

Collecting Bank of England Notes

One important advantage for the beginner who forms a collection of Bank of England notes is that they always retain their face value. Many notes are not valid for shopping but the Bank of England will honour any note it has issued since its inception in 1694. (There was a solitary exception early in the nineteenth century when notes were discounted.)

Collecting English notes is quite a challenge as none are dated except the white notes (1694-1956). The undated notes were introduced in 1928 and are known as the modern period. The only way we can date these notes is by the chief cashier's signature on a note assisted sometimes by the addition of a metal thread or the prefix letters. (From 1694 to the present day there have been thirty different cashiers. The first of the modern period was appointed in 1928. See the appendices for a list of cashiers.)

Prices of even the cheapest Hase £1 notes can start at £500 in well circulated condition and move upwards for better conditions. Most collectors with average budgets try to go back to Chief Cashier J.G. Nairne (1902-18). Some of his white notes dated 1914 onward can be obtained for around £400.

It is worth a mention that the chief cashier's signature using the words 'Chief Cashier' did not appear until 1868 on white notes. It seems strange that while a £5 note of the 1880s would be very expensive you can get a much earlier dated note of Hase from £500. This of course is because of the rarity factor. The new collector will have noticed also that the low No.2 on the Newland note mentioned in Chapter 4 caused a high premium. Had it been No.1 the price might well have doubled.

The beginner is best advised to start with the modern period. He should read any books and articles on the subject that he can get hold of – often that means access to a lifetime's experience of an established collector. Indispensable is the 'Bible' of the hobby, *English Paper Money* by Vincent Duggleby, now in its seventh edition. Every note and every prefix is listed

and valued in two conditions. But most important of all, each note is given a catalogue number. Bank of England notes are given a 'B' number. For example the first Mahon 10 Shilling is B210. The conditions are Extremely Fine and Very Fine for early issues. From Chief Cashier Beale (1949) Uncirculated – the top condition which means absolutely perfect – is introduced with Extremely Fine. The varieties are listed: EF £950 with prefix AO1 (the inaugural run of a million notes); VF £500: ZO1 (the first production run); £600/£350: Z--; first series £185/£85: Y--, X--, W--; £165/£70: V-- (last series traced to £650/£300: V13). These examples apply to all English notes. The 'B' numbers are used internationally by all major auction houses and dealers, so the collector may only see in a price list 'B210 Y16 VF £70'. It will be seen how important it is to have access to the catalogue.



10 Shilling note of C.P. Mahon A01 000037. This is the first Bank of England 10 Shilling note issued in 1928 (the Bank had issued white £1 notes 1797-1826 but not 10 Shