd Clerk, to be Revenue and 1st
 " Clerk, in the room of Mr. R. H. Sharp, recommended to be
 " appointed a Cashier - Mr. Death to receive, in view of a
 " change in the duties of the position, an additional salary
 " of £140, instead of £150, hitherto attaching to the post;

" John Henry Johnson, 3rd Clerk, to be Security and 2nd
 " Clerk (a position not hitherto existing) with an additional
 " salary, to attach to the post, of £130.

" William Henry Graves, 4th Clerk, to be 3rd Clerk, with
 " an additional salary of £110, to attach to the post, instead
 " of the former additional salary of £90.

" The Clerks below Mr. Graves to be moved up one
 " step in rotation; and

" Alexander D. Fraser, as 7th Clerk, to receive the
 " additional salary of £90 attaching to that post.

" Bank of England."

agreed to:

The Court agreed thereto.

The said Robert Harrison Sharp was then
 empowered to sign Bills and Notes for the
 Governor and Company of the Bank of England,
 and it was

Ordered,

That his appointment be advertised in
 the London Gazette of Friday, the 22nd instant,
 and that he be required to give the usual
 additional security in £1000.

The

His appointment
 to be advertised.

21st Decr 1893

Minutes of the Committee of Treasury recommending that Charles Lusson, of the Cashiers Store, be allowed to retire with a pension.

The following minutes of the Committee of Treasury having been read;

Committee of Treasury,

20 December, 1893.

" A letter was read from Charles Lusson, Deputy Superintendent of the Bank Note Store, in which, being over 60 years of age (61) and in indifferent health, he asked to be allowed to retire from the Service; and it was agreed to recommend the Court to accept Mr. Lusson's resignation, and, in view of his service of 42 years, to grant him, during pleasure, and in accordance with the scale, a pension of £282 per annum, being $\frac{157}{75}$ th of his salary.

" Bank of England."

agreed to.

The Court agreed thereto.

The Governor reported that he had on the 18th instant suspended Charles Watkins, a Sub. Cashier, who had absconded with a parcel of Bank Notes.

Resolved,

That the suspension be continued, and the case referred to the Committee of Treasury for investigation and report.

Charles Watkins a Sub. Cashier, under suspension: his case referred to the Committee of Treasury.

The following Report of the Committee for the Examination of Clerks having been read;

The Committee for the Examination of Clerks

Report to the Court of Directors,

That, agreeably with the Orders of Court of the 14th May and 19th October last, under which all

Reports of the Committee for the Examination of Clerks recommending the Election into the Service of 12 Unconvenanted Clerks.

21st Decr. 1893

" the Uncovenanted Clerks of the age of 20 and upwards
 "(at present 14 in number) should be transferred to the
 " permanent list, the examination of these Clerks has been
 " carried out under the control of the Committee in the
 " usual manner. Two of the number failed to pass the
 " Examination, and the Committee recommend that
 " the remaining twelve be elected into the Service on
 " the Governor's nomination in the order of merit in
 " which they are classified, vizt.

	Age.	Marks.
" 1. Francis George Agor,	20	556
" 2. William Rembrandt Hilbert, Junr,	20	537
" 3. Arthur Charles Keene,	20	529
" 4. George Herbert Wheeler	21	525
" 5. William Grierson,	20	523
" 6. Thomas Zwinger, Junr.	20	522
" 7. Donald Antecus Daumbach,	22	490
" 8. James Harold Scott,	20	480
" 9. Herbert William Brent,	21	478
" 10. Robert Arthur Newton Stanley,	21	476
" 11. Alfred Henry Death,	21	476
" 12. Frederick Robert Rumsey, Junr,	21	418

" The foregoing state that they are unmarried, free
 " from debt, and that they have no objection to go to a
 " Branch if required to do so. They have been well
 " reported on by the Principal of the Accountant's Bank
 " Note Office.

" They have been informed that they have been chosen
 " on the express condition that their continuance and
 " ultimate confirmation in the Service will depend
 " upon the reports which will be made upon them in the
 " meantime by the Principals of the Offices in which
 " they have been employed.

" Favourable medical Certificates have been furnished
 " in each case by Mr. Kingston, and the several Candidates
 " have been accepted for insurance (subject to their
 " Election) by the Bank Provident Society.

Herbert Brooks

" Bank of England,
 " 13th December, 1893."

The

at
21st Decr, 1893.

approved;
and
12 clerks elected do.

The Court approved thereof, and the following persons were then elected clerks to the Banks, during pleasure, at the salaries hereinafter mentioned; vizt.

Francis George Ayes,	at £ 90 per ann:
William Rembrandt Hibbert, Junr,	" " 90. "
Arthur Charles Keene,	" " 90. "
George Herbert Wheeler,	" " 100. "
William Grierson,	" " 90. "
Thomas Zwinger, Junr.	" " 90. "
Donald Fortescue Baumbach,	" " 100. "
James Harold Scott,	" " 90. "
Herbert William Brent,	" " 100. "
Robert Arthur Newton Stanley,	" " 100. "
Alfred Henry Death,	" " 100. "
Frederick Robert Rumsey, Junr,	" " 100. "

the said persons having previously signed the Declaration approved by the Court of the 28th April, 1842.

Report of the
Committee for
the Examination
of clerks on the
clerks elected
on the 3rd Decr,
1891, &c.

The following Report of the Committee for the Examination of Clerks having been read;

" The Committee for the Examination of Clerks
" Report to the Court of Directors,

" That they have had before them the two years
" Reports on the clerks elected on the 3rd December, 1891,
" vizt.

" John Frederick Holmes,
" Bernard Francis Williams,
" Archie Bertram Bannister,
" Sidney Edmund Southerton,
" Harry Tilden,
" William Samuel Page,

" Frederick

21st Decr. 1893.

" Frederick Lawrence Tarrant,
 " Arthur Trevor O'Brien Leslie,
 " John Alexander Ross,
 " Robert Arthur Sharp,
 " Sanford William Luark,
 " John Cross,
 " Maurice Duncan Hallam,
 " Walter Beresford Bullock,
 " Stanley Montague Townsend,

" The accounts given of these Clerks are, on the whole,
 " very satisfactory, and the Committee recommend that
 " they be confirmed in the Service and admitted to
 " the benefits of the Clerks' Guarantee Fund under
 " the usual conditions.

" The Committee have also considered special Reports
 " upon Seymour James Rouse and James Power O'Hara,
 " elected in November, 1890, Louis G. Storr, elected in July
 " 1891, and David H. H. Johnstone, elected in December
 " last.

" The question of Rouse's confirmation in the Service
 " has already been twice postponed in consequence of
 " unsatisfactory Reports. The first Special Report made
 " upon him in June last showed a slight improvement
 " in certain Offices, but not sufficient to satisfy the
 " the Committee, and in recommending that he should
 " have a further six months trial, the Committee expressed
 " their opinion that his continuance in the Service at
 " the end of that time should depend upon his then
 " showing himself to be a capable and well conducted
 " Clerk in every respect. During the past six months
 " Rouse has worked in four different Offices. In two
 " of these he has not given satisfaction. In the others,
 " however, his improvement has been maintained,
 " and, in regard to one of them - the Post Warrant Office,
 " the Chief Accountant informs the Committee that
 " the Principals have expressed their entire satisfaction
 " with Rouse, and that he - the Chief Accountant -
 " is quite willing that he should be fixed in that
 " Office

21st Decr. 1893.

" Office upon a vacancy occurring. On this understanding,
 " although the Committee are not satisfied with Rouse's
 " attendance, which is still irregular, they recommend
 " his confirmation in the Service under the usual
 " conditions.

" The cases of O'Hara and Storr, who are both
 " very good Clerks, has been postponed on account of
 " ill-health. Reports from the Medical Offices on these
 " two Clerks, who have worked very regularly during
 " the past six months, give every hope of their complete
 " restoration to health, and the Committee recommend
 " their confirmation in the Service also.

" Johnstone, who has now been a year in the Service,
 " has not succeeded in making himself an efficient
 " Clerk. He is always well conducted, but his capacity
 " appears extremely limited, and since he entered the
 " Service - when, though not robust, he was reported
 " to be in good health - he has been absent a good deal
 " on account of sickness, and the Medical Offices
 " think he is not likely to be efficient for a year
 " at least. Under these circumstances the Governors
 " have granted Johnstone a year's sick leave of
 " absence, with three months salary.

" Herbert Brooks.

" Bank of England,
 " 20th December, 1893.

approved.

The Court approved thereof.

The following letter from the Chancellor of
 the Exchequer having been read;

" Treasury, S.W.
 " 15th December, 1893.

" Gentlemen,

" As it will be necessary to obtain Advances in
 " the ensuing quarter under the authority of the Act 29 & 30
 " Vict.

Letter from the
 Chancellor of the
 Exchequer applying
 for the usual
 quarterly Advances

169.

21st Decr 1893.

" Vict. c. 39, s. 12, in order to meet the excess of the charge
" beyond the income of the Consolidated Fund in Great
" Britain for the quarter ending 31st instant, I have to
" request that you will be good enough to move your Court
" to authorize such Advances.

" The amounts advanced will bear the rate of Interest
" contemplated by the Treasury Minute of 2nd July 1892 (that
" is, half the published Bank rate current on the day on which
" the money is received into the Exchequer Accounts) and they
" will be repaid, with the Interest due thereon, in the course
" of the ensuing quarter, as is required by the above-named
" Act.

" I am,

" Gentlemen,

" Your obedient servant,

" W. V. Harcourt

" The Governor and

" Deputy Governor

" Bank of England, &c.

The Court agreed to the proposition
contained therein.

Proposition
agreed to.

The following letter from the Chancellor of
the Exchequer having been read;

" Treasury, S.W.

" 15th December, 1893.

" Gentlemen,

" I request that you will have the goodness
" to move your Court to consent to advance, during
" the current month, under the authority of the 2nd section
" of the Appropriation Act, 1893, (56 & 57 Vict. c. 60) an amount
" not exceeding One million five hundred thousand pounds.

" I propose that any sum so advanced should bear
" interest at the rate of two and a half per cent. per
" annum, and should be repaid as by the said section
" directed.

" 3

Letter from the
Chancellor of
the Exchequer
applying for
Advances under
the authority of
the Appropriation
Act, 1893.

21st Decr. 1893.

"I am,
Gentlemen,
Your obedient servants,
W. V. Harcourt.

"The Governor and
"Deputy Governors,
"Banks of England, &c."

The Court agreed to the proposition contained therein.

Proposition agreed to.

Audit of Securities at the Western Branch.

A Report from Mr. Campbell was read, stating that he had audited the Securities at the Western Branch comprised in the sections numbered 30 and 40, and had found the same in the safe custody of the Agent.

Report of the Special Committee on Emoluments of Officers, Advances, &c, received; and Consideration deferred.

The Governor laid before the Court a Report from the Special Committee appointed by the Court of the 16th ultimo to consider the emoluments of the Chief Officers of the House, and what safeguards may appear to be necessary for the due control of Advances and Overdrafts and Accounts generally, and the manner in which the services of the Committee of Daily Waiting may be best employed.

The same was received. The consideration of the first part thereof, relating to the emoluments of the Chief Officers of the House, was deferred till Thursday, the 24th instant; and the second part, relating to Advances, overdrafts, &c, was ordered to be printed and circulated among the Directors, with a view to its consideration on Thursday, the 14th January next.

The

171.

21st Decr 1893.

The Deputy
Governor added
to the Special
Committee on
Advances, &c.

Notice given
by Lord Leven.

The Deputy Governor was added to the Special Committee appointed by the Court of the 14th instant to examine into Advances to Customers, &c.

" Lord Leven gave notice of his intention next Court to raise the question as to notice being given when matters of importance are to be brought before the Court."

A Court of Directors at The Bank,

on Thursday, the 28th Decem^r, 1893.

Present,

David Powell, Esq., Governor,
Clifford Wigram, Esq., Deputy Governor,

Charles George Arbuthnot, Esq.	Everard Alexander Hambro, Esq.
John William Birch, Esq.	Robert Henderson, Esq.
Henry Coemo Orme Dmas, Esq.	Federick Smith Jackson, Esq.
Herbert Brooks, Esq.	Roginald Eden Edinoton, Esq.
William Middleton Campbell, Esq.	The Right Hon: the Earl of Leven and Melville,
Sir Mark Wills Collet, Bart.	The Right Hon: William Sclaterdale,
Benjamin Duak Greene, Esq.	Augustus Prevost, Esq.
Henry Riversdale Grenfell, Esq.	Albert George Sandeman, Esq.
John Saunders Gilliat, Esq.	Hugh Colin Smith, Esq.
Charles Hermann Goschen, Esq.	Alexander Falconer Wallace, Esq.

The proceedings of the last Court were read.

Ordered,

At the recommendation of the Committee
of Treasury.

That

Dual notes
lost, &c.

28th Decr. 1893.

That £30 be paid for sundry Bank notes, as detailed in the Governor's Declaration Book; the vouchers relating thereto having been examined, and security given to indemnify the Bank.

Audit of Securities.

A Report from the Committee of Daily Waiting was read, stating that they had audited the Securities contained in Drawers Nos: 24 and 116, and had satisfied themselves that the same were in the safe custody of the Chief Cashier.

Consideration of Report of Special Committee on Emoluments of Officers proceeded with and adjourned.

The Court proceeded to the consideration of the first part of the Report of the Special Committee appointed by the Court of the 16th ultimo, relating to the emoluments of the Chief Officers of the House, which was deferred at the last Court, and the same was adjourned.

Resolution as to notice being given when matters of are to be brought before the Court.

With reference to the notice given by Lord Leven at the last Court, it was

Resolved,

That notice of at least one week be given of every matter of importance upon which the opinion of the Court is to be taken, excepting only where such notice has not been possible, and where an immediate decision is necessary in the interests of the Bank or of its Customers. In such cases permission of the Court to be obtained to bring the matter forward at once.

Notice by Mr. Hambro of proposed motion

Mr. Hambro gave notice of his intention next Court to move the following Resolution, viz:

That

28th Decr 1893.

That the Question of the Dividend on Bank Stocks to be recommended to the Court of Proprietors shall be considered by the Court of Directors at least eight Days previous to its announcement at the General Court.

The Liverpool
Union Bank, Lim^d,
relinquish their
Contract Discount
Account.

The Governor laid before the Court a correspondence which had taken place with the Liverpool Union Bank, Limited, in which they expressed their desire to relinquish from the 1st January next the Contract Discount Account, granted to them by the Court of the 25th November, 1852, in commutation of the One per cent composition (£1000 per annum) payable to them under the Act 7 and 8 Vict. Cap. 32, and to receive in lieu thereof the sum of £1000 per annum, the amount of the Composition originally granted to them under the Act.

agreed to.

The Court agreed thereto.

A Court of Directors at The Bank

on Thursday, the 4th January, 1894.

Present,

David Powell, Esq., Governor,
Clifford Wigram, Esq., Deputy Governor,

Charles George Arbuthnot, Esq.	Robert Henderson, Esq.
John William Birch, Esq.	Reginald Eden Johnston, Esq.
Henry Cosmo Orme Cornwall, Esq.	The Right Hon: the Earl of Devon and Melville,
Herbert Brooks, Esq.	The Right Hon: William Liddell Dale,
Henry Riversdale Grenfell, Esq.	Augustus Prevost, Esq.
John Saunders Gilliat, Esq.	Albert George Sandeman, Esq.
Charles Hermann Goschen, Esq.	Hugh Colin Smith, Esq.
Everard Alexander Hambro, Esq.	Alexander Falconer Wallace, Esq.

The proceedings of the last Court were
read.

Out Cash.

Mr. Johnston reported the Out Cash to have
been taken in and found right.

Ordered,

Banks notes,
to, lost or.

At the recommendation of the Committee
of Treasury,

That

4th Jan^y 1894.

That £236.15. — be paid for sundry Posts Dividend Warrants and Banks Notes, as detailed in the Governor's Declaration Book; the vouchers relating thereto having been examined and security given to indemnify the Banks.

Audit of Securities.

A Report from the Committee of Daily Waiting was read stating that they had audited the Securities contained in Drawers Nos: 50 and 77, and had satisfied themselves that the same were in the safe custody of the Chief Cashier.

Resolution as to the consideration of the Dividend on Banks Stocks.

With reference to the notice given by Mr Hambro at the last Court, it was

Resolved,

That the question of the Dividend on Banks Stocks to be recommended to the Court of Proprietors shall be submitted to the Court of Directors at least eight days previous to its announcement at the General Court.

Amended by Resolution of Court of 9 Aug. 1894, substituting the word "seven" for the word "eight".

Report of the Special Committee on Emoluments, Advances, &c. considered: Consideration adjourned.

The Court took into consideration the first part of the Report of the Special Committee appointed by the Court of the 16th November last (on the emoluments of the Chief Officers of the House) which was adjourned by the Court of last week; and also the second part of the said Report (relating to Advances, Overdrafts, &c) Deferred until to-day by the Court of the 21st ultimo.

and the consideration of both parts of the Report was adjourned.

a Court of Directors at The Bank,

on Thursday, the 11th January, 1894.

Present,

David Powell, Esq., Governor,
Clifford Wigram, Esq., Deputy Governor,

Charles George Arbuthnot, Esq.	Everard Alexander Hambro, Esq.
John William Birch, Esq.	Robert Henderson, Esq.
Henry Cosmo Orme Dumas, Esq.	Frederick Huth Jackson, Esq.
Herbert Brooke, Esq.	Reginald Eden Johnston, Esq.
Sir Mark Wille Collet, Bart.	The Right Hon: the Earl of Devon and Marlborough,
James Pattison Currie, Esq.	The Right Hon: William Sutherland, Esq.
Samuel Stewart Gladstone, Esq.	Augustus Prevorst, Esq.
Henry Riversdale Grenfell, Esq.	Albert George Sandeman, Esq.
John Saunders Gilliat, Esq.	Hugh Colin Smith, Esq.
Charles Hermann Goschen, Esq.	Alexander Salomon Wallace, Esq.

The proceedings of the last Court
were read.

Ordered,

At the recommendation of the Committee
of Treasury,

That £100,000 be paid for sundry Coupons,
Post Dividend Warrants and Bank Notes, as
detailed

Bank notes,
to. lost, &c.

11th Jan, 1894.

Detailed in the Governor's Declaration Book; the vouchers relating thereto having been examined, and security given to indemnify the Bank.

Audit of Securities.

A Report from the Committee of Daily Waiting was read, stating that they had audited the Securities contained in Drawers Nos: 11 and 13, and had satisfied themselves that the same were in the safe custody of the Chief Cashier.

Audit of Securities at the Law Courts Branch.

A Report from Mr. Bonsor was read stating that he had audited the Securities at the Law Courts Branch comprised in the sections numbered 4 and 6, and had found the same in the safe custody of the Agent.

Audit of Securities at the Western Branch.

A Report from Lord Seven was read stating that he had audited the Securities at the Western Branch comprised in the sections numbered 5 and 38, and had found the same in the safe custody of the Agent.

Report of the Special Committee on Emoluments, Advances, &c.

The Court resumed the consideration, adjourned from the last Court, of the Report of the Special Committee appointed by the Court of the 16th November last, relating to the Emoluments of the Chief Officers of the House, and to Advances, Overdrafts, &c.

Consideration of Part I adjourned.

The consideration of the first part thereof, referring to the Emoluments of the Chief Officers, was

11th Jan^y 1894th was adjourned till the question of Clerks' Salaries is before the Court at the usual period; and the second part of the Report, relating to Advances, Overdrafts, &c, was agreed to, as amended, viz:-

Part II
agreed to, as
amended.

For Copy of the
Report as laid before
the Court showing
the amendments
made therein by the
Court of this date,
see end of Book.

* Amended by Order
of Court 6 July 1911.

Part 2. of the Report of the Special Committee appointed by the Court of the 16th November, 1893.

The Committee have further devoted their attention to the following matters, and recommend as follows:-

* Overdrafts.

- (1) "Overdrafts are not allowed; but should they nevertheless occur, the Head of the Drawing Office should report them at once to the Governor and Chief Cashier, and the next morning to the Committee of Daily Waiting.

Advances.

- (2) "No Advance or renewal should be granted without the signature of the Governor or his representative.
- (3) "A margin of 10 per cent or upwards, according to the nature of the security, should always be required, except in the case of Stocks known as Trustee Stocks, when 3 to 5 per cent will be sufficient; and the form of application should contain a clause empowering the Bank to sell in case the margin falls below the limit. Certain Officials should be appointed to watch these margins, and to report any material reduction to the Governor and Committee of Daily Waiting.
- (4) "Bank transfers should not be considered a security, unless in exceptional circumstances, or for sole and valued customers, and then only for a short period.
- (5) "Each Day's advances and renewals should be reported the following Day to the Committee of Daily Waiting, upon a form showing:-
- "The amount advanced, the Securities and their lowest quoted value,

"The

11th Jan 1894.

- " The rates of interest charged;
- " The period for which the loan is granted
or renewed;
- " The total amount outstanding of loans granted
to the Customer, and his last year's average balance.
- " The receipt of the Securities Office for the Securities
deposited, if in "Bears" Bonds, and, if in Inscribed or
Registered Stocks, proof of transfer, or the authority of
the Governor not to require the transfer, should be
produced.
- (6) " All exchanges or withdrawals of Securities under
advance should be reported next day to the Committee
of Daily Waiting.
- (7) ^{advances} " A summary of all outstanding ^{advances} should be shown
once a week to the Committee of Daily Waiting, who will
check the total with the Advance ledges, and examine
the list. If any special features be remarked, the Security
should be enquired into, and, if necessary, reported on
to the Governor. A similar list should lie on the Court
Room table during Court.
- (8) " The Chief Accountant, when he, as now, takes
cognizance of the advances made, should also note the
dates at which they become due, and on the day following
maturity should report at once to the Governor and
Committee of Daily Waiting if any expiring loans have
not been either repaid or renewed.
- (9) " The request for the renewal of a loan should be on a
different coloured paper to the original application.
- (10) " The summary of the loans made through the Chief
Cashier's Office should be shown once a week to the Head
of the Discount Office, and a summary of the Discounts
and Advances in the Discount Office shown to the Chief
Cashier.
- (11) " The Securities should not be left in the Chief Cashier's
Office, but should be handed to the Securities Office, the next
day at latest; and - except in the case of exchange of "floaters"
for "floaters", which exchange should be reported to the
Governor

This paragraph
amended by the
Court of 19 July
1894

the
11th Jan^y 1894.

"Governors and Committee of Daily Waiting at the earliest opportunity - no exchange or withdrawal of Securities under advance should be allowed without the sanction in writing of the Governors, stating either that delivery is to be against the deposit of other Securities specifically mentioned, or that the Security is no longer required. When loans are paid off or reduced, Securities should only be released by the Securities Office upon a memorandum signed by the Principal of the Drawing Office and by the Chief Cashier, stating that the necessary amount has been placed to the Customer's credit.

(12) "No advance, unless under exceptional circumstances, should be made on Securities having a liability on them.

(13) "No advance should be made on Securities not officially quoted on the London Stock Exchange, unless under exceptional circumstances, or for sale or valued customers, and where possible after consultation by the Governors with some other Director or Directors, preferably the Committee of Daily Waiting.

"No advance should be granted for more than three months, nor renewed more than once for the same period. Any further renewal, unless for short periods, should be under special circumstances, and, ^{where} possible, after consultation by the Governors with the Committee of Daily Waiting, or, if they have left, with some other Directors. All renewals should be entered on both sides of the ledgers, as a repayment of the original loan and as a fresh advance.

(15) "No credit ticket for an advance or discount should be acted on by the Drawing Office unless it bears the signature of the

" Chief Cashier,
" or Deputy Chief Cashier,
" or Assistant Chief Cashier,
" or Head of the Discount Office or his Deputy,
" or other person in those Offices specially
" authorized by the Governors,

and the countersignature of the

" Chief Accountant
" or Deputy Chief Accountant,
" or Assistant Chief Accountant,
" or other person in that Office specially
" authorized by the Governors.

" No

Amended by
Court of 26 July
1894, and added
to by Court of 19
July 1894.

An addition to this
paragraph made by
the Court of the
19th July 1894.

11th Jan 1894.
 Modified by Court
 of 11 Oct 1906.

- (16) "No advance should be made to any clerks or Pensioners except by leave of the Court.
- (17) "The Committee have deferred their Report on the business at the Branches, and also as to the extent to which the Directors can be relieved of some of their clerical duties, until the Court have decided upon the above recommendations.
- (18) "The Committee are of opinion that the Court should appoint another Committee to consider what securities quoted in the London Market should be generally advanced upon, and what securities it should be deemed unadvisable to lend upon, unless in very exceptional cases and at special rates; and also to consider generally to what extent and at what rates loans should be made to bona fide Customers in proportion to their accounts.

Bank of England,
 20th December, 1893.

The following letter from Mr. James Atkinson was read;

"Gentlemen. At one of the meetings of proprietors attended by me, the then Governor promised to print something in the way of an account to be given to those who applied for it.

"I ask again, if anything of the sort has been done? or will be done before the next meeting?

"And I give notice I shall move at the next meeting whether special or ordinary for the appointment of a Committee of 6 (or more) shareholders interested to the amount of £10,000 each, to consult with the Governor & Directors of the Co. as to the present position and mode of management of the business of the Company."

"Please give notice to that effect whenever you give notice of any meeting - also say if any printed list of proprietors exists?

"if not, what will it cost me to get such a list?"

Letter from Mr. James Atkinson giving notice of his intention to move for a Shareholders' Committee of Enquiry, at the next General Court of Proprietors.

11th Jan 1894.

" I want it solely in the interests of myself and other proprietors.

" I am, Sirs,

" Your obedient servant

" Henry John Furnes Atkinson

" Ore, 8th Jan 1894.

" I do not think you can have any proper objections to the course I take, because I put only on the Committee proprietors who hold more stock than any Director does: they are therefore jointly more interested than any 6 Directors can individually be. This ought to be altered, & I intend proposing it be altered accordingly. HJA

" To the Gov. & members of the Bd. 18/2.

" I retain my right to publish the correspondence, on account of the manner in which I am treated personally at the Bank if I call.

" If you object to give the notice, I will advertise it at once in the Times. &c.

" My interest & my wife's at present are £25,000.
HJA"

and the Governor acquainted the Court that Mr. Furnes Atkinson held no Bank of England Stock in his own name.

A Court of Directors at The Bank

on Thursday, the 18th January, 1894.

Present,

David Powell, Esq., Governor,

Clifford Digram, Esq., Deputy Governor,

Charles George Arbuthnot, Esq.

John William Birch, Esq.

Henry Coemo Orme Bonser, Esq.

Herbert Brooks, Esq.

Sir Mark Willes Collet, Bart.

James Pattison Currie, Esq.

Henry Riversdale Grenfell, Esq.

John Saunders Gilliat, Esq.

Charles Hermann Goschen, Esq.

Everard Alexander Hambro, Esq.

Robert Henderson, Esq.

Federick Arthur Jackson, Esq.

Reginald Eden Johnston, Esq.

The Right Hon. the Earl of Devon

^{a Maxwell}
The Right Hon. William Liddesdale,

Edward Howley Palmer, Esq.

Augustus Prevost, Esq.

Albert George Sandeman, Esq.

Hugh Colin Smith, Esq.

Alexander Falconer Wallace, Esq.

The proceedings of the last Court were read.

Out Cash.

Mr. Wallace reported the Out Cash to have been taken in and found right.

Ordered

18th Jan^y 1894Bank notes,
re. lost, &c.

Ordered,

At the recommendation of the Committee
of Treasury,That £70. 15. 2 be paid for sundry Postal
Dividend Warrants and Bank notes, as detailed in
the Governor's Declaration Book; the vouchers relating
thereto having been examined, and security given
to indemnify the Bank.Audit of
Securities.A Report from the Committee of Daily
Waiting was read, stating that they had audited
the Securities contained in Drawers Nos. 41 and
43, and had satisfied themselves that the same
were in the safe custody of the Chief Cashier.

Resolved,

Special
Discount
Committee
appointed.That Mr. Sandeman, Mr. Gladstone, Mr.
Arbuthnot and Mr. Henderson be appointed a
Committee to examine the state of the Discounts
of this House and of the Branches, and to report
thereon to the Court.

a Court of Directors at The Bank

on Thursday, the 25th January, 1894.

Present,

David Powell, Esq., Governor,
Clifford Wigram, Esq., Deputy Governor,

Charles George Arbuthnot, Esq.	Robert Henderson, Esq.
John William Birch, Esq.	Frederick Arthur Jackson, Esq.
Herbert Brooks, Esq.	Reginald Eden Johnston, Esq.
William Middleton Campbell, Esq.	The Right Hon. the Earl of Lennox of Melville,
Sir Mark Willeo Collet, Bart.	The Right Hon. William Liddell, Esq.
James Pattison Currie, Esq.	Edward Howley Palmer, Esq.
Samuel Stewart Gladstone, Esq.	Augustus Prevost, Esq.
Henry Riversdale Greenfell, Esq.	Albert George Sandeman, Esq.
John Saunders Gilliat, Esq.	Hugh Colin Smith, Esq.
Charles Hermann Goschen, Esq.	and
Everard Alexander Hambro, Esq.	Alexander Salomon Wallace, Esq.

The proceedings of the last Court were read.

Ordered,

At the recommendation of the Committee
of Treasury,

That £117. 16. 5 be paid for sundry Post
Dividends

Banks notes,
2, lost, or.

187.

25th Jan, 1894. Dividend Warrants and Bank Notes, as detailed in the Governor's Declaration Book; the vouchers relating thereto having been examined, and security given to indemnify the Bank.

Audit of Securities.

A Report from the Committee of Daily Waiting was read, stating that they had audited the Securities contained in Drawers nos. 8 and 54, and had satisfied themselves that the same were in the safe custody of the Chief Cashier.

Ordered,

General Court for a Dividend and the Election of Governors and Directors appointed.

At the recommendation of the Committee of Treasury,

That a General Court to consider of a Dividend be held at the Bank on Thursday, the 15th March next.

That the Transfer Books for Bank Stocks be shut from Wednesday, the 14th March next, till Thursday, the 5th April following; that the same be advertised in the London Gazette of Friday, the 23rd February next, and that the Dividend Warrants be delivered on Thursday, the 5th April next.

That a General Court for the Election of a Governor and Deputy Governor be held at the Bank on Tuesday, the 3rd April next, and for the Election of Directors, which will also be a quarterly General Court, on Wednesday, the 11th April.

That Printed lists of the Proprietors for the Election be delivered on Thursday, the 22nd March

25th Jan 1894. March next, and

That the usual advertisements be given thereof.

Report of the
Special
Committee
appointed to
examine into
the Advances
to Customers

The Governor laid before the Court a Report from the Special Committee appointed by the Court of the 14th ultimo "to examine into the Advances now standing to the debit of the various Customers of the Banks";

the same was agreed to as amended, vizt.

"The Committee appointed by the Court of the 14th December 1893, "to examine into the Advances now standing to the debit of the various Customers of the Banks,"

Report to the Court of Directors,

"That they have investigated all the Accounts with Advances at the Head Office as existing on the 27th October last. This date was taken in preference to the later date of their enquiry (30th Decr) as the first date represents a normal condition of the Advances, whereas the later date includes many exceptional Advances made at the end of the quarter.

"The Court will readily understand that it has been no easy matter to carry out the investigation confided to the Committee. The nature and origin of many of the Advances were exceptional, and a great mass of the Securities is composed of Stocks very difficult, and in many cases impossible, to value with any degree of accuracy should it be a question of closing the Accounts.

"The Committee took for its starting point a statement of Advances, as they stood on the 27th October, wherein valuations of the Securities held were given at the prices of that day. The total amount

of

189.

25th Jan 1894.

of the Advances at the Head Office, including the
 Drawing and Murrieta's Loans omitted from the above
 statement, was £8,882,735, distributed as follows:-

£ 49,865, or .551%		advanced to Clerks in the Service,
" 1,169,400	13,166	" Private Customers,
" 782,250	8,919	" Merchants and Traders,
" 28,000	.315	" Banks and Bankers,
" 136,600	1,538	" Stockbrokers,
" 2,000,000	22,515	" Council of India,
" 190,650	2,146	" New South Wales
" 104,160	1,173	" Sundry ^{Government} Corporate Bodies,
" 4,020,000	45,256	" Guarantee Accounts, "B."
" 401,810	4,523	" Murrieta & Co
<u>£8,882,735</u>		

" In a large majority of cases the Advances were
 found to be satisfactorily covered, but the Committee
 thought it best to have a special valuation and
 classification of the Securities prepared by Messrs
 Mullens, Marshall & Co, and with this view placed in
 their hands a list specifying the various descriptions
 of Securities held. The valuation was to be based upon
 the prices of the 27th October and 30th December
 last, respectively, and the classification to be under
 the following three heads:-

- " 1. Securities of which considerable amounts are
 " saleable at within 1 per cent of the quoted
 " price.
- " 2. Securities of which considerable amounts are
 " saleable, but only within 5 per cent of the
 " quoted price.
- " 3. Securities which could only be sold after
 " special negotiations, at what price or approx-
 " imate price it is impossible to say.

" This classification is not intended in any way
 to represent the intrinsic value of the Securities,
 " but

25th Jan 1894.

" but only their negotiability.

" The valuation put upon some of the Securities by Messrs Mullens, Marshall & Co., was checked by other independent Brokers in order to arrive as far as possible at what might be considered a fair market value.

" The result of the classification of the Securities is that the proportions of each class are as follows -

" class 1, 26 per cent.

" class 2, 25 "

" class 3, 49 "

" and it further appears that 32 per cent of the Securities are on properties in the United States of America and Canada, many of which are not dealt in or known on the English market. The Committee feel that sufficient consideration does not appear in such instances to have been given to the negotiability of the Security, neither does the rate of interest on such Advances appear to correspond thereto.

" With these data before them the Committee had a statement prepared of each account named in the original list which appeared to require careful investigation, and after dealing with these arrived at the following conclusion, viz - that of the Advances - which amounted (excluding the Murietta and Baring Accounts) to 168 in number -

" 119 might be considered as covered,

" 10 as doubtful, and requiring special attention,

" 6 as unsatisfactory, and

" 33 being loans to Officers, Clerks and Pensioners of the Bank, should be exceptionally dealt with.

" The six unsatisfactory Accounts, which, on the basis of the valuations obtained, show a substantial deficit, are as follows -

	Amount of advance.	Value of Security.	Deficiency.
" Coleman & May,	£65,400	£10,000	£55,400
" H. H. Eldes,	" 50,000	" 14,000	" 36,000
" A. E. Hope (including " overdraft),	" 348,500	" 115,000	" 233,500
" carried forward,			£ 324,900

25th Jan 1894

	Amount of "Advance.	Value of Security.	Deficiency.
" Brought forward,	—	—	£324.000
" A. Cramp,	£10.700	£1.000	" 9.700
" B. Lyon,	" 33.700	" 22.000	" 11.700
" P. C. Smith,	" 33.000	" 20.000	" 13.000
" Showing a total deficiency of			<u>£359.300</u>

" The Committee do not anticipate any difficulty respecting the account of P. C. Smith. As regards the remaining five accounts the Committee held a consultation with Mr. William Freshfield as to the Bank's position in respect of the result of proceedings now being taken to obtain further security, and as a result the Committee find that the estimated losses will probably be somewhat as follows -

" Coleman & May,	£55.400
" H. H. Eldes,	" 36.000
" A. S. Hooper,	" 70.000
" A. Cramp,	" 9.700
" B. Lyon,	" 7.000
"	<u>£178.100</u>

" The Committee did not consider that the account of Messrs C. de Murrieta & Co, came within the terms of the reference.

" Except in the case of H. H. Eldes, which is still "sub-judice", Mr. Freshfield advises that the Bank have absolute freedom of action as to the realization of the Securities held against these Advances; and, naturally, until such realization is effected, it is impossible to form more than a rough estimate of the ultimate loss. The majority of these Securities will probably not be readily negotiable, and it is quite possible that considerable concessions in price may in some instances have to be made.

" In view of these circumstances the Committee would

25th Janr 1894.

" would advise that a sum of £250,000 should be reserved to meet possible losses.

" The Committee have directed their special attention to the subject of "Blanks Transfers", and in all cases where such have been held against existing loans they are now (if the Security is necessary to the Account) in process of being completed, unless there is a contingent liability on the Security. Where completed transfers were held these are being registered in the names of the Chief Cashier and Chief Accountant, when such registration is necessary or desirable.

" The Committee find that in many cases there has been no actual date fixed for the maturity of a loan, but at the end of each quarter the interest for that quarter has been debited to the Customer's account. In some instances loans have been running thus for several years without material alteration. The average rate of interest charged has always been less than the average Bank Rate of the quarter.

" The system of making Advances to Members of the Staff and Pensioners has already been under the notice of the Court, who have provided that such Advances shall not be made except under the Court's direct sanction, and the Committee have therefore not taken any steps in the matter. In most cases there is a sufficient margin of Security held against present loans, and if no undue pressure is put upon the clerks, which the Committee hope will be the case, they do not anticipate any difficulty in regard to repayments.

" The Committee have not investigated the Advances at the Branch Banks, and suggest that this matter be referred to the Branch Banks Committees.

" C. Wigram D. J.

" Bank of England,
" 25th January 1894.

The

193.

25th Jan'y 1894.

Part III of the
Report of the
Special Committee
on Emoluments,
Advances, &c;

Consideration
deferred.

Notice by Mr.
Hambro of
proposed motion.

The Court had before them proposed Regulations governing Advances to Customers at the Branch Banks, which had been drawn up by the Special Committee appointed by the Court of the 16th November last, forming Part III of the Committee's Report;

and the consideration of the same was deferred till Thursday next, the 1st February.

Mr. Hambro gave notice of his intention next Court to move the following Resolution; viz:-

That Directors serving on the Committee of Daily Waiting shall, while so serving, be de facto members of the Committee of Treasury; and that the permanent members of the Committee of Treasury should take their turn with the other Directors in going out for a year.

A Court of Directors of The Bank

on Thursday, the 1st February, 1894.

Present,

David Powell, Esq., Governor,

Clifford Wigram, Esq., Deputy Governor,

Charles George Arbuthnot, Esq.

John William Birch, Esq.

Herbert Brooke, Esq.

Sir Mark Wiles Collet, Bart.

James Pattison Currie, Esq.

Samuel Stewart Gladstone, Esq.

Henry Riverdale Grenfell, Esq.

John Saunders Gilliat, Esq.

Charles Hermann Goschen, Esq.

Everard Alexander Hambro, Esq.

Robert Henderson, Esq.

Federick Huth Jackson, Esq.

Reginald Edou Johnston, Esq.

The Right Hon. the Earl of Leven and Melville,

The Right Hon. William Liddell, Esq.

Edward Howley Palmer, Esq.

Augustus Prevost, Esq.

Albert George Sandeman, Esq.

Hugh Colin Smith, Esq.

Alexander Falconer Wallace, Esq.

The proceedings of the last Court were read.

Out Cash.

Mr Wallace reported the Out Cash to have been taken in and found right.

Ordered,

At the recommendation of the
Committee

Banks notes,
& lost &c.

195.

1st Feb 1894.

Committee of Treasury,

That £112. 11. 14 be paid for sundry Dividend Warrants and Bank Notes, as detailed in the Governor's Declaration Book; the vouchers relating thereto having been examined, and security given to indemnify the Bank.

Audit of Securities.

A Report from the Committee of Daily Waiting was read stating that they had audited the Securities contained in Drawers Nos. 119 and 133, and had satisfied themselves that the same were in the safe custody of the Chief Cashier.

Audit of Securities at the Western Branch.

A Report from Mr. Arbuthnot was read, stating that he had audited the Securities at the Western Branch comprised in the sections numbered 19 and 5 (Miscellaneous), and had found the same in the safe custody of the Agent.

Minutes of the Committee of Treasury recommending that J. D. Baumbach, Examiner of Stock Accounts, be allowed to retire with a pension.

The following Minute of the Committee of Treasury having been read;

Committee of Treasury,
31 January 1894

A letter was read from Mr. James D. Baumbach, Examiner of Stock Accounts, who is over 60 years of age, in which he tenders his resignation on account of ill health, and it was agreed to recommend the Court to accept the same, and, in view of all the circumstances of his case, to grant Mr. Baumbach, during pleasure, a pension equal to his salary, for six months, and thereafter according to the scale, vizt of £213. 6. 8, being $\frac{47}{75}$ of his salary of £500.

Banks of England.

agreed to.

The Court agreed thereto.

The

1st Feb 1894.

Report of the
Committee for
Law Suits on the
Dishonoured Bills
under Discount.

The following Report of the Committee for Law Suits having been read;

"The Committee for Law Suits
Report to the Court of Directors,

"That they have investigated the Accounts of the Dishonoured Bills under Discount in London and at the Branches, and it appears that in London, on the 30th June last, there was an outstanding debt which had not been written off to "Profit and Loss".

"One Firm, Mess^{rs} Birckett, Sperling & Co^y, having a Discount Account with the Bank, failed during the half year ended the 31st December 1893, but the Bank held no Bills under Discount.

"Nothing has been received during the half year in respect of balances carried to "Profit and Loss".

"At the Branches,

"There was an outstanding balance on the 30th June last of £697. 5. 7. Of this amount £500. was transferred to "Profit and Loss", and there has since been received £12. 10. 8, leaving an unpaid balance of £184. 14. 11.

"One Firm, Mess^{rs} Bayley, Willens & Co^y, having a Discount Account at Leeds, failed during the half year ending the 31st December last. The Bank held Bills under Discount amounting to £3,323. 17. -, of which £1847. 3. 6 were unpaid at maturity. Of this amount £50 was received to the 31st December, and £227. 9. 9 has been since received, leaving a balance of £1569. 13. 9.

"At this date (31 January 1894) there remains an outstanding debt at the Branches of £1,754. 8. 8, as shown in the Appendix.

"The amount likely to be recovered is quite insignificant, and it is therefore proposed to write off the outstanding balance to "Profit and Loss".

"C. A. Goschen

"Bank of England,

"31st January, 1894."

"Appendix

197.

1st Feb 1894.

Appendix.

Accounts at the Branches.

Birmingham.

" Balance of the outstanding
Debt (not written off to Profit and
Loss %) on the 30th June last.

As Stephens £151. 18. 8

" Written off to Profit and
Loss % Aug^r 1893

151. 18. 8

£ —

Hull.

" Balance of the outstanding
Debt (not written off to Profit
and Loss) on the 30th June last.

A. K. Carvel £386. 11. 4

W. Gray & Co 158. 15. 7

£545. 6. 11

" Written off to Profit &
Loss % Aug^r 1893 £348. 1. 4

" Received on
behalf of A. K. Carvel

" & Co Dishon^d Bills " 12. 10. 8. 360. 12. 7

" 184. 14. 11

Leeds.

" Drayley Willans & Co

" Balance due 31 Jan 1894

1569. 13. 9

£1754. 8. 8

" Banks of England,

" 31st Jan 1894.

approved,
and

Balance carried
to the debit of
"Profit and Loss".

The Court approved thereof, and

Ordered,

That the sum of £1754. 8. 8, being
the outstanding balance of Dishonoured Bills
under discount at the Branches on the 31st
December last, be written off and carried to
the debit of "Profit and Loss."

The

1st Feb 1894.

Minutes of the
Committee of
Treasury
recommending the
renewal of a
loan of £25,000
to the Birmingham
Canal Navigations.

The following minute of the Committee of
Treasury having been read;

" Committee of Treasury,
" 31 January, 1894.

" A letter was read from the Birmingham Canal
" Navigations, with reference to a loan of £25,000 now
" running at 3 $\frac{1}{2}$ per cent per annum, which falls due on
" the 30th June next, and it was agreed to recommend the
" Court to accede to a proposition that the same be
" renewed at 3 $\frac{1}{4}$ per cent, subject to six months' notice of
" withdrawal on either side.

" Bank of England."

agreed to.

The Court agreed thereto.

The following letter from Messrs Freshfield
having been read;

" 5 Bank Buildings, E.C.
" 1 Feb 1894.

" Dear Sir,

" We beg to hand to you a Power of Attorney
" to Messrs Arbuthnot & Co, of Madras, to enable them to
" represent the Banks in the matter of the Nilgiri Bond
" held by the Banks.

" We have not made the power to include Lord Rosebery's
" Bonds. It is of importance to have the power sealed today.
" Our formal and full report follows this letter.

" We are, dear Sir,

" Yours faithfully

" Freshfield

" To The Secretary,
" Bank of England."

The Court approved thereof, and the Power of
Attorney was sealed with the Common Seal in
Court, in the presence of Mr. W. M. Harris, a notary.

Letter from Messrs
Freshfield with a
Power of Attorney
to Messrs Arbuthnot
& Co, of Madras,
respecting Nilgiri
Railway Coy.
Debentures, to be
sealed.

approved,
and
Power of Attorney
sealed.

The

199.

1st Feb 1894.

Part III of the Report of the Special Committee appointed by the Court of the 16th Nov. 1893, relating to Advances at the Branches agreed to, as amended.

* The Regulations for Advances at the Head Office from Part II of the Report of the Special Committee of 16 Nov. 1893.

See Court Minutes of 11 Jan 1894.

The Court proceeded to consider the proposed Regulations to govern Advances to Customers at the Branches, forming Part III of the Report of the Special Committee appointed by the Court of the 16th November last, the consideration of which was deferred by the last Court; and the same was agreed to, as amended; viz:-

" Branch Banks.

" Advances.

1. The Regulations governing Advances at the Head Office to apply also to Advances made at the Branches, so far as the differing circumstances will admit, the Agent's - or, in his absence, the Sub-Agent's signature taking the place of that of the Governor or Deputy Governor.
2. No Agent ^{or Sub-Agent} should be allowed to take any Advance for himself without the consent of the Governor or Deputy Governor.
3. As regards the custody of Securities under Advances those for long loans should, as far as possible, be sent ^{until due provision has been made for their satisfactory custody at the Branches,} up to London, although under special circumstances the convenience of Customers may be consulted. Securities for short loans, e.g. those to Brokers, may be retained at the Branch; the place of custody in all cases to be stated.
4. To begin with, a full statement of all current Advances, with particulars of the Securities on which they were made, to be sent up as soon as possible in the form to be prescribed by the Head Office.
Daily statements and a weekly summary to be regularly furnished in the form provided for the Head Office.
5. The Committee here point out that Securities sent up to London are not insured, or only at a nominal sum.

1st Febry 1894.

" 5. All Securities held in London on account of Branch Banks' Customers should be kept in the Securities Office, but separate from the other Securities; and a separate On and Off Book should be kept.

" 6. All books made for accounts of Customers of the Branches should be carried out in the same way as those made for accounts of the Bank, except that the Officials of the Branch Banks Office should replace the Officials of the Chief Cashier's Office.

" 7. The Agents to send up, for the consideration of the Court, a list of Securities specially quoted in their respective towns on which they think the Bank might be asked to advance.

" 8. Securities held at the Branches have so far only been audited by the Directors at their annual visit. The Committee consider that an Audit should take place more frequently, and that special provision should be made for it.

" For the Chairman,

" James P. Currie

" 21st January, 1894."

Motion by Mr. Hambro as to the Committee of Treasury.

In accordance with notice given at the last Court, Mr. Hambro moved the following Resolutions; viz:-

That Directors serving on the Committee of Daily Waiting shall, while so serving, be, de facto, members of the Committee of Treasury; and

That the permanent members of the Committee of Treasury shall take their turn with the other Directors in going out for a year.

The second part withdrawn:

The second part of the Resolutions was, by leave, withdrawn:

The

1st Feb 1894.

The first Part
negatived.

The first part was then moved and
Seconded;

And, the Question being put thereon,

The same was Negatived.

It was moved and Seconded,

The Rate of
Discount

reduced from
3 to 2½ per cent.

That the Rate of Discount on Bills not
having more than 95 days to run be reduced from
3 to 2½ per cent.

And, the Question being put thereon,

The same was Carried.

A Court of Directors at The Bank

on Thursday, the 8th February, 1894.

Present,

David Powell, Esq., Governor,
Clifford Wigram, Esq., Deputy Governor,

Charles George Arbuthnot, Esq.	Frederick Arthur Jackson, Esq.
John William Birch, Esq.	Reginald Eden Johnston, Esq.
Herbert Brooke, Esq.	The Right Hon: the Earl of Devon and Melville,
William Middleton Campbell, Esq.	The Right Hon: William Liddell-John Edward Rowley Palmer, Esq.
Sir Mark Wills Collet, Bart.	Augustus Prevost, Esq.
James Pattison Currie, Esq.	Albert George Sandeman, Esq.
Samuel Stewart Gladstone, Esq.	Hugh Colin Smith, Esq.
Henry Riversdale Grenfell, Esq.	and
Charles Hermann Goschen, Esq.	Alexander Falconer Wallace, Esq.
Robert Henderson, Esq.	

The proceedings of the last Court
were read.

Ordered,

At the recommendation of the
Committee of Treasury.

That

Bank notes,
x. last, &c.

8th Feb 1894.

That £95. 7. 11 be paid for sundry Post Dividend Warrants and Bank Notes, as detailed in the Governor's Declaration Book; the vouchers relating thereto having been examined, and security given to indemnify the Banks.

Audit of Securities.

A Report from the Committee of Daily Waiting was read, stating that they had audited the Securities contained in Drawers Nos: 5 and 37, and had satisfied themselves that the same were in the safe custody of the Chief Cashier.

Audit of Securities at the Western Branch.

A Report from Mr. Provoost was read, stating that he had audited the Securities at the Western Branch comprised in sections numbered 16 and 25, and had found the same in the safe custody of the Agent.

Order of The Queen in Council authorizing an additional issue of Bank Notes upon Securities.

An Order of The Queen's Most Excellent Majesty in Council, of which the following is a copy, was laid before the Court;

"At the Court at Osborne House,

"Isle of Wight,

"The 29th Day of January, 1894.

"Present,

"The Queen's Most Excellent Majesty
"in Council.

"It having been represented to Her Majesty in
"Council by the Governor and Company of the Banks
"of

8th Feby 1894.

of England in a Memorial sealed with the seal of the
said Governor and Company on the 7th Day of December,
1893,

(1.) that between the 30th November, 1889, the date of the
preparation of the last Memorial to Her Majesty, in Council,
upon which Her Majesty's Order in Council of the 8th Day of
February, 1890, was made, and the presentation of the new
Memorial of the 7th Day of December, 1893, certain bankers
in the latter Memorial named who on the 6th Day of May,
1844, were issuing their own Bank Notes to the extent of sums
amounting in the aggregate to the sum of £512,264, have
ceased to issue their own Bank Notes;

(2.) that the total of the authorized issues of bankers who,
subsequently to the said 6th Day of May, 1844, have ceased to
issue their own Bank Notes, including the above sum of
£512,264, amounts to £4,206,162, whereof the proportionate
part of two-thirds amounts to £2,804,112;

(3.) that the aggregate increase of issues by the Banks of
England of their own Bank Notes, authorized by Orders of Her
Majesty in Council under the provisions of the herein after
mentioned Act, during the same period, have amounted only
to £2,450,000; and

(4.) that the difference between such aggregate increase of
issues by the Banks of England and the proportionate part
of two-thirds of the aforesaid lapsed issues by other banks
is £354,112.

And the said Governor and Company having thereupon
humbly made application to be authorized under the
provisions of the Act passed in the 7th and 8th years of the
reign of Her Majesty, chapter 32, intituled, "An Act to regulate
the issue of Bank Notes, and for giving to the Governor and
Company of the Bank of England certain privileges for a
limited period," to increase the amount of securities in the
Issue Department of the Bank of England, and to extend the
issue of their own Bank Notes to an amount not exceeding
the above-mentioned difference between the increase of issues
by the Banks of England that has been already authorized
and two-thirds of the aggregate issues by the banks that
have lapsed subsequently to the 6th Day of May, 1844.

Now, therefore, it is this Day ordered by Her Majesty,
by and with the advice of Her Privy Council, that the
said

8th Feby 1894.

" said Governor and Company, shall be, and they are,
 " hereby authorized and empowered to increase the amount
 " of securities in the Issue Department of the Bank of
 " England to the extent of £350,000 beyond the total sum
 " of value of £14,000,000 in the said Act mentioned, and of
 " the further sums of £175,000, £175,000, £350,000, £175,000,
 " £450,000, and £250,000, authorized by Her Majesty's Orders
 " in Council, dated the 7th Day of December, 1855, the 26th Day
 " of June, 1861, the 3rd Day of February, 1866, the 1st Day of April,
 " 1881, the 15th Day of September, 1887, and the 8th Day of
 " February, 1890, and thereupon to issue additional Bank of
 " England Notes from the said Issue Department, in manner
 " in the said Act mentioned to the amount of £350,000.

C. L. Peel

Minutes of the
 Committee of
 Treasury
 recommending
 an increase of
 Securities in the
 Issue Department.

The following Minutes of the Committee
 of Treasury having been read;

Committee of Treasury,
 7th Feby 1894.

" It was agreed to recommend to the Court of
 " Directors that the Governor be authorized to transfer
 " Government Securities, of the value of £350,000 to the
 " Issue Department, in pursuance of the Order in Council of
 " the 29th ultimo; and to make such re-arrangement of the
 " Securities held by the Issue Department as they may think
 " desirable.

" Banks of England."

agreed to.

The Court agreed thereto.

Minutes of the
 Committee of
 Treasury
 recommending
 alterations in the
 list of persons
 authorized to
 sign, & fill on
 the Government
 of India.

The following Minutes of the Committee
 of Treasury having been read;

Committee of Treasury,
 7th Feby 1894.

" In view of changes which have occurred from time
 " to time, it was agreed to recommend the Court of Directors
 " to propose to the Secretary of State for India in Council
 " that

8th Feby 1894

" that the following alterations be made in the list of persons
" authorized to draw and countersign de Bills upon the
" Government of India; vizt.

" Of those authorized to draw Bills

" To be withdrawn from the present list,

" Frank May,

" Edwards Ely Baly,

" Francis Richard Gibson,

" Charles Robert Topples.

" To be added,

" Horace George Bowen,

" John Gordon Nairne,

" William Fids,

" Robert Harrison Sharp.

" Of those authorized to countersign Bills, and to certify
" to endorsements by letters of attorney,

" To be withdrawn,

" John Gordon Nairne.

" Banks of England,

agreed to.

The Court agreed thereto.

Resolved,

That Sir Mark Collet be added to the
Special Committee appointed by the Court of the
16th November last on Emoluments, Overdrafts,
Advances, &c.

Resolved,

That two House Porters and Watchmen
be chosen in the room of Edmunds Sanders and
Thomas Croft, both deceased.

Then Edward Albert Gilbert and George William
Mander, having been recommended by the Governor,
were elected House Porters and Watchmen to
the Bank, during pleasure, at the wages of £84

a

Sir Mark Collet
added to the Special
Committee on
Emoluments, Advances,
&c.

Edward A. Gilbert
and George Wm
Mander elected
House Porters.

8th Feb 1844. a year, each; the said two persons having previously signed the Declaration approved by the Court of the 26th April 1842.

Motion with reference to Bills Discounted for Brokers, &c.

It was Moved and Seconded,

That the Order of Court of the 31st December 1841 limiting the currency of Bills Discounted for Brokers to an average of 15 Days be relaxed temporarily, so that the Governor may take such Bills with an average of about 30 Days to run.

And the Question being put thereon,

Carried.

The same was Carried.

Legal Proceedings taken against Mr. A. E. Hope and Mr. H. H. Eldes.

The Governor reported that he had authorized Legal Proceedings to be taken against Mr. Adrian E. Hope and Mr. H. H. Eldes to enforce payment of money due by them to the Bank.

The Court approved thereof.

A Court of Directors at The Bank

on Thursday, the 15th February, 1894.

Present,

David Powell, Esq., Governor,
Clifford Wigram, Esq., Deputy Governor,

Charles George Arbuthnot, Esq.	Charles Hermann Goschen, Esq.
John William Birch, Esq.	Robert Henderson, Esq.
Herbert Brooks, Esq.	Reginald Eden Johnston, Esq.
William Middleton Campbell, Esq.	The Right Hon. the Earl of Devon and Melville,
Sir Mark Wilks Collet, Bart.	The Right Hon. William Liddell Dale,
James Pattison Currie, Esq.	Edward Rowley Palmer, Esq.
Samuel Stewart Gladstone, Esq.	Augustus Prevost, Esq.
Henry Riversdale Grenfell, Esq.	and
John Saunders Gilliat, Esq.	Alexander Falconer Wallace Esq.

The proceedings of the last Court were read.

Out Cash.

Mr. Henderson reported the Out Cash to have been taken in and found right.

Ordered,

At the recommendation of the Committee
of

Bank notes
re. lost, &c.

15th Feb'y 1894. of Treasury,

That £250 . 8 . 6 be paid for sundry Post Dividend Warrants and Bank Notes, as detailed in the Governor's Declaration Books; the vouchers relating thereto having been examined, and security given to indemnify the Bank.

Minutes of the Committee of Treasury recommending that $2\frac{3}{4}$ % Stocks Certificates for £31,000 be issued to Selwood Riddle, in lieu of those alleged to have been destroyed by him.

Mr. Riddle's receipt for the Certificates put up with Court Minutes of this date.

*The Stock was released in 1900.
22.11.1900.*

The following minutes of the Committee of Treasury having been read;

" Committee of Treasury,

" 14 February, 1894.

" On an application from Mr. Selwood C. Riddle, of Wolverhampton, for the issue of Duplicate Stock Certificates of £2.15 - per cent. Annuities, 1905, in place of 37 Certificates to the value of £31,000, which are declared to have been destroyed by him, it was agreed to recommend the Court, under the terms of the National Debt Act, 55 & 56 Vict. c. 39, sect. 7, to authorize the issue of Duplicate Stock Certificates to the amount in question, on the transfer of Bristol Corporation $3\frac{1}{2}$ per cent Stock "equivalent to the market value on the day of transfer of the destroyed Certificates, and six and a half years Dividends thereon, together with the accumulated Dividends on the said Certificates from their destruction to the date of transfer, subject to an Agreement to be prepared by Messrs Freshfield.

" Banks of England."

agreed to.

The Court agreed thereto.

Audit of Securities.

A Report from the Committee of Daily Waiting was read, stating that they had audited the Securities contained in Drawers Nos. 71 and 88, and had satisfied themselves that the same were in the safe custody of the Chief Cashier.

15th Febry 1894.

Security Bonds
of certain clerks
reported to have
been given up.

A Report from the Secretary, stating that the Security Bonds of certain Clerks who had been admitted to the benefits of the Clerks' Guarantee Funds upwards of a twelve months had been delivered up to be cancelled, was laid before the Court, pursuant to an Order of Court of the 4th June, 1846.

The following minutes of the Committee of Treasury having been read;

Committee of Treasury.

14 February 1894.

- " It was agreed to recommend to the Court of Directors to grant the following additions of Salary, viz^r.
- " To Mr. Henry Ben Orchard, Assistant Chief Accountant,
" £100, raising his salary from £600 to £700.
- " Mr. John Beard Shepper, Deputy Principal of the Dividends
" Office, an increase of £20, raising his salary to £500.
" This to be the salary attaching to the post, and Mr.
" Shepper's present personal salary of £300 to cease.
- " Mr. John P. Wright, Assistant Deputy Principal of the
" Dividends Office, a personal additional salary of £20.
- " Mr. William Senior Dean, Principal of the Issues Office,
" a personal additional salary of £50.
- " Mr. Walter H. Millett, Deputy Principal of the Branch
" Banks Office, an addition to his salary of £50 -
" raising this to £700.
- " Mr. Walter Cole, Superintendent of the Printing, &
" Department, an increase of £100 to his personal
" additional salary, raising this from £200 to £300.
- " Mr. Alfred McPherson, Assistant Superintendent in the
" Printing, & Department, an increase of £20 to his
" additional salary, raising it to £120; and
- " Mr. Kenneth Grahame, a Clerk in the Secretary's Office,
" a personal additional salary of £20.
- " all the foregoing additions to date from the 1st March next.

and

Minute of the
Committee of
Treasury
recommending
additions of
Salary, &c.

15th Feb 1894.

"and further it is recommended
 "That Henry Gouly, 2nd Class Clerk in the Private
 "Drawing Office,
 "Selwyn Haslewood, 3rd Class Clerk in the Public
 "Drawing Office, and
 "E. P. Tilly, 2nd Class Clerk in the Bill Office, be
 "appointed Librarians in their respective Offices - to be
 "so named in the Salary list - with additional salaries
 "of £20. per annum (to commence from the 1st March 1893)
 "so long as they perform the duties.

"The gratuities of £20. hitherto granted to Messrs Gouly
 "and Haslewood, for fulfilling the duties of Librarian, not to be
 "renewed.

"Bank of England."

agreed to.

The Court agreed thereto.

The following Minute of the Committee of
 Treasury having been read;

"Committee of Treasury,
 "14 February 1894.

"In view of the retirement of Mr. J. D. Baumbrach,
 "Examiner of Stock Accounts, it was agreed to recommend
 "to the Court that instead of this position being, as hitherto,
 "a separate post, the duties be carried out by Edward James
 "Wheeler, a Clerk in the Chief Accountant's Office, (with the
 "title of Examiner of Stock Accounts), and that his salary be
 "raised to £450. - his present additional and personal
 "additional salary to cease.

"And further that in view of an increase of work in
 "the Chief Accountant's Office, the additional salary of
 "Mr. E. L. Foreman, the 1st Clerk, be raised from £180 to
 "£200 (to attach to the post), and that personal
 "additional salaries of £20 each be granted to Messrs
 "O. E. Williams and E. Creator, the 4th and 5th Clerks
 "therein. These additions to date from the 1st March next.

"Bank of England."

agreed to.

The Court agreed thereto.

The

Minutes of the
 Committee of
 Treasury in
 regard to an
 appointment, &c.,
 in the Chief
 Accountant's Office

15th Feb^y 1894.

Minute of the
Committee of
Treasury and
Memorandum
on the case of
Charles Watkins,
a Sub. Cashier

The following minute of the Committee of
Treasury and Memorandum having been read;

"Committee of Treasury,

"14 February 1894.

"The Committee have had under consideration
the case of Charles Watkins, a Sub. Cashier (referred
to them by the Court of the 21st Decem^b last), who
was suspended on the 18th of that month for absconding
with two parcels of Bank notes; and in view of the
circumstances detailed in the accompanying memorandum,
and of the fact that Watkins was tried at the Old
Bailey, on the 8th instant and pleaded guilty, it
was agreed to recommend to the Court that he be
dismissed from the Service of the Bank as from the
14th Decem^b last - the date when he absconded. It
was further agreed to recommend that the amount of
his defalcations, viz^t. £3100, be made good from the
Clerks' Guarantee Fund, and that the balance of
£14.10.4 which will remain after the Guarantee Fund
has been recouped from the salary due to Watkins
to the date of his dismissal, the premiums repayable
by the Bank Provident Society, &c, be left in the hands of
the Governor to be disposed of as he may think fit.

"Bank of England."

"Memorandum on the case of Charles Watkins,
a Sub. Cashier, elected March 1853, aged 58, salary, £1600.

"Prior to 1870 Watkins had been a clerk at the
Birmingham Branch; but in that year it came to the
knowledge of the Agent that there were irregularities
in his accounts as treasurer of some church funds.
The Branch Bank's Committee, in their first Report
of the 6th January, after full enquiry, into the
circumstances, recommended that he should be required
to

15th Feb 1894.

" to send in his resignation; the Court, however, referred
 " this Report back to the Committee for reconsideration,
 " with the result that Watkins, on whose behalf the Vicar
 " of the parish in which the trouble had arisen had
 " intervened, was merely recalled to London. Since that
 " time he has been in several offices, until he was appointed
 " in September 1890 a Sub-Cashier. Throughout his career
 " Watkins was an excellent worker.

" On the morning of Monday, the 18th December last the
 " Chief Cashier received a letter from Watkins - who had
 " been absent the previous Friday and Saturday on the
 " plea of sickness, - stating that he had abstracted two
 " bundles of £5 notes under his charge, containing in all
 " 100 notes, making a sum of £500. After professing his
 " sense of shame for his act, he stated that he had been
 " compelled to quit his home, having committed the
 " 'unforgivable sin' of having had dealings with money-
 " lenders, and adding that, reckoning the balance of
 " salary, &c, and returnable premiums in the Bank
 " Provident Society, a sum of £340 was owing to him,
 " which, deducted from the £500 which he had abstracted,
 " left a balance of £160 due by him to the Bank, and
 " this sum he accordingly returned to the Chief Accountant
 " in a registered letter. Messrs Freshfield were at once
 " instructed to obtain a warrant for his arrest, and
 " Watkins was subsequently apprehended and committed
 " for trial after examination at the Mansion House. He was
 " tried at the Old Bailey on the 8th instant, when he pleaded
 " guilty; and the Judge, after observing that the Bank had
 " very properly prosecuted him, said that justice would be
 " satisfied by his being bound over in his own recognizances
 " to come up for judgment if called upon.

" The amount which will be coming to Watkins is
 " as follows: -

" Salary, less tax,	£15. 2. 1
" Nightly Watch Attendances,	- 4. 4. -
" Premiums paid to the Bank Provident " Society, to be returned,	} - 335. 4. 3
	<u>£354. 10. 4</u>

" This

15th Feb 1894.

" This will more than cover the amount of his defalcations (£3140) which will be met from the Clerks' Guarantee Fund, and will leave a balance of £14,10.14.

" Secretary's Office,

" 13th February 1894.

agreed to,

and

Charles Watkins
Dismissed.

The Court agrees thereto, and
Ordered,

That the said Charles Watkins, a Sub-Cashier, be dismissed from the service of the Bank as from the 14th December last; and that the amount of his defalcations be made good from the Clerks' Guarantee Fund.

Report of the
Committee appointed
to examine the
state of the Discounts

The following Report of the Committee appointed to examine the state of the Discounts having been read;

" The Committee appointed to examine the state
" of the Discounts

" Report to the Court of Directors,

" That the statements of the Discount operations and Advances upon Bills in London for the past year have been examined, and that they show the following results.

- " 1. The number of Discounters was 163, of whom 65 had Drawing Accounts only.
- " 2. The number of Bills Discounted was 114066.
- " 3. The amount Discounted was £12,928,016.14.7, of which £163,830 was with Discounters having Drawing Accounts only, and of which £720,859.7.5 was Discounted under the Bank rate.
- " 4. The weekly average amount held in Bills Discounted (including Bills to an amount of £1,145,748

" brought

15th Feby 1894.

brought forward from the previous year) was £1,257,292.15.11.

5. The amount received as discount was £38,956.16.11.

6. The amount advanced on Bills for short periods was
£8,626,500.

7. The interest on such advances amounted to £7,585.11.2.

For a comparison with the operations of previous years the Committee refers to their detailed table of Accounts since 1844.

Compared with the average of the past 20 years, the operations of last year show

An Increase in the total amount discounted of £4,111,367.10.7; and

a Decrease in

1. The number of Discounters, 101.

2. The number of Bills discounted 5389.

3. The amount discounted for persons having
Drawing Accounts only, £410,600.

4. The amount discounted under Bank rate,
£480,029.17.7

5. The weekly average amount held in Bills
discounted, £200,401.15.1

6. The amount received as discount, £10,188.17.1

7. The amount of Advances, £1,368,875

8. The interest on Advances, £11,523.1.4

The Bills discounted, amounting to £12,928,016.4.7, had an average currency of $36\frac{1}{4}$ days, and the business done was equivalent to a continuous advance of £1,281,830 for the year, upon which the receipt of £38,956.16.11, as discount, yields a rate of $\text{£}3. -- 9\frac{1}{4}$ per cent, per annum, against $\text{£}3. 5. 3\frac{3}{4}$, the average rate earned during the past 20 years.

The entire discount of £12,928,016.4.7 was made at the various rates, and to the several amounts, as described in the accompanying paper marked 'm.c.'

The amount of £720,859.7.5 was discounted
at

15th Feby 1894.

" at the various rates below the published Bank rate,
 " as described in the accompanying paper marked 'Q'.

" The Committee refer to the accompanying paper marked
 " 'I' for a monthly account of the number and amount
 " of Bills brought in for discount, the number and amount
 " rejected or withdrawn, and the number and amount
 " discounted.

" One Firm having a Discount Account with the Bank
 " suspended payment during the past year, with whom
 " the Bank held no Bills at the time of their failure.

" The Books containing the private marks against
 " the names of the Discounters, as to the amount of
 " credit allowed to each, have been carefully revised,
 " and those accounts which, in the opinion of the Committee,
 " require alteration, as well as those which they think
 " should be closed and made dormant, are submitted
 " to the Directors in the list marked 'A'.

" The Committee have further to Report,

" That they have examined the state of the
 " Discounts and Advances upon Bills at the various
 " Branches, and the following is the result of their
 " investigation, -

- " 1. The number of Discounters in 1893 was 314.
- " 2. The number of Bills discounted, 12,536.
- " 3. The amount discounted, £10,102,982.
- " 4. The weekly average amount held in Bills
 " discounted, £1,829,369.
- " 5. The amount received as discount, £49,161.
- " 6. The amount advanced on Bills, £1,629,660.
- " 7. The amount received as interest on Advances
 " on Bills, £5,560.

" Compared with the year 1892 these operations
 " show an increase in -

- " 1. The number of Discounters, 16.
- " 2. The amount advanced on Bills, £976,660.

15th Feby 1894

3. The amount received as Interest on Advances
" on Bills, £3.198.

and a Decrease in

1. The number of Bills discounted, 2.553.

2. The amount discounted, £2.344.569.

3. The weekly average amount held in Bills
" Discounted, £477.257.

4. The amount received as Discount, £2.019.

" The total amount of £10.102.982 Discounted
" and charged at rates varying from $1\frac{1}{4}$ to $5\frac{1}{2}$ per cents,
" was apportioned to the respective Branches as detailed
" in Branch Banks Office Annual Returns Book No. 3.

" A statement of the amount Discounted at each
" Branch on account of Bankers and Traders respectively,
" during the past year will be seen in the paper marked "B".

" The amount of Bills Discounted being £10.102.982, the
" business done was equivalent to a continuous advance
" of £1.776.859, upon which the receipt of £149.161. as
" Discount yields a rate of £2.17. $1\frac{1}{2}$ per cents. per
" annum - taking credit for £1,600 rebated to Bankers
" in commutation of the One per cent composition payable
" to them under Act 7 & 8 Vict. cap. 32, against £2.4. $9\frac{1}{2}$
" in 1892.

" One Firm having a Discount Account at a Branch
" suspended payment during the past year, with whom the
" Bank held Bills amounting to £10,514. -- 3 at the time
" of their failure. These were paid off at maturity, with
" the exception of the amount of £158.15. -- 1, which has
" since been written off to debit of Profit and Loss.

" The Committee have had before them the Agents'
" Reports as to the Degree of credit allowed to each of
" the Discounters at the several Branches, and they
" recommend that various accounts thereof be closed,
" &c, as detailed in the accompanying paper marked "Z".

" Albert G. Sandeman,

" Bank of England, " chairman.

" 9th February 1894."

approved.

The Court approved thereof.

The

15th Feb 1894.

Letter from the Chancellor of the Exchequer referring to the Profits of Issue to be allowed to the Public in respect of the additional issue of £350,000 upon Securities, under the Order in Council of 29th ultimo.

The following letter from the Chancellor of the Exchequer having been read;

Treasury Chambers,
9th February, 1894.

Gentlemen,

With reference to the Order in Council of the 29th ultimo which authorized and empowered you to increase the amount of Securities in the Issue Department of the Bank of England to the extent of £350,000, and to issue additional Bank of England Notes to that amount, I have now the honour to propose for your consideration that the net profit arising therefrom, which is payable to the public under the provisions of the 9th section of the Act 7/8 Vict. cap. 32, should be computed on the same principle as that on which computations have been made in the case of previous additions to Securities in the Issue Department, that is to say, two per centum, per annum on the amount of the increase, viz £350,000, less the amount payable in respect of Compositions which have been effected under section 24 of the Act since the last addition to the circulation authorized by Order in Council of the 8th February, 1890.

I presume that it will be agreeable to you that the arrangement shall take effect as from the date on which the addition to your Fiduciary Issue was actually made.

I am, Gentlemen,

Your obedient servant,

W. V. Harcourt

The Governor and Deputy Governor
Bank of England.

and the following Minute of the Committee of Treasury having also been read;

Committee

Minute of the Committee of Treasury with

15th Feb 1894.

with recommend-
ations in
accordance with
the foregoing
letter.

Committee of Treasury,

14th February, 1894.

" A letter was read from the Chancellor of
the Exchequer, in which, with reference to the increased
Issue of Notes upon Securities sanctioned by the recent
Orders in Council, dated the 29th ultimo, he proposed
that the profit arising therefrom payable to the Public
should be computed on the same principles as on
former occasions; that is to say, Two per cent per
annum on the amount of additional issue, vizt.
£350,000, less the amount payable in respect of
Compositions which have been effected, under the Act
of 1844, since the previous Order in Council of the
8th Feb 1890, - to take effect as from the date on
which the addition to the Fiduciary Issue is actually
made; and it was agreed to recommend the Court
to accede to the proposal.

" The Account will then stand as follows:--

Present amount (not including the sum of £60,000 in consideration of exemption from Stamp Duty)	}	£168,040
Add 2 per cent on additional Issue of £350,000 (under Order in Council of 29 January, 1894)		
Less Compositions granted since the last Order in Council of 8 February, 1890 and still payable, vizt. Eyton, Burton & Co. -- £138. Sharras, Tupnell & Co. -- 201.		
		£ 6,661
		<u>£174,701</u>

" Decided the above named Compositions granted
since the 8th Feb 1890, a Composition of £21 per annum
was granted in October 1892 to Messrs Curteis, Pomfret
& Co (The Ryg Bank) which ceased to be payable from the
31st Dec 1892, on the amalgamation of Messrs Curteis
with Lloyd's Bank.

" Bank of England.

agreed to.

The Court agreed thereto.

a Court of Directors at The Bank

on Thursday, the 22nd February, 1894.

Present,

David Powell, Esq.; Governor,

Charles George Arbuthnot, Esq.	Charles Hermann Goschen, Esq.
John William Birch, Esq.	Robert Henderson, Esq.
Henry Coemo Orme Bonser, Esq.	Frederick North Jackson, Esq.
Herbert Brooks, Esq.	Reginald Eden Johnston, Esq.
William Middleton Campbell, Esq.	The Right Hon. the Earl of Leren and Melville,
Sir Mark Wiles Collet, Bart.	The Right Hon. William Liddell-Dale,
James Pattison Currie, Esq.	Edward Howley Palmer, Esq.
Samuel Stewart Gladstone, Esq.	Augustus Prevost, Esq.
Henry Riversdale Grenfell, Esq.	Hugh Colin Smith, Esq.
John Saunders Gilliat, Esq.	Alexander Falconer Wallace, Esq.

The proceedings of the last Court were read.

Ordered,

At the recommendation of the Committee of Treasury,

That £55. 2. 6 be paid for sundry
Post

Bank notes,
11, lost. &c.

22nd Feb 1894 Post Dividend Warrants and Bank Notes, as detailed in the Governor's Declaration Book; the vouchers relating thereto having been examined, and security given to indemnify the Bank.

Audit of Securities.

A Report from the Committee of Daily Waiting was read, stating that they had audited the Securities contained in drawers Nos: 56 and 114, and had satisfied themselves that the same were in the safe custody of the Chief Cashier.

Audit of Securities at the Western Branch.

A Report from Mr. Gladstone was read, stating that he had audited the Securities at the Western Branch comprised in the sections numbered 39 and 1 (miscellaneous), and had found the same in the safe custody of the Agent.

Ordered,

Salaries to be advanced, and Gratuities granted.

That the Salaries of the Clerks be advanced from the 1st March next, as per the accompanying list marked 'A'; and that Gratuities be given to the several persons named in the accompanying lists marked 1 and 2.

Minute of the Committee of Treasury recommending special Gratuities

The following Minute of the Committee of Treasury having been read;

Committee

22nd Feb 1894

Committee of Treasury.

21 February 1894.

On representations by the Chief Cashier and the Secretary that exceptionally heavy work had been carried out for some time past by some of the junior clerks in their Offices, causing late attendances at night and demanding more than usual care and discretion, it was agreed to recommend the Court to grant special gratuities to the undermentioned clerks, viz:

- To Mr. Clegg, £25 - Mr. Berkeley £20, Messrs Watten, Stuart and Harvey, £15, and Mr. Woodroffe, £5; all of the Chief Cashier's Office; and
- To Messrs Grahame, Edlmann, Ford and Ricci, all of the Secretary's Office, £15 each; and Mr. Bradley, an Unattached Clerk, £5.

Banks of England.

agreed to.

The Court agreed thereto.

The Governor laid before the Court the first part of the Report of the Special Committee upon the emoluments of the Chief Officers of the House, &c. appointed by the Court of the 16th November last, so far as it relates to the Chief Cashier and the Chief Accountant, together with a minute of the Committee of Treasury thereon:

Part I of the Report of the Special Committee on Emoluments.

The Special Committee, appointed by the Court of the 16th November, 1893,

Report to the Court of Directors,

That they have devoted a number of meetings to the consideration of the emoluments of the Chief Officers of the Banks, and have arrived at the following conclusions.

(d.)

22nd Feb 1894.

By Court of 22
March 1894, these
restrictions were
made applicable
to the Deputy Chief
Cashier & Deputy
Chief Accountant,
and to the Secretaries.

Salary attaching to
the post of Chief Acc^t
raised to £2500 by
Court of 10 April, 1902

Minutes of the
Committee of
Treasury
recommending
salaries to the Chief
Cashier and
Chief Accountant.

" (A.) That the remuneration of such Officers should be paid only by a salary, and that no Commissions or Allowances should be granted them.

" (B.) That such Officers should be forbidden absolutely to apply for or to accept any allotment of Stocks or Bonds, by whomsoever issued. That they should also be forbidden to accept any Commissions or Gratuities whatsoever, unless with the written consent of the Governor for the time being. That such Officers should be absolutely forbidden to enter into any speculations of any description whatever, either for themselves or others.

" (C.) In view of the restrictions here recommended, the Committee consider that the salary of the Chief Cashier should be £3000 per annum; any additions thought desirable by the Court taking the form of a personal allowance.

" That the salary of the Chief Accountant should be £2000 per annum, any additions in his case also to take the form of a personal allowance.

" for the Chairman
" James P. Currie

" Committee of Treasury,
" 21 February 1894.

" The Committee having had under consideration the First Part of the Report of the Special Committee appointed the 16th November 1893 - relating to the emoluments of the Chief Officers of the House, &c.,
" It was agreed to recommend to the Court that the salary of the Chief Cashier be fixed at £3000 per annum, and that of the Chief Accountant at £2000, subject to all the conditions as regards Commissions, &c., enumerated in the said Report.

" It was further agreed that the salaries above mentioned be granted to Mr. Bowen, the Chief Cashier, and Mr. Stutchbury, the Chief Accountant, from the dates respectively

" of

22nd Feb 1894.

"of their appointments, and that, so regards the Chief Cashier, the arrangement hitherto existing under which he has received payments from the Commissioners for the Reduction of the National Debt as their Agent be permitted to continue.

"Bank of England."

agreed to.

The Court agreed thereto.

The Governor also laid before the Court Part IV of the Report of the same Committee recommending the establishment of an Audit Department in the Bank; and

It was agreed that the same be printed and circulated among the members of the Court, for consideration next Thursday.

The following Minute of the Committee of Treasury having been read;

"Committee of Treasury,

"21 February 1894.

"The Governor laid before the Committee a letter from Mr. E. E. Baly, Controller of Stock Offices, lately Deputy Chief Cashier, in which he asked to be allowed to resign his service in the Bank, and in view of all the circumstances of Mr. Baly's case, it was agreed to recommend the Court to accept his resignation, and, further to grant to Mr. Baly, during pleasure, a Compassionate Allowance of £600 per annum, all arrangements connected with the vacation of the Chief Cashier's residence, which Mr. Baly still occupies, being left with the Governor to deal with as he may think fit.

"Bank of England."

agreed to.

The Court agreed thereto.

Part IV of the Report of the Special Committee on Emoluments, &c. Considerations referred.

Minute of the Committee of Treasury recommending that the resignation tendered by Mr. E. E. Baly be accepted, &c.

22nd Feb 1894

The Rate of
Discount reduced
from $2\frac{1}{2}$ to 2
per cent.

It was moved and Seconded,

That the Rate of Discount on Bills not
having more than 95 days to run be reduced from
 $2\frac{1}{2}$ to 2 per cent.

And the Question being put thereon,

The same was Carried.

Resolved,

Committee
appointed on
the arrangements
for Advances &c.

That the undermentioned gentlemen be
appointed a Committee to consider the best
arrangements in regard to the business connected
with Advances and Discounts; vizt.

Sir Mark Collet,
Mr. Lidderbale,
Mr. Brookes, and
Mr. Gladstone.

A Court of Directors at The Bank

on Thursday, the 1st March, 1894.

Present,

David Powell, Esq., Governor,

Charles George Abbottnot, Esq.	Charles Hermann Goschen, Esq.
John William Birch, Esq.	Robert Henderson, Esq.
Henry Esme Orme Bonar, Esq.	Federick Arthur Jackson, Esq.
Herbert Brooke, Esq.	Reginald Eden Johnston, Esq.
William Middleton Campbell, Esq.	The Right Hon: the Earl of Leven and Melville,
Sir Mark Willes Collet, Bart.	The Right Hon: William Addey Dale,
James Pattison Currie, Esq.	Edward Howley Palmer, Esq.
Samuel Stewart Gladstone, Esq.	Augustus Prevost, Esq.
Henry Riverdale Grenfell, Esq.	Hugh Colin Smith, Esq.
Henry Buckle Gibbs, Esq.	and
John Saunders Gilliat, Esq.	Alexander Falconer Wallace, Esq.

The proceedings of the last Court were read.

Out Cash.

Mr. Henderson reported the Out Cash to have been taken in and found right.

Ordered,

Bank notes
lost or.

at the recommendation of the Committee
of Treasury,

That

1st March 1894

That £100 be paid for sundry Bank Notes as detailed in the Governor's Declaration Book; the vouchers relating thereto having been examined, and security given to indemnify the Bank.

Report of the
Audit of
Securities.

A Report from the Committee of Daily Waiting was read stating that they had audited the Securities contained in Drawers Nos: 73 and 131, and had satisfied themselves that the same were in the safe custody of the Chief Cashier.

Quarterly Reports
of the Committee
for the House
and Servants.

The following Report of the Committee for the House and Servants having been read;

The Committee for the House and Servants

" Report to the Court of Directors,

" That the Chief Accountant has certified the payment of £5,364 . 16 . 8 entered in General Cash Books and Ledgers, all being for accounts ordered by the Committee to be paid in November last; also that the Assistant Chief Accountant has certified the payment of £7,067 . 3 . 8; as ordered by the Governor to be paid during the quarter.

" The Secretary has certified that the Chief Cashier has produced vouchers for £8,400 . 10 . 9 disbursed by him as payments in Petty Cash during the quarter; and has produced his Cash Statement showing a balance in his hands on the 12th instant of £2,379 . 7 . 8.

" The Committee have passed the Accounts of the Wages of the Servants of this House, as follows, viz:

" London, £52,296 . 3 . 1

" Branches, " 19,458 . 2 . 9

" £71,754 . 5 . 10

" and have ordered payment of the Pensions amounting to £12,543 . 2 . - for the quarter ending the 28th Feb'y 1894.

" They have also ordered payment of the Indemnities

" Bills

1st March, 1894.

" Bills and sundry Disbursements for the Quarter, as follows, viz:-

" London, £5.823 . 13 . 4

" Branches, „ 1.316 . 3 . 1

" £7.139 . 16 . 5

" From a Return made by the Superintendent of the Printing Department it appears that £3.879.000 Bank Notes have been printed, numbered and examined during the Quarter ended the 31st January 1894, and that the cost of materials (not including paper) and mechanical labours only was $2\frac{5}{9}$ per 1000.

" From the same Return it appears that 2.656.000 India Notes of 10 Rupees and upwards have been printed, numbered and examined during the same period; and that the average cost for materials (not including paper) and mechanical labours only was $2\frac{2}{3}\frac{3}{4}$ per 1000; that 2.726.000 India Notes have been printed in green only, at a cost of $1\frac{5}{5}\frac{3}{4}$ per 1000; and that 1.090.000 India Notes of 5 Rupees have been printed and numbered, at a cost of $2\frac{5}{7}$ per 1000.

" It also appears that 14.800.000 Postal Orders have been printed, numbered and examined, cut and packed during the Quarter, at a cost of $9\frac{3}{4}$ per 1000.

" The Clerk of Works reports that the Electric Alarms were tried on the 19th instant, and were found to be in good working order; the Fire Engines on the same day; the Fire Hydrants and Sluices on the 20th instant; and were found, together with the hose, to be in good order.

" The Gate Porter reports that the House Porters and Watchmen have been regular in their attendance at the Banks; that they have attended for instruction with the Fire Engines under the superintendence of the Clerk of Works, and that the avenues and passages about the Building have been kept clean and free from obstructions. That the telephonic communication between the Front Lodge and the

" Fire

1st March, 1894.

" Fire Brigades and the Police Stations is in good order. He also reports that the health of the men under his charge has been fairly good.

" Herbert Brooker

" Chairman

" Banks of England
" 26th Feb, 1894."

approved.

The Court approved thereof.

Quarterly Reports.

The Quarterly Reports of the Committee of Treasury, the Committee for Building, the Committee for Branch Banks and the two permanent Committees of Inspection were read and approved.

It was reported by the Committee of Treasury that Mr. George Thomas Purdie, a Sub-Cashier, would attain the age of 65 years on the 5th April next.

Resolved,

That Wynell Henry Cortes, an Assistant in the Consols Office, at his request, have leave to quit the service of the Bank.

Wynell H. Cortes
quits the service
at his request.

Minutes of the
Committee for
Branch Banks
recommending
appointments

The following minutes of the Committee for Branch Banks having been read;

" Committee for Branch Banks

" 22 February 1894.

" The Committee have had before them an application from the Agent at Liverpool for the appointment of an additional 14th class clerk at the Branch in lieu of the two Assistants who have, since 1880, been lent to the Branch by the Head Office during the summer months when the holidays are taken, the recent extension of the Governor's leave of absence rendering this arrangement less useful and more expensive to the Branch than an additional permanent clerk would be; and the Committee recommend to the Court that Harry George Waller, an Assistant

" at

16th March, 1894.

" at the Branch, be appointed an additional 14th class
" clerk thereat accordingly, taking rank immediately
" above E. V. Cope, his junior in the Service, who, under
" special circumstances then existing, was in November
" last promoted out of his turn from an Assistantship
" at the Manchester Branch to a 14th class clerkship at
" Liverpool.

" At the Leeds Branch, in view of the increase during the
" last few years in the number and amount of Securities
" dealt with, the Agent requests that a post of "Security
" Clerk" may be created, as at Manchester, Birmingham,
" Liverpool, Newcastle and Law Courts Branches, and that
" Robert James Wilson, a 14th class clerk, who at present
" very satisfactorily performs the duties connected with
" the Securities, may be selected for the post. The Committee
" recommend that the Agent's request be complied with,
" and that Mr. Wilson be appointed Security Clerk, with an
" additional salary of £30, to attach to the post, as at the
" other Branches named.

" The Agent at the Law Courts Branch asks that
" Alfred Ernest Lavering, whom he describes as "an exceptionally
" good and useful man", may be promoted from the 2nd
" to the 1st class. This would involve an addition of only
" £10 to the expenses of the Branch, and the Committee
" recommend Mr. Lavering's promotion as suggested.

" C. H. Goschen
" for the Chairman.

" Bank of England."

agreed to.

The Court agreed thereto.

Minutes of the
Committee of
Inspection for the
Cashier's Office
recommending
appointments.

The following minute of the Committee of
Inspection for the Cashier's Office having been read;

" Committee of Inspection
" for the Cashier's Office,
" 26th Feb'y 1894:

" Resolved,

" That it be recommended to the Governors to
" propose to the Court of Directors to make the following
" appointments

1st March 1894.

" appointments in the Private Drawing Office, to fill the
 " vacancy caused by the resignation of H. G. Nicoll, a 4th class
 " Clerk:—

" Henry Ord Merce, a 5th Class Clerk, to be a 4th class
 " Clerk;

" Richard Oswald Mills, an Assistant, to be a 5th class
 " Clerk; and

" William L. S. Painter, a Clerk Unattached, to be an
 " Assistant.

" Hugh C. Smith
 " Chairman

" Bank of England."

agreed to.

The Court agreed thereto.

Minute of the
 Committee of
 Inspection for the
 Accountant's
 Offices
 recommending
 appointments.

The following Minute of the Committee of
 Inspection for the Accountant's Offices having been
 read;

" Committee of Inspection
 " for the Accountant's Offices,
 " 25th Feb'y, 1894.

" Resolved,

" That it be recommended to the Governor to
 " propose to the Court of Directors,

" That, with a view of providing for the continued increase
 " in the number of Dividend Warrants sent by post, the Staff
 " of the Postal Warrant Office be strengthened by the addition
 " of one 2nd and two 4th class Clerks; this addition to be
 " counter-balanced by the reduction of the Staffs of the Powers
 " of Attorney and £2.10 per Cento Offices, respectively, by a
 " 3rd class Clerk and an Assistant; and by a re-adjustment
 " of Duties in the Chief Accountant's Office, under which
 " the post of Examiner of Stock Accounts, rendered vacant
 " by the retirement of Mr. Daumbach, need not be filled
 " up; and that the following appointments be made:—

" In the Post Warrants Office,

" Ch. Carter, a 3rd class Clerk in the Powers of Attorney
 " Office, to be a 2nd class Clerk;

" L. E. Williams, and

" D. G. H. Kay-Cooper, 5th class Clerks in the Bank
 " Stocks

1st March 1894.

"Stocks Office, to be 4th class clerks; all by way of increase to the present Staff.

"In the Bank's Stocks Office,

"H. de B. Brandon, an Assistant in the Cheque Office, to be a 5th class Clerk, vice Williams, to be transferred to the Post Warrant Office;

"Reginald Youlton, an Assistant, to be a 5th class Clerk, vice Kay. Cooper to be transferred to the Post Warrant Office; and

"J. S. Ward, an Assistant in the £2. 10s. per Cents Office, to be an Assistant, vice Youlton promoted (to rank above Sandilands).

"In the Cheque Office,

"P. B. Argall, an Assistant in the Accountant's Bank Note Office, to be an Assistant, vice Brandon, transferred to the Bank's Stocks Office.

"In the Accountant's Bank Notes Office,

"S. J. Rouse, a Clerk Unattached, to be an Assistant, vice Argall, transferred to the Cheque Office.

"In the Consols Office,

"L. C. Coventry, a Clerk Unattached, to be an Assistant, vice W. H. Carter, who has tendered his resignation.

"Also,

"That A. M. Lott, a 3rd class Clerk in the Power of Attorney Office, and

"Arthur Sayer, a 2nd class Clerk in the Bank's Stocks Office, at their request, be allowed to exchange Offices, Lott being attached to the Bank's Stocks Office as a 3rd class Clerk, and Sayer to the Power of Attorney Office as a 2nd class Clerk; the existing arrangement of classes in the respective Offices to be reverted to as occasion offers.

"W. Middleton Campbell

"Bank of England.

agreed to.

The Court agreed thereto.

The following Report of the Committee of Inspection for the Cashier's Offices having been read;

Report of the Committee of Inspection for the Cashier's Offices

recom-

The

1st March, 1894.

recommending
a loan of £100.
to F. H. Suckling
of the Bill Office.

"The Committee of Inspection for the Cashier's Office
"Report to the Governor,

"That by his direction they have considered
an application from Frederick Herbert Suckling, a 3rd class
"Clerk in the Bill Office, for an advance of £100?

"Suckling was elected in December 1878. His age is 35. He
is married and has three children; and his salary, from the
"1st proximo is £270.

"On his marriage about five years since, Suckling went
to live with his mother-in-law, who has since died after a
"long illness, the expense of which - amounting to £120 - was
"borne by Suckling. He is now anxious to move from his
"present house, which is unhealthy, owing to bad drainage,
"but this he cannot do until arrears of rent, amounting
"to £32, incurred by his mother-in-law, and which have
"remained unpaid since her death, are discharged. This
"sum, with the expenses of removal and cost of the requisite
"furniture, he is unable to provide without assistance.

"Beyond this sum of £32 Suckling states that his only
debt is £4.12.- for a doctor's bill, so that the case is
"not one of serious embarrassment; and though it must
"be stated that Suckling was granted a loan of £80 in
"1885, which was duly repaid, and subsequently had
"a grant of £13 from the Samaritan Fund, the Committee
"are of opinion that in view of all the circumstances,
"and especially, of the excellent character which Suckling
"bears, the Bank would be justified in affording the
"desired aid.

"The Committee therefore recommends that a loan
of £100 be granted to Suckling, to be repaid from his
"salary by quarterly instalments at the rate of £30
"a year.

"Hugh C. Smith
"Chairman

"Bank of England,
"26th February, 1894."

approved.

The Court approved thereof, and

Resolved,

That a loan of £100 be granted to
the

1st March, 1894. the said Frederick Herbert Suckling, of the Bill Office, to be repaid in the manner recommended.

The following Report of the Committee for Law Suits having been read;

"The Committee for Law Suits

"Report to the Court of Directors,

"That they have examined Messrs Freshfield's Bill for Law Charges from the 1st April to the 30th Sept. 1893, and they find it to be composed of the following items, viz:-

"Expenses connected with the Bank's action against the South American & Mexican Coy, £1.406.15.9

"Do. Do. the Action by the British Liners Coy Banks against the South American & Mexican Coy, " 117. 1. 8

"Do. Do. the Action by the Banks against Prescott & Coy, " 853. 5. 11

"Do. Do. an Action against the Banks by Trustees of Wm Juge to enforce payment of a balance standing in the names of the Trustees of a deceased person, " 38. 8. 6

"Do. Do. the Action Cathcart v. Cathcart respecting a sum of Consols in Mr Cathcart's name, " 18. 17. 10

"Do. in connection with the case of S. W. Gregson, a lunatic, " 34. 1. 2

"Do. Do. the proceedings to enforce payment of certain dishonoured Bills in the case of Bagley Willans & Coy of Leeds, " 13. 7. 11

"Do. Do. the Bank's claim against the Corporation of Plymouth respecting damage by sewage, " 2. 15. -

"Carried forward, £ 2.484.13.9

Report of the Committee for Law Suits on Messrs Freshfield's Bill for Law Charges.

1st March, 1894.

"	Brought forward,	£2.484.13.9
"	Expenses connected with the opposition to the City & South London Rail Bill,	" 13.13.6
"	" Do. Do. the extension of the guarantee in Messrs Baring's affairs,	" 18.6.-
"	" Do. Do. the general affairs of Messrs Baring	" 48.19.10
"	" Do. Do. Do. of Messrs De Murieta	" 5.11.-
"	" Do. Do. Do. of Parochoa Co	" 16.16.8
"	" Do. Do. Mr. Riddle's application respecting burnt Consols Certificates, &c	" 37.3.10
"	" Do. in connection with the Bank's appeal against certain assessments	" 56.19.10
"	" Do. Do. an application for the transfer of Consols in the matter of the Portsea Island Building Society,	" 11.6.-
"	" Do. connected with the prosecution of Elmes, & Portes, for larceny,	" 78.17.10
"	" Do. Do. endeavours taken to detect and punish frauds and forgeries on the Banks.	" 136.8.-
"	General business	" 188.15.6
"		£3.097.11.9
"	Deduct Receipts	" 1.117.10.6
"		£1.980.1.3
"	In the foregoing account of	£3.097.11.9
"	The charges for Drawing Briefs & other general business amounts to £973.2.3	
"	For personal attendances	423.11.2
"	For money advanced in fees to Council	£1.367.19.10
"	Incidental charges	332.18.6
"		1.700.18.4
"		£3.097.11.9

The

1st March, 1894.

" The Committee having satisfied themselves from the chief Accountant's report that the several charges have been made according to the usual rates,

" They recommend to the Court of Directors,

" That the sum of £1,980. 1. 3 be paid to Messrs Freshfield, being the balance of their present Bill for Law Charges to the 30th September last, amounting to £3,097. 11. 9.

C. H. Goschen

Bank of England,

28th February 1894.

The Court approved thereof, and

Ordered,

That the sum of £1,980. 1. 3 be paid to Messrs Freshfield, being the balance of their present Bill for Law Charges to 30th September last, amounting to £3,097. 11. 9.

approved,
and
Their Bill
ordered payment.

The following letter from Messrs Freshfield having been read;

" 5 Bank Buildings,
28th Feb 1894.

Dear Sir,

" We beg to hand you a Deed conveying part of the High Prestwich Farm, Chillingfold, in the County of Surrey, from Mr. James S. Hodgson to Mr. George Henry Pinchard. To this Deed the Governor and Company of the Bank of England are made parties as holding a charge over the property from Mr. Hodgson under the terms of the Memorandum of Deposit which was signed on the 15th March 1893. The purchase money is £3,816. 4. 4, and this is to be paid to the Bank of England on completion.

Letter from Messrs Freshfield with a Deed of Conveyance of property belonging to Mr. J. Stewart Hodgson, upon which the Bank hold a mortgage, to be sealed.

" 30

1st March, 1894:

" It is made up of the price of the lands, £2,530, the
 " value of the Timber, &c, £1,220.2.-, and the other
 " valuations, £66.2.-7.

" The Costs of the Sale will be Deducted from the
 " amount of the purchase money before it is paid
 " over.

" We advise that the Seal of the Bank be affixed
 " to the Conveyance.

" We are, Dear Sir,

" Yours faithfully,

" Freshfields.

" The Secretary

" Bank of England."

approved,
 and
 Deed sealed.

The Court approved thereof, and the Deed
 in question was sealed with the Common Seal
 in Court.

Part IV of the
 Report of the
 Special Committee
 on Emoluments
 Advances, &c,
 Consideration
 further postponed.

The Court had before them Part IV of the
 Report of the Special Committee appointed by the
 Court of the 16th November last, recommending
 the establishment of an Audit Department in
 the Bank, the consideration of which was adjourned
 to this day by the last Court; whereupon

It was moved and Seconded,

That the consideration of the same be
 further postponed till after the Election, in April
 next, of the new Court.

And the Question being put thereon,

The same was Carried.

A Court of Directors at the Bank

on Thursday, the 8th March, 1894.

Present,

David Powell, Esq.; Governor,

Charles George Arbuthnot, Esq.

John William Birch, Esq.

Henry Coome Osme Bonsor, Esq.

Herbert Brooks, Esq.

William Middleton Campbell, Esq.

James Pattison Currie, Esq.

Samuel Stewart Gladstone, Esq.

Benjamin Duck Greene, Esq.

Henry Riversdale Grenfell, Esq.

Henry Buckle Gibbs, Esq.

John Saunders Gilliat, Esq.

Charles Hermann Goschen, Esq.

Robert Henderson, Esq.

Frederick Guth Jackson, Esq.

Reginald Eden Johnston, Esq.

The Right Hon. William Lidderdale,

Edward Bowley Palmer, Esq.

Augustus Prevoost, Esq.

Hugh Colin Smith, Esq.

Alexander Falconer Wallace, Esq.

The proceedings of the last Court were read.

The Governor laid before the Court the following Minute of the Committee of Treasury:

"Committee of Treasury,

"7th March, 1894.

"Resolved,

"That having examined the state of the Bank's

Minutes of the
Committee of
Treasury
recommending
a Dividend on
Bank Stock.

8th March, 1894.

"Dunk's Accounts, the Committee are of opinion that it will be desirable to recommend to the General Court, "That a Half year's Dividend of Interest and Profits be made on the 5th April next of $£2\frac{1}{2}$ per cent, without Deduction on account of Income Tax.

"Bank of England."

agreed to.

The Court agreed thereto, and

Resolved,

That the Governors do acquaint the General Court therewith, on Thursday next, as the opinion of this Court.

Ordered,

At the recommendation of the Committee of Treasury,

Bank Notes,
& lost, &c.

That $£89,716$ be paid for sundry Post Dividend Warrants and Bank Notes, as detailed in the Governor's Declaration Book; the vouchers relating thereto having been examined, and security given to indemnify the Bank.

Audit of
Securities.

A Report from the Committee of Daily Waiting was read, stating that they had audited the Securities held for Advances in the Chief Cashier's Office, and had satisfied themselves that the same were in the safe custody of the Chief Cashier.

Audit of
Securities at
the Western
Branch.

A Report from Mr. Henderson was read, stating that he had audited the Securities at the

8th March, 1894. the Western Branch comprised in the sections numbered 16 and 17, and had found the same in the safe custody of the Agent.

Minute of the Committee of Treasury recommending that Mr. Walter Daubeny, a Cashier, be allowed to retire with a pension.

The following Minute of the Committee of Treasury having been read;

" Committee of Treasury,
" 7 March, 1894.

" A letter was read from Mr. Walter Daubeny, a Cashier, who is over 60 years of age, in which, on account of failing health, he asked permission to retire from the Service; and it was agreed to recommend the Court to accept Mr. Daubeny's resignation, and, in view of his service of 41 years, to grant him, during pleasure, a pension of £306. 13. 4 per annum, being $\frac{46}{75}$ of his salary.

" Banks of England."

agreed to.

The Court agreed thereto.

Report of the Committee for Branch Banks on the existing Advances to Customers at the Branches.

The following Report of the Committee for Branch Banks having been read;

" The Committee for Branch Banks, in pursuance of the Direction of the Court of the 25th January last, have now to Report on the state of the Advances against Securities made at the various Branches of the Bank.

" The Statements of Advances considered by the Committee were dated the 24th November last (shortly after the appointment of the Special Committee which reported on the question of Advances

8th March 1894.

" Advances, Overdrafts, &c, generally) except those of the Western and Law Courts Branches, which were dated the 19th January.

" The Advances at the Branches may be summarized as follows:—

	Number of Accounts.	Amount of Advances.	Percentage.
Advances to Agents & Clerks	29	74.450	1.678
" Do Private Customers	309	1.657.750	37.363
" Do Merchants & Traders	90	1.083.050	24.411
" Do Stockbrokers	46	1.356.750	30.58
" Do Bankers (national)			
" " Penny Bank, West. Sec.)	1	16.000	.36
" Do Sundry Corporations	14	248.900	5.609
" Total	489	£4.436.900	100.

" The quotations of Securities given in the various Statements have been checked as far as it has been possible to do so, but in many cases this has been very difficult, as a considerable proportion of the Securities is composed of those of a local character. Some of those at Birmingham are shares and debentures of private limited companies whose securities are not dealt in at all. Where it seemed expedient the Committee have seen the Agent or Sub-Agent, and communicated to him their views on the state of the Advances at his Branch, after obtaining from him all the information they required and he could give.

" The Liverpool and Law Courts Branches did not detain the Committee long. The amount of money employed at these Branches is very considerable, and the business as a whole - especially at Liverpool - seems good. At the Law Courts Branch the proportion of Advances made to Private Customers seems large, but this, perhaps, is unavoidable if Advances are made there at all.

" In the case of these Branches it does not appear necessary to set aside any reserve against possible losses.

" The Advances at Leeds, Bristol, Hull, Plymouth and Portsmouth do not call for any comment. The amounts employed in each case are comparatively small - in

" the

8th March, 1894.

" the two last named quite insignificant - and seem well secured.

" At Newcastle the only Advance which gives the Committee any uneasiness is the one to Lord Sudley. The amount of the Advance is £13,000, and the Securities held against it are quite unmarketable at present, and their value must be considered as very nominal. The Committee suggest, therefore, that a reserve of £10,000 be provided against this loan.

" At Manchester the following two Accounts show deficiencies, and seem to require reserves.

" S. Moritz, a Doctor in good practice, with an Advance of £4,300 against very speculative but negotiable Securities; and Berend Salomon, a Jewish Rabbi, with an Advance of £6,100 against fair Securities.

" A reserve of £1,000 against each of these Accounts is recommended.

" At the Western Branch Horace Sedgwick has an Advance of £2,000 with no prospect of any recovery. The Committee think the whole amount should be written off.

" A. C. L. Fuller has an Advance of £9,150, and in view of the present state of the Account a reserve of £1,500 seems desirable.

" Lord Kenmare has not paid any interest for the last three or four years on his Advance of £10,000 secured by a mortgage which apparently has no value until his death. The Committee suggest a reserve of £2,500.

" W. Streetfield, a Clerk, has an Advance of £2,300 which he is being pressed to repay. The Committee think £1,000 should be reserved against this Advance.

" The Birmingham Advances have given the Committee a considerable amount of trouble. The amount employed there is larger than at any other Branch, and the business done in Advances seems in many cases of doubtful benefit to the Bank. Two local Trust Companies have very considerable Advances upon speculative and rather doubtful Securities, and in many cases Advances have been given to individuals and firms against Securities of a purely local character. There are no actual deficiencies

8th March 1894.

" Deficiencies in these cases, but the Committee are afraid
 " that many of the Accounts - which have been running for
 " some years - will prove difficult to close without some
 " loss; and they recommend, therefore, that £5000 should
 " be reserved against this probable result.

" In addition to the above there is one Account at this
 " Branch which seems at present to point to a very large
 " deficiency, the amount of the Advances being £44,800,
 " and the nominal value of the Securities held against
 " it £24,500, but it would be impossible now to realize
 " even that amount. Mr. Talles, the recipient of the
 " loan, failed in 1897, and in view of all the circumstances
 " a reserve of £25,000 for this Account is suggested.

" Further, Messrs Smallwood, Wine Merchants, have an
 " Advance of £2500 against Securities which are reported
 " as being of very little value and quite unsaleable, and
 " the Committee think that a reserve of £1,000 should be
 " provided against this Account.

" The Committee held a lengthy interview with Mr. Barham,
 " the Agent, on the subject of the Advances at Birmingham,
 " and have pointed out to him where, in their opinion, a
 " different policy should in future be pursued. It is only
 " fair to Mr. Barham to add that he himself has no
 " misgivings about any of his Accounts, but the Committee
 " fear he takes too sanguine a view of the matter.

" The result of the Committee's investigations into the
 " possible losses upon Advances is, therefore, that reserves
 " are suggested as follows -

" At Newcastle	£10,000.
" " Manchester	" 2,000
" " Western Branch	" 7,000
" " Birmingham	" 31,000
	<hr/>
	" £50,000

" It has not been possible to classify the Securities
 " with regard to their negotiability, in the same manner
 " as was done in the case of the London Advances; but
 " generally speaking the greater number of the Securities
 " held would not be easily negotiable in any considerable
 " quantities

8th March. 1894.

" quantities. At Liverpool the class of Securities leaves
 " little to be desired; but at the other Branches the
 " greater portion consists of the very speculative American
 " Railway Stocks and local Securities which would
 " certainly not be easy of realization.

" It would seem very desirable that, in future, when
 " a deficiency in any Account seems reasonably certain, a
 " reserve should be made against it in the Profit and Loss
 " Account of the Branch at the close of the year in which
 " such deficiency becomes apparent. The Committee have
 " met with cases where a deficiency has been left without
 " comment for some considerable time; nor does it appear
 " that where margins are beginning to diminish any
 " definite steps have been taken to place the Account
 " at once in a satisfactory condition.

" The Committee are strongly of opinion that the rate
 " of interest charged on Advances has been habitually
 " far too low and quite out of proportion to the class of
 " Securities deposited. It appears to have been the practice
 " of the Agents to renew every loan without distinction at
 " maturity, at the lowest rate given them by the Deputy
 " Governor. Only at the Western Branch does any discrimination
 " in this respect seem to have been made. Indeed it would
 " seem to have been a general impression among the Agents
 " that they were acting in accordance with the best interests
 " of the Banks in employing as much money as they could
 " in making Advances. So long as such Advances are
 " made to Customers of the Banks who keep satisfactory
 " general Accounts it is no doubt to the interest of the
 " Bank to give such accommodations; but the Committee are
 " disposed to question the advantage to the Bank of any
 " Account which consists solely of Advances, inasmuch as
 " the tendency is for such Advances to become more or less
 " permanent, as, in fact, has frequently been the case.

" The Committee think it highly desirable that there
 " should be as little delay as possible in instructing the
 " Agents as to the class of local Stocks they may accept as
 " security for Advances. In this connection the Committee
 " think it well to point out that at Birmingham the Banks

" is

8th March 1894

" is in a peculiar position. The Agent reports that
 " Bills of Exchange have practically ceased to exist as a
 " medium in commercial transactions, and have been
 " replaced to a large extent by overdrafts, which are
 " apparently freely granted by the local Banks. Negotiable
 " Securities quoted or known on the London Stock Exchange
 " are not often to be had, and the Agent is therefore anxious
 " to be allowed to take as Security for advances to really
 " good Customers debentures secured by a floating charge
 " on the stock in trade and book debts of the Customer's
 " business. Many businesses have been converted into
 " limited liability Companies for this purpose. Whether such
 " debentures can be created so will give the position of a
 " secured and preferred creditor in all eventualities, is
 " a point on which the Committee will not venture an
 " opinion; but if that is possible it will be for the Court
 " to decide whether such a Security should be accepted
 " by the Bank. It is a question of expediency, but without
 " some such step it is difficult to see how the Branch at
 " Birmingham is to continue to retain its Customers, as the
 " Securities which the Bank at present require are not
 " to be had. Such debentures have already been accepted
 " by the Agent to a limited extent and do not seem
 " likely to give the Bank any trouble.

" Returns of the average amount of Deposits, Discounts,
 " Advances, &c. at the several Branches for the years 1889
 " to 1893; also a detailed classification of the Advances
 " considered by the Committee, are annexed.

" C. A. Gooch

" 6th March 1894 "

approved.

The Court approved thereof.

A Court of Directors at The Bank,

on Thursday, the 15th March, 1894.

Present,

David Powell, Esq., Governor,

Charles George Arbuthnot, Esq.	Charles Hermann Gooch, Esq.
John William Birch, Esq.	Robert Henderson, Esq.
Henry Coome Orme Bond, Esq.	Frederick Arthur Jackson, Esq.
Herbert Brookes, Esq.	Reginald Eden Johnston, Esq.
William Middleton Campbell, Esq.	The Right Hon. the Earl of Leven and Melville,
James Pattison Currie, Esq.	The Right Hon. William Liddardale,
Samuel Stewart Gladstone, Esq.	Edward Howley Palmer, Esq.
Benjamin Buck Greene, Esq.	Augustus Prevost, Esq.
Henry Riversdale Greenfell, Esq.	Hugh Colin Smith, Esq.
Henry Huelo Gibbs, Esq.	and
John Saunders Gilliat, Esq.	Alexander Salomon Wallace, Esq.

The proceedings of the last Court were read.

Out Cash.

Mr. Johnston reported the Out Cash to have been taken in and found right.

Ordered,

at the recommendation of the Committee
of

Bank Notes,
or lost, &c.

15th March 1894. of Treasury,

That £29,114. 2 be paid for a Post Dividend Warrant and sundry Bank Notes, as detailed in the Governor's Declaration Book; the vouchers relating thereto having been examined, and securities given to indemnify the Bank.

Audit of Securities.

A Report from the Committee of Daily Waiting was read, stating that they had audited the Securities contained in Drawers Nos: 15 and 59, and had satisfied themselves that the same were in the safe custody of the Chief Cashier.

Letter from Messrs Freshfield with a further Power of Attorney to Messrs Arbitrator & Co. of Madras, respecting Nilgiri R. Debentures to be sealed.

The following letter from Messrs Freshfield having been read;

5 Bank Buildings, &c.
14th March, 1894.

Dear Sir,

"We beg to hand to you a Power of Attorney which requires the Seal of the Bank to be attached to it, and we advise that the seal of the Bank be affixed tomorrow.

"The Power of Attorney is from the Bank to Messrs Arbitrator & Co. of Madras, and enables them to act for the Bank and to protect their interests with reference to the Bonds of the Nilgiri Railway Company which the Bank holds.

"The present position of the Company is that a provisional liquidator has been appointed in India at the instance of the Debenture holders.

"The Power of Attorney is required to enable Messrs Arbitrator to prosecute this proceeding and to negotiate with the Indian Government in India as to the position which they (the Debenture holders) shall in future occupy.

"We are, Dear Sir,
Yours faithfully,
Freshfields
To the Secretary,
Bank of England."

The

15th March, 1894.
approved,
and
Power of attorney
sealed.

The Court approved thereof, and the
Power of Attorney in question was sealed with
the Common Seal in Court, in the presence
of Mr. W. M. Harris, a Notary.

a Court of Directors at The Bank

on Thursday, the 22nd March, 1894.

Present,

David Powell, Esq., Governor,

Charles George Arbuthnot, Esq.

John William Birch, Esq.

Henry Coemo Come Dinos, Esq.

Herbert Brooke, Esq.

William Middleton Campbell, Esq.

James Pattison Currie, Esq.

Samuel Stewart Gladstone, Esq.

Benjamin Buck Greene, Esq.

Henry Riverdale Grenfell, Esq.

Henry Charles Gibbs, Esq.

John Saunders Gilliat, Esq.

Charles Hermann Goodwin, Esq.

Robert Henderson, Esq.

Frederick Arthur Jackson, Esq.

Reginald Eden Johnston, Esq.

The Right Hon. the Earl of Devon
and Melville,

The Right Hon. William Liddesdale,

Edward Howley Palmer, Esq.

and

Albert George Sandeman, Esq.

The proceedings of the last Court were read.

The Governor reports that Mr. Wigram is unable through illness to undertake the Governorship.

The Governor informed the Court that the Deputy Governor, who had been absent on account of illness since the 20th February last, was in a state of health which would not admit of his being able to assume for some time to come the position

22nd March 1894 position of Governor, for which he had been selected on the 23rd November last;
and it was

Resolved unanimously,

That this Court desire to express their sincere sympathy with the Deputy Governor, Mr. Clifford Wigram, in the illness from which he is suffering, and their regret that, owing to this cause, he is unable on the present occasion to undertake the Duties of Governor.

In view of these circumstances the Court proceeded to vote by Ballot for a Governor to be recommended to the Court of Proprietors for the year ensuing in the place of Mr. Wigram, when David Powell, Esq. was chosen to be recommended to the Court of Proprietors to be elected Governor.

Resolved,

That the following Advertisement be inserted in the Daily Papers:-

"1894.

"The following is the House List of Governors and Directors of the Bank of England for the year ensuing:-

"For Governors,

"David Powell, Esq. Governor,

"Albert George Sandeman, Esq. Deputy Governor,

"For

Resolution of sympathy with Mr. Wigram.

Mr. Powell selected for Governor.

House list 1894.

22nd March 1894

" For Directors,

" Charles George Arbuthnot, Esq.	Edward Alexander Hambro, Esq.
" John William Birch, Esq.	Robert Henderson, Esq.
" Henry Cosmo Orme Bonas, Esq. M.P.	The Hon. Evelyn Hubbard,
" Herbert Brooke, Esq.	Frederick Wills Jackson, Esq.
" William Middleton Campbell, Esq.	Reginald Eden Johnston, Esq.
" Sir Mark Wills Collet, Bart.	The Right Hon. William Liddell Dale,
" James Pattison Currie, Esq.	Edgar Lubbock, Esq.
" Benjamin Bucks Greene, Esq.	Samuel Hooper Morley, Esq.
" Henry Riversdale Grenfell, Esq.	Edward Bowley Palmer, Esq.
" Henry Charles Gibbs, Esq.	Augustus Prescott, Esq.
" John Saunders Gilliat, Esq. M.P.	Hugh Colin Smith, Esq.
" Charles Hermann Goschen, Esq.	Clifford Wigram, Esq.

" The Election for Governor and Deputy Governor will
" be held at the Bank on Tuesday, the 3rd April, and
" for Directors on Wednesday, the 4th April, from Eleven
" o'clock in the forenoon till Four in the afternoon."

Ordered,

At the recommendation of the Committee
of Treasury,

That £31. 17. 3 be paid for sundry Post
Dividend Warrants and Bank Notes, as detailed
in the Governor's Declaration Book; the vouchers
relating thereto having been examined, and security
given to indemnify the Bank.

Audit of
Securities.

A Report from the Committee of Daily
Waiting was read, stating that they had audited
the Securities contained in Drawers Nos. 19 and 75,
and

22nd March, 1894.

and had satisfied themselves that the same were in the safe custody of the Chief Cashier.

Minutes of the Committee of Treasury recommending the usual donation of £100 to the Bank Division of the Civil Service Rifle Corps.

The following minute of the Committee of Treasury having been read;

"Committee of Treasury.

"21 March, 1894.

"It was agreed to recommend to the Court of Directors,

"That the usual donation of One hundred pounds be made in aid of the funds of the Bank of England Division of the Civil Service Rifle Volunteers.

"Bank of England."

agreed to.

The Court agreed thereto.

The following minute of the Committee of Treasury having been read;

"Committee of Treasury.

"21 March, 1894.

"It was agreed to recommend to the Court that certain cheques for Home Office Pensions, &c. on account of the Indian Government, which it has been the practice hitherto not to pay until a life certificate has been received and attached to them, be paid in future, in the case of customers of the Bank, on presentation, without such life certificates being produced - the Bank holding the Secretary of State for India harmless in the terms of an Indenture furnished by the Secretary of State, which it is further recommended, should be sealed by the Bank.

"The cheques of the Indian Government to which the proposed arrangement will apply are for the payments enumerated

The Indenture of Indemnity to the Secy of State was sealed by the Bank at the Court of 24th April 1894.

Letter from Mr. Waterfield as to the necessity of the Indenture being sealed, put up with Court Minutes of 5 April 94.

22nd March, 1894

" enumerated in the schedule to the Deed prescribed by
" the Secretary of State.

" Bank of England."

agreed to.

The Court agreed thereto.

Minutes of the
Committee of
Treasury
recommending
additions of
salary to certain
Officers of the
House.

The following minute of the Committee of
Treasury having been read;

" Committee of Treasury,

" 21 March, 1894.

" With further reference to the Salaries of the Chief
" Officers of the House, those of the Chief Cashier and the
" Chief Accountant having been dealt with on the 22nd ultimo,
" it was agreed to recommend to the Court of Directors,

" That the salary attaching to the post of Secretary, be
" in future £1,500, and that Mr. Hammond Chubb, the present
" holder of the Office, retain the personal additional
" salary of £500 which he now receives.

" It was also agreed to recommend that the salaries
" attaching to the posts of Deputy Secretary and Assistant
" Secretary be raised respectively to £1,000 and £600:
" that Mr. Glennie, the present Deputy Secretary, retain his
" personal additional salary of £300, and that Mr. Dawson,
" the present Assistant Secretary, be granted a personal
" additional salary of £500.

" All the foregoing salaries to take effect as from the date
" of the appointment of the present Chief Cashier.

" And, further, it was agreed to recommend that the
" salaries attaching to the posts of Deputy Chief Cashier and
" Deputy Chief Accountant be raised respectively to £1,500
" and £1,200, to date from the appointment to these
" Offices of Mr. Naime and Mr. Farrell, and that the
" holders of all the foregoing Offices be subject to the
" conditions as regards Commissions, &c., enumerated in
" the Report of the Special Committee appointed by the Court of
" the 16th November, 1893.

" Bank of England."

agreed to.

The Court agreed thereto.

The

22nd March, 1894.

Letter from the
Committee of
the Stock Exchange
respecting a
statement made
by the Governor
at the recent
Court of
Proprietors.

The Governor laid before the Court the
following letter from the Committee of the Stock
Exchange;

" Committee Room,
" The Stock Exchange.
" London, 16 March, 1894.

" Sir,

" In the account given this day in "the Times" of
proceedings yesterday at the Meeting of Proprietors of the
Bank of England, the Governor of the Bank is reported to
have said.

" It transpired, moreover, that, in violation of the strict
rules of the Bank, Mr. May had engaged in Stock Exchange
speculations which had placed him in serious
pecuniary difficulties.

" The Committee of the Stock Exchange have instructed
me to ask the Court of Directors to furnish them with
definite information respecting any speculation done for
account of Mr. May by any member of the Stock
Exchange.

" I am,
" Sir,

" Your obedient servant,
" Francis Leveson
" Secretary

" Hammond Chubb, Esq;

" Secretary of the Bank of England."

and also the following letter from the Bank in
reply thereto;

" Bank of England,
" 21st March, 1894.

" Sir,

" I am directed by the Governor to inform
you that the Directors have had under consideration
" yours

Letter from the
Bank in reply.

22nd March, 1894.

" your letter of the 16th instant, in which, by desire of the
 " Committee of the Stock Exchange, you call attention to
 " some remarks of the Governor at the General Court held
 " at the Bank on the 15th instant, to the effect that Mr.
 " May, the late Chief Cashier, had engaged in Stock Exchange
 " speculations which had placed him in serious pecuniary
 " difficulties; and, in reply, I am to say that the Bank's
 " knowledge of Mr. May's speculations was derived from
 " his own admissions, but that they have no direct evidence
 " on the subject to lay before your Committee.

" I am,
 " Sir,

" Your obedient servant,

" Hammond Chubb
 " Secretary

" Francis Levein, Esq.
 " Secretary to the Committee of
 " the Stock Exchange."

approved.

The Court approved thereof.

A Court of Directors at The Bank

on Thursday, the 29th March, 1894.

Present,

David Powell, Esq.; Governor.

Charles George Arbuthnot, Esq.	Everard Alexander Hambro, Esq.
John William Birch, Esq.	Robert Henderson, Esq.
Henry Cosmo Orme Gosset, Esq.	Federick North Jackson, Esq.
Herbert Brooks, Esq.	Reginald Eden Johnston, Esq.
William Middleton Campbell, Esq.	The Right Hon: the Earl of Liven and Melville,
James Pattison Currie, Esq.	The Right Hon. William Siddonsdale,
Benjamin Buckle Greene, Esq.	Edward Howley Palmer, Esq.
Henry Riversdale Grenfell, Esq.	Augustus Prevost, Esq.
Henry Buckle Gibbs, Esq.	Albert George Sandeman, Esq.
Charles Hermann Goschen, Esq.	Hugh Colin Smith, Esq.

The proceedings of the last Court were read.

Pursuant to Minutes of Court of the 2nd April, 1835 and 3rd April 1873, the following Resolution was read; vizt.

Resolutions as to Ex-Directors selling their Qualifications.

"That

29th March, 1894.

" That in the opinion of this Court, from and after this date, Ex. Directors selling the whole or any part of their Qualification should not be recommended to the Court of Proprietors for re-election."

Out Cash.

Mr. Henderson reported the Out Cash to have been taken in and found right.

Ordered,

Bank Notes
lost, &c.

At the recommendation of the Committee of Treasury,

That £50. be paid for sundry Bank Notes, as detailed in the Governor's Declaration Book; the vouchers relating thereto having been examined, and security given to indemnify the Bank.

£100 to be invested in Consols' Lost Note Account, for the benefit of James Birchby.

Also, that £100 be invested in Consols' Lost Note Account, for the benefit of James Birchby, in respect of a Bank Note for that amount alleged to have been lost by him in January, 1889.

Audit of
Securities.

A Report from the Committee of Daily Waiting was read, stating that they had audited the Securities contained in Drawers Nos: 58 and 64, and had satisfied themselves that the same were in the safe custody of the Chief Cashier.

Minute of the
Committee of
Treasury
recom-

The following Minute of the Committee of Treasury having been read;

" Committee

29th March, 1894.

recommending
that John Henry
Tuckers, late of
the Bristol Branch,
be appointed a
Cashier.

Committee of Treasury,

28 March, 1894.

" It was agreed to recommend to the Court
of Directors that John Henry Tuckers, late of the
Bristol Branch, but now a Clerk Unattached, be
appointed a Cashier, in the room of Walter Daubeny,
who has been pensioned - the appointment to date
from the 8th instant, when Mr Daubeny retired.

"Bank of England."

agreed to:

The Court agreed thereto.

The said John Henry Tuckers was then
empowered to sign Bills and Notes for the
Governor and Company of the Bank of England,
and it was

Ordered,

That his appointment be advertised
in the London Gazette of the 30th instant; and
that he be required to give the usual
additional security in £1000.

his appointment
to be advertised,
"

Letter from the
Deputy Governor
in acknowledgment
of Resolution

The Governor laid before the Court a letter
from the Deputy Governor in acknowledgment of
the Resolution of sympathy with him in his present
illness which was passed by the last Court.

Strictly Confidential.]

R E P O R T

TO THE COMMITTEE OF TREASURY

BY

THE CHIEF CASHIER, THE CHIEF ACCOUNTANT & THE SECRETARY,

UPON

THE INTERNAL ADMINISTRATION OF THE BANK.

February, 1893.

REPORT TO THE COMMITTEE OF TREASURY BY THE CHIEF
CASHIER, THE CHIEF ACCOUNTANT AND THE SECRETARY,
UPON THE INTERNAL ADMINISTRATION OF THE BANK.

In obedience to the instructions of the Committee of Treasury of the 23rd November last,* we have considered in detail the present administration of the Bank, and the possibility of introducing changes tending to economy, and have now the honour to report the result of our inquiry.

It has long been manifest that there are two main obstacles to economy in the Bank's administration; the first, common to banking business generally, is the irregularity of the work, which is subject to periods of considerable pressure and slackness, not only within the year but within the day; and the second, the employment, for some of the duties in the Bank, of a class of persons not always well fitted for such duties. Another obstacle undoubtedly exists in the present structural conditions of the Bank.

Efforts have long been made to meet in some degree the difficulty arising from such pressure and slackness, by so arranging the leave of absence to Clerks that it should fit in with the conditions of work; but this does not meet the daily waste due to this cause.

The class of persons ill-adapted for the work may be illustrated by the Uncovenanted Clerks, who are chiefly employed in sorting old Bank Notes. This was formerly done by fixed clerks of all ages, and though the change some thirty years ago to these younger clerks, of from 16 or 17 to 20 years of age, was an improvement, it is felt strongly that this work is unsuited to them, and that, at a most teachable time of life, they learn nothing, apart from discipline, that can benefit them much in their subsequent Bank service. Coming, many of them, fresh from school, they are clumsy and unmethodical, and as they enter the regular service after a few years, the whole number is changed frequently (about every three years), and the department is thus carried on by a constantly changing body, many of whom must needs be inefficient. The work is of a kind which would be best performed by women (on which subject we desire to speak more fully later on), or at least by persons of the class of mechanics now employed in "posting and pricking" notes.

With the view of obtaining the fullest information, we addressed a series of questions to the Principals of Offices, and have obtained valuable information both of a detailed and general character; and we desire to bear testimony to the loyal and able manner in which, as a rule, these inquiries were met.

The work of the Bank, for the purposes of this inquiry, may be conveniently considered under the heads of (1) ISSUE; (2) PAYMENT OF DIVIDENDS; and (3) GENERAL BUSINESS; and the conclusions to which we have been led will be most clearly understood under these classifications.

* The following are the terms of the reference:—To "consider if any, and what, changes can be made in conducting the business of the Bank, which, whilst maintaining a high state of efficiency, may effect economies in administration."

1. ISSUE.

In the ACCOUNTANT'S BANK NOTE OFFICE, where the bulk of the Notes are inspected, and all cancelled Notes are sorted and listed by clerks, and "posted" and "pricked" by mechanics, we find that a new system, now in course of adoption, by which the process of "posting and pricking" ~~is~~^{is} done in one operation, will enable two or three mechanics to be dispensed with.

We are strongly of opinion that the work of sorting and posting Notes, more especially the sorting process, is more fitted for women than for men or lads. On the general question of female labour, and the opportunity here afforded for its introduction, we offer some remarks later on; but if our views on this subject should not meet with approval, and it be determined not to introduce the system, we are of opinion that the work of sorting Notes should (for the reasons we have stated elsewhere) not be carried out as at present by uncovenanted clerks, but be performed by persons of the class of mechanics, similar to those now employed in posting, &c. With longer hours (nine till five) and permanent employment on the same class of work, the duties, now engaging about thirty-eight young clerks, could probably be carried out by thirty persons (or perhaps fewer) of the mechanic class, and there would thus be a saving of eight persons. Mechanics would, however, probably receive slightly higher pay than is now given to uncovenanted clerks, and therefore the whole cost of the eight persons would not be saved.

The UNCOVENANTED CLERKS now number 48, of whom 24 are nominated by Directors, the remaining 24 being sons of clerks; and, as a great part of the work they now perform would, by the adoption of the foregoing plan, be done by women or by persons of the class of mechanics, we think it would be desirable to reduce their numbers by limiting the Uncovenanted Service to the sons of clerks. The Directors' presentations to these clerkships would therefore cease, but their nominations to the Covenanted Service would, at the same time, be *pro tanto* increased; while the system, so far as it affects clerks in the service, to whom it is felt to be a great boon, would remain untouched. In the case of clerks' sons, there is also usually the much-desired assurance that they will reside with their parents, and there is undoubtedly a greater hold upon them than in the case of the Directors' nominees.

With this reduction the number of Uncovenanted Clerks would stand nominally at 24, but we think it would be desirable, although it would add to the expense, that at some definite period, say when they have attained the age of 20 (to be reduced to 19, or even 18, at some future date), they should enter the regular service at the election next occurring. The Uncovenanted Clerks now experience a distinct disadvantage in the long delay which occurs before some of them have an opportunity of coming upon the covenanted list, and the delay might be indefinitely extended if our recommendations which follow should be adopted. The nominal number of Uncovenanted Clerks would thus be variable; but assuming it to be fully maintained, ten of them would still be employed in the Accountant's Bank Note Office on the work of collecting and listing Notes,—duties which they now perform; and the remaining number would be employed in other offices on work suited to their capacity.

A further saving in this (the Accountant's Bank Note) Office appears to be feasible. At present there are eight Assistants; and as, under present arrangements, all applicants for the Stock Offices pass through this office, the result is that these Assistants are a constantly changing body, and are never altogether efficient. The Principal could work with five Assistants, instead of

eight, if they be only permanent clerks. We believe that the present arrangements can be so modified as to meet this requirement, and thus a considerable saving would be effected.

Under the head of Issue fall also certain changes which we propose in the SUB-CASHIERS and the CASHIERS' STORE. The title of "Sub-Cashiers," or, until lately, "Supernumerary Cashiers," dates from a period when they signed Bank Notes. They now only count Notes of £5, as they come from the printers, and examine and count those of higher denominations. It is a position carrying a certain responsibility, as they are responsible for the correctness of the Notes placed in the Treasury. But the work is of the most mechanical and unintellectual character, and the Sub-Cashiers, of whom there are eight, whilst persons of the highest integrity, are not fitted for active work. We are satisfied that by working somewhat longer hours three efficient Clerks could perform the work now done by the eight Sub-Cashiers. At present Bank Notes are not printed after three o'clock in the day, in order to give the Sub-Cashiers time to examine them and place them in the store safes of the Treasury before 3.30 the same afternoon. After careful consideration there does not appear to be any reason why this should be done. The Sub-Cashiers' room, adjoining the Printing room, also adjoins the Cashiers' Store, which possesses a Strong Room quite equal, structurally, to the Treasury, and is under the control of an intelligent Cashier. It is therefore proposed to abolish the post of Sub-Cashier altogether; to give the Cashiers' Store Office three superior Clerks,—men of the standing and rank of the present Sub-Cashiers, with, possibly, the Sub-Cashiers' pay of £400 a year; to continue the printing of Notes up till four o'clock, and to store them for the night, after examination, in the Strong Room of the Cashiers' Store, instead of the Treasury, whither they would be taken on the following morning. By working until four o'clock, and by the employment of more active men, not only will there be a saving of five Sub-Cashiers, but other advantages will also be obtained. The morning hours, when the Cashiers in the Treasury are least engaged, will be a much more convenient time during which to receive the new Notes than, as now, the afternoon; and, by working the printing presses till four o'clock instead of three, and adopting some minor changes as to the printing of different denominations, two printing machines may probably suffice for printing Notes, instead of the three now employed. The machine thus set free would be utilized for other purposes to very great advantage.

This completes the changes which it appears at present advisable to carry out in the Issue Department, and would probably result in a money-saving of about £3,000 a year, irrespective of the advantage which it is believed would result from a better classification of the work, &c.

2. PAYMENT OF DIVIDENDS.

Under this head we consider that there is room for alteration in the administration which would tend alike to efficiency and economy.

DIVIDEND PAY OFFICE.

The quarterly payment of Dividends, the increase in Colonial Stocks and Coupons, and the transmission of Warrants by post, has led to a considerable alteration in the work of this office; there are now fewer payments in cash over the counter than formerly, but far more listing and entering of Warrants. The

office requires a great addition of clerks at each quarterly payment, as many as forty-five Unattached Clerks being generally lent to it on these occasions for some days. In the morning there is insufficient work to employ so great a number, whilst in the afternoon and evening the pressure is extreme. It has been a question whether, for a few days at least, at each payment, some of the work could not stand over until the morrow, but we have felt that any retrograde movement of this character would be undesirable, and believe that instead of the pressure of these periods being met as now almost wholly by Unattached Clerks, it could be met by a draft of Clerks from the Stock Offices, where the pressure ceases at about 3 o'clock. Only selected men, who would render efficient service, should be sent, and possibly some slight remuneration should be attached to such duty. By this means it is estimated that about fifteen fewer clerks would be required in this office at the time of "payment." Apart, however, from all saving, we strongly feel that a distinct advantage would arise from the more equal distribution of the work throughout the day.

POST WARRANT OFFICE.

We feel some regret that it appears necessary to continue this as a separate office, as we believe that, but for structural difficulties, it might be combined with the general Dividend Office, of which, as part distributor of dividend warrants, it really forms a branch. The work, however, devolving upon it is still in a transition state, and it may be well that for some few years to come the system should be consolidated under those who have long been engaged in carrying it on. We are of opinion, however, that the work of addressing envelopes, of which there are now over 380,000 every year, and which now forms the daily work of some five clerks, may with advantage be done by selected volunteers, after the close of business, at a certain rate, say two shillings per 100. We believe the addresses would be written in a better and more business-like manner, and that many of the absurd errors now made by the young clerks would be avoided.

On a rough calculation, about five Unattached Clerks could thus be dispensed with.

CHEQUE OFFICE.

The Cheque Office does not at present appear to lend itself to any distinct changes. As the work in it can be spread over the whole day the clerks are steadily employed. We propose however that, so far as structural arrangements will permit, a larger number of clerks than is now the case should be sent from the Stock Offices after three o'clock, under similar conditions to those sent to the Dividend Pay Office. To the extent to which this is possible, some diminution may be made in the large number of Unattached Clerks absorbed by this office at certain periods of the year.

The changes proposed in this branch of the service it is estimated will result in a money-saving of about £800 per annum.

3. GENERAL BUSINESS.

From careful consideration of the work of Offices other than those already dealt with, we think that there is at present no room in them for any specific changes such as those already contemplated; but a slight modification in the work of the PUBLIC DRAWING and BILL OFFICES would permit of a diminution of the staff of each Office by two Clerks—or four in all.

It has been a matter for regret that we have been unable to see our way to an interchange of Clerks between the Stock and Banking offices. Broadly speaking, in the Stock offices there is comparative leisure in the morning, until about eleven or half-past eleven,—the clerks do not come until half-past nine. During the middle of the day there is often great pressure in the Transfer offices, but there is a great decrease in the amount of work after three o'clock. In the Banking offices, on the other hand, the work is heavy in the morning (writing pass-books, calling over cash-books, &c.), and very pressing indeed in the later hours of the day; the middle period—between half-past eleven and half-past two to three o'clock—being comparatively leisure hours. Although it seems a simple matter to devise a scheme which would enable mutual assistance to be given, we are unable to suggest any satisfactory arrangement. Some steps have already been suggested in this direction as between the Stock offices and the Dividend Pay and Cheque offices, and in addressing envelopes, but these may all be regarded as branches of one business. When, however, it becomes a question of Stock Office Clerks working in the Drawing Offices, and Drawing Office Clerks in the Stock Offices, rooted habits, and possibly prejudices, have to be considered. We fear that any scheme would not be heartily entered into, and it might be difficult to maintain discipline.

We are of opinion, however, that a modified scheme might be tried with good hope of success, by forming what might be termed a "Flying Column" out of the most promising Unattached Clerks. Amongst them in each election are always some who have had business experience or have good natural abilities, who would be quite fit for the simple duties for which they would be required; and after the first six months' Report, a stated number might be formed into a class with a moderate additional salary (say of £10 each), who, under strict regulations, should give their services from hour to hour when and where they are needed. Thus, in the morning they would write up pass-books, etc., in the Banking offices; at eleven or later they would enter transfers in the Stock offices, and at three o'clock return to the Banking offices for the pressing cash-book work. We think that after such a system has been fairly tried five members of the "Flying Column" would be found to be equal to, say eight Assistants, who might consequently be dispensed with. The system might be extended as opportunity offered, and a class of clerks would grow up who would regard the Bank as a whole, and be less imbued than those now in the service with the traditions of the two sides of the House.

There remain some questions of a more general character to which we have directed our attention.

First, as to Leave of Absence. There is a feeling that the period of 21 working days, now granted only after twenty years' service, should be allowed after 10 years' service; and, believing that the change will involve no additional staff, we should be glad to see the privilege accorded. It may, however, in this case, be well that rather more stringency than now prevails should be exercised in the case of absence for illness of a temporary character, it being distinctly made known that absences from trifling causes may be deducted from the Governor's leave.

Our attention has also been called to a system which exists more or less throughout the House of allowing leave till 10 o'clock in the morning, and of what are termed "Offs," which are granted at such times of the year as the work will admit. "Offs" date from a period anterior to the four o'clock closing, and early closing on Saturdays. The precise hour at which they begin varies in different offices, but generally it is at two o'clock. In some offices, when the work admits, they fall to clerks once a week, in others about every ten days. In the Stock offices there is now no recognized system of "Offs," but when the work permits, *i.e.*, when transfers are few and the payment of dividends slack, "Offs" are freely given provided no work is allowed to get in arrear.

As regards the 10 o'clock attendance in the morning, we would recommend its continuance. The privilege is generally confined to the older clerks, such as Counter Clerks, who can be well spared at that hour in the morning, and who could not well take up other work; but the "Offs" constitute a considerable interference with business at the heaviest time of the day. Whilst, therefore, we would not suggest any limitation of the existing power of a Principal of an Office to give indulgences of the kind when they may be specially asked for, and the work permits, we recommend that the system of regular "Offs" be abolished, and that, instead, one day's leave a quarter be given to each clerk. This, with Bank Holidays, would make eight days' leave beyond the ordinary Governor's leave. We think it would be appreciated by the clerks, and it would, we believe, introduce greater regularity into the working of offices, and permit some economies to be set on foot which are now difficult to arrange.

The abolition of the Sub-Cashiers, if carried out, would unquestionably tell somewhat heavily against a class of clerks not so numerous perhaps as formerly, but still existing, eminently respectable men, but without much energy, either physically or intellectually. The pay is £400 a year, and as the work they have to do requires only very moderate capacity, the appointments to the office have fallen by seniority in the service, in the proportion, under a comparatively recent regulation, of three-fifths to clerks on the Cash side of the House, and two-fifths to those on the Accountant's. The result is, that practically all clerks on the Cash side unfit for other appointments carrying so high a salary as £400 a year, and most clerks similarly situated on the Stock side, do actually reach a salary of £400 before retirement.

Under the circumstances already set forth we could not but recommend the abolition of the Sub-Cashiers. We venture, however, to think that long and respectable service should meet with some reward on its own account, and we would suggest that, after thirty-five years' service, an additional salary of say £20 a year should be given as "Long Service" pay to a limited number of clerks who have not attained £400 a year, provided such additional pay does not raise the salary of the recipient above that amount,—in which case a proportionate part only of £20 would be given. A somewhat similar arrangement, which secured an addition of £30 to the salaries of all clerks of thirty-five years standing, was formerly in force, but was properly discontinued in the case of those coming under the revised scale of salaries in 1866. The abolition, however, of the Sub-Cashiers seems to call for the reintroduction of some such provision.

This subject naturally recalls a rather difficult question, as to the disposition of some Clerks who, through physical or mental defects, do not come up even to the foregoing standard. In the ever-increasing tension of the service there is less and less room for these failures, and we feel that in the future they would have to be dealt with more promptly than at present. We believe that much might be done by dealing with such clerks in the earlier years of their service, whilst other opportunities are still open to them. Perhaps a more general and stricter view might be taken of their fitness for the service at the end of their two years' probation, and cases dealt with more summarily than has been the practice hitherto.

We further submit that the Annual Election of Clerks might be regarded as an occasion on which the suitability of clerks for the service should be considered. At present it is a mere form, and each Principal of an Office is called upon, in set terms, to recommend for re-election clerks whom he knows to be more or less useless. We suggest, therefore, that early in each year—in time to give full opportunity for the consideration of each case—every Principal should be able to put forward the name of any clerk whom he cannot recommend, in order that the case may be dealt with as the Court may think proper.

We also venture to urge greater strictness as to the Hand-Writing of Candidates. The examinations have steadily operated, we believe, in improving the class of clerks in the service, but the hand-writing of many is still quite unfitted for it. It is a qualification which, with very few exceptions, is in the power of every young man to attain; but we notice that, after admission to the service, there is very little effort made to acquire it. We would suggest that candidates be thrown back until they have mastered this first essential of a serviceable clerk.

On the subject of Female Clerks, we thought it would be well, through the Superintendent of the Printing Department, to make inquiries of the Officials of the Post Office as to their experience in the employment of women. We have received the most cordial assistance, and we find that women are there entrusted with work which goes far beyond the sorting of Cancelled Orders, and the Department testify that the work is done more neatly, more correctly, and more expeditiously than would be the case with men; and that there is a quietness and good order in the Department where the work is conducted which did not exist when young men and lads were employed. The work on which women could be properly engaged in the Bank would be chiefly the sorting, &c., of old Bank Notes now done by uncovenanted clerks, and the posting, &c., now done by mechanics. This would probably employ about 50 women. It might be found well to subsequently extend the duties to counting Postal Note and India Note paper on its receipt from the mills. We confess that it is somewhat humiliating to see blank Postal Note paper, which, at Messrs. Portal's mills, is counted by women, and which, when printed and converted into value here, is counted by a mechanic, counted in its intermediate stage by men of education receiving salaries of over £300 a year.

There are still other duties, such as Addressing Envelopes and Sorting Old Warrants, in which the services of women might ultimately be available. The economy which we are convinced would result from their employment would be very considerable.

We do not under-rate the difficulties, but we believe that, as in the case of the Post Office, these could be overcome. The Bank Note sorting would give an excellent opportunity for the system being tried on a small scale, and we are strongly of opinion that it would be desirable to take advantage of such an occasion, which might not again present itself, or, if so, under far less favourable conditions.

Realizing the necessity for entirely separate accommodation for women, we have thought of different modes of meeting this. One plan which suggests itself would be the occupation, for women only, of one of the houses in Bank Buildings. The separation here would be complete; and, as nothing of value would be taken out of the Bank, there would be no risk. Another suggestion is to build some rooms on the roof which could be reached by the housekeeper's staircase. The structural difficulties in this case would not be great. A third suggestion, which we should be glad to see carried out, is that arrangements

be made by which the Chief Accountant's residence would become available. This range of building is in close connection with the Printing Offices and the Paper Store, and would be exceedingly convenient for all purposes for which it is probable women would be employed; at the same time there is a ready means of access from the Lothbury Gate, so that the women using it would be entirely separated from the general staff. The accommodation would, we believe, be sufficient, and the cost of adapting the room would be comparatively small.

Under any circumstances, whether or not women be employed, it seems probable that some other quarters will have to be found before long for those engaged in sorting and posting old Bank Notes than that now occupied. The need for increased space in the Printing Department is becoming a pressing question, and the most reasonable mode of meeting it appears to be the resumption by that Department of the ground floor of the block of buildings now used by the Note Sorters, etc., of which it now occupies the upper floors. By the adoption of the foregoing proposal for utilizing the Chief Accountant's residence this difficulty would be met.

An estimate, so far as this is possible, shows that our proposals, when carried out, would result in a saving of about £4,500 a year, which would be considerably increased by the employment of women in the manner suggested; but we believe that the proposed enlargement of the system of interchangeability between offices would tend to develop as time passes, that greater economy would in due course result, and that there would be a growing improvement in the service, both as it affects the Bank and the Clerks employed in it.

In these remarks it will be seen that we have dealt with the Head Office alone, and that we have only sketched our suggestions in outline. Greater detail would have unduly lengthened our Report, and at this stage appears unnecessary.

We cannot, however, refrain from referring to the structural conditions now existing in the Bank, which prove a constant bar to better administrative economy. Already we have seen that these conditions hinder the abolition of the separate organization of the Post Warrant Office. In principle there is no difference between the work in the different Stock Offices, or between the Public and Private Drawing Offices. With the improvement in the class and discipline of the Clerks employed, there would be no difficulty whatever in carrying on each group of Offices as a single Department, with advantage and economy. The question is one which must force itself on the attention of any one who takes a general view of the work carried on within the Bank, and it stands in the way of any comprehensive scheme of administrative reform. But whilst we believe that this important question must be considered before long, if, indeed, the time for doing so has not already arrived, we have not felt that it came within the scope of our present inquiry, which, consequently, we have limited to adapting the means at hand to the general circumstances as they now exist.

F. MAY,
H. G. BOWEN,
HAMMOND CHUBB.

BANK OF ENGLAND,
February, 1893.

SUMMARY OF ALTERATIONS PROPOSED BY THE REPORT.

ISSUE.

Page		£
2.	By new system of "posting and pricking" now being introduced; a saving of two or three Mechanics (say three at £70)	210
2.	By substitution of 30 Mechanics for 38 Uncovenanted Clerks, say	250
2.	By 14 Uncovenanted Clerks free to take the place of an equal number of Unattached Clerks (average salary of Unattached Clerk, £90)	420
	<i>Less</i> , Cost of placing all Uncovenanted Clerks of 20 years of age upon full service List	90
		330
2 & 3.	By reduction of three Assistants in the Accountant's Bank Note Office (average salary of Assistant, £120)	360
		£
3.	By abolition of the Sub-Cashiers (eight at £400)	3,200
	<i>Less</i> , three additional Superior Clerks, say, at £400	1,200
		2,000
	TOTAL SAVING UNDER HEAD OF ISSUE	£ 3,150

PAYMENT OF DIVIDENDS.

3 & 4.	In Dividend pay and Cheque Offices, a saving of, say, 10 Unattached Clerks (average salary, £90)	900
	<i>Less</i> , remuneration to Assistants from Stock Offices	200
		700
4.	In the Post Warrant Office, a saving of, say, five Unattached Clerks, now employed addressing envelopes	450
	<i>Less</i> , Cost of addressing 380,000 envelopes at, say, 2s. a hundred	380
		70
	TOTAL SAVING UNDER HEAD OF PAYMENT OF DIVIDENDS	£ 770

GENERAL BUSINESS.

5.	In the Public Drawing Office, a saving of three Clerks at, say, £200	600
5.	In the Bill Office, a saving of two Clerks at, say, £200	400
		£
5.	By "Flying Column," eight Assistants at, say, £120	960
	Superseded by five Unattached Clerks, with an additional salary of £10, say, five at £100	500
		460
	TOTAL SAVING UNDER HEAD OF GENERAL BUSINESS	£ 1,460

DEDUCT, proposed "Long Service Pay" to Clerks of 35 years standing, and upwards, who are not in receipt of £400 per annum, assuming it granted to all Clerks of 35 years standing, say	£ 850
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RECAPITULATION.

Saving under the head of ISSUE	£ 3,150
" " " PAYMENT OF DIVIDENDS	770
" " " GENERAL BUSINESS	1,460
	£ 5,380
<i>Deduct</i> LONG SERVICE PAY	850
	£ 4,530
	£ 4,530

The following, forming Part II of the Reports of the Special Committee, was printed and circulated among the Directors in pursuance of the Order of Court of the 21st Decr. 1893. The red ink alterations show the extent to which it was amended by the Court, and the final form in which it was agreed to. (See Minutes of Court of the 16th Janr 1894.

EXTRACT FROM THE REPORT OF THE SPECIAL COMMITTEE
APPOINTED BY THE COURT OF THE 16TH NOVEMBER, 1893.

THE COMMITTEE have further devoted their attention to the following matters, and recommend as follows:—

OVERDRAFTS.

Overdrafts are not allowed; but should they, nevertheless, occur, the Head of the Drawing Office should report them at once to the Governor and Chief Cashier, and the next morning to the Committee of Daily Waiting.

ADVANCES.

No advance or renewal should be granted without the signature of the Governor or his representative.

A margin of 10 per cent. or upwards, according to the nature of the security, should always be required, except in the case of ~~English or Indian Government Securities and first class British Railway Debentures, or Debenture Stock of Railways which have paid Dividends on their Ordinary Stock for the past three years,~~ ^{Stocks known as Trustee Stocks} when three to five per cent. will be sufficient; and the form of application should contain a clause empowering the Bank to sell in case the margin falls below the limit. Certain Officials should be appointed to watch these margins, and to report any material reduction to the Governor and Committee of Daily Waiting.

Blank transfers should ~~not~~ ^{not} be considered a security, ~~unless in exceptional circumstances or for sole & valued Customers, and then only for a short period.~~ ^{unless in exceptional circumstances or for sole & valued Customers, and then only for a short period.}

Each day's advances and renewals should be reported the following day to the Committee of Daily Waiting, upon a form showing:—

The amount advanced, the Securities and their lowest quoted value;

The rate of interest charged;

The period for which the loan is granted or renewed;

The total amount outstanding of loans granted to the customer and his last year's average balance.

The receipt of the Securities Office for the Securities deposited, if in "Bearer" Bonds, and, ~~proof of transfer~~ if in Inscribed or Registered Stock, ~~should be produced.~~ ^{proof of transfer, or the authority of the Governor not to require the transfer, should be produced.}

All exchanges or withdrawals of Securities under advance should be reported next day to the Committee of Daily Waiting.

A summary of all outstanding advances should be shown once a week to the Committee of Daily Waiting, who will check the total with the Advance Ledger, and examine the list. If any special feature be remarked, the Security should be enquired into, and, if necessary, reported on to the Governor. A similar list should lie on the Court-Room table during Court.

The Chief Accountant, when he, as now, takes cognizance of the advances made, should also note the dates at which they become due, and on the day following maturity should report at once to the Governor and Committee of Daily Waiting if any expiring loans have not been either repaid or renewed.

The request for the renewal of a loan should be on a different coloured paper to the original application.

The summary of the loans made through the Chief Cashier's Office should be shown once a week to the Head of the Discount Office, and a summary of the discounts and advances in the Discount Office should be shown to the Chief Cashier.

The Securities should not be left in the Chief Cashier's Office, but should be handed to the Securities Office, the next day at latest; and, except in the case of exchange of "floaters" for "floaters," which exchange should be reported to the Governor and Committee of Daily Waiting at the earliest opportunity, no exchange or withdrawal of Securities advanced on should be allowed without the sanction in writing of the Governor, stating either that delivery is to be against the deposit of other Securities specifically mentioned, or that the Security is no longer required. When loans are paid off or reduced, Securities should only be released by the Securities Office upon a memorandum signed by the Principal of the Drawing Office and by the Chief Cashier, stating that the necessary amount has been placed to the Customer's credit.

No advance, unless under exceptional circumstances, should be made on Securities having a liability on them.

No advance should be made on Securities not officially quoted on the London Stock Exchange, unless under exceptional circumstances, or for sole or valued customers, and, ^{where possible} after consultation by the Governor with some other Director or Directors, preferably the Committee of Daily Waiting.

No advance should be granted for more than three months, nor renewed more than once for the same period. Any further renewal, unless for short periods, should be under special circumstances, and, if possible, after consultation by the Governor with the Committee of Daily Waiting, or, if they have left, with some other Directors; ~~but in all cases the account should be closed once a year.~~ All renewals should be entered on both sides of the ledger, as a repayment of the original loan and as a fresh advance.

No credit ticket for an advance or discount should be acted on by the Drawing Office unless it bears the Signature of the—

Chief Cashier; or,
Deputy-Chief Cashier; or,
Assistant-Chief Cashier; or,
Head of the Discount Office, or his Deputy; or

other person in those Offices specially authorized by the Governor, and the Counter-Signature of the—

Chief Accountant; or,
Deputy-Chief Accountant; or,
Assistant-Chief Accountant; or

other person in that Office specially authorized by the Governor.

No advance should be made to any Clerks or Pensioners, except by leave of the Court.

The Committee have deferred their report on the business at the Branches, and also as to the extent to which the Directors can be relieved of some of their clerical duties, until the Court have decided upon the above recommendations.

The Committee are of opinion that the Court should appoint another Committee to consider what Securities quoted in the London Market should be generally advanced upon, and what Securities it should be deemed inadvisable to lend upon, unless in very exceptional cases, and at special rates; and, also, to consider generally to what extent, and at what rates, loans should be made to *bonâ fide* Customers, in proportion to their Account.

BENJN. B. GREENE,
Chairman.

BANK OF ENGLAND,
20th December, 1893.

6th July 1894.

*The Governor authorized
Mr. J. B. M. D. Hay
to sign credit tickets.*

14th July 1894.

*The Governor authorized
Mr. E. L. Foreman to
countersign credit
tickets.*

PART III. OF THE REPORT OF THE SPECIAL COMMITTEE APPOINTED
BY THE COURT OF THE 16TH NOVEMBER, 1893.

BRANCH BANKS.

ADVANCES.

1. The Regulations governing Advances at the Head Office to apply also to Advances made at the Branches, so far as the differing circumstances will admit, the Agent's—or, in his absence, the Sub-Agent's—signature taking the place of that of the Governor or Deputy-Governor.

2. No Agent, ^{or Sub-Agent} should be allowed to take any Advance for himself without the consent of the Governor or Deputy-Governor.

until the provision has been made for their satisfactory custody at the Branches,
3. As regards the custody of Securities under advance, those for long loans should, as far as possible, be sent up to London, although under special circumstances the convenience of Customers may be consulted. Securities for short loans, e. g. those to Brokers, may be retained at the Branch; the place of custody in all cases to be stated.

4. To begin with, a full statement of all current Advances, with particulars of the Securities on which they were made, to be sent up as soon as possible in the form to be prescribed by the Head Office.

Daily statements and a weekly summary to be regularly furnished in the form provided for the Head Office.

The Committee here point out that Securities sent up to London are not insured, or only at a nominal sum.

5. All Securities held in London on account of Branch Banks' Customers should be kept in the Securities Office, but separate from the other Securities; and a separate On and Off Book should be kept.

6. All loans made for account of Customers of the Branches should be carried out in the same way as those made for account of the Bank, except that the Officials of the Branch Banks Office should replace the Officials of the Chief Cashier's Office.

7. The Agents to send up, for the consideration of the Court, a list of Securities specially quoted in their respective towns on which they think the Bank might be asked to advance.

8. Securities held at the Branches have so far only been audited by the Directors at their Annual visit. The Committee consider that an Audit should take place more frequently, and that special provision should be made for it.

~~The Committee have deferred considering how far the Directors can be relieved of some of the clerical work of the Bank, in the hope of shortly having the benefit of Mr. GREENE's recommendations as regards the establishment of a special Audit Office in the Bank.~~

For the Chairman,

JAMES P. CURRIE.

24th January, 1894.

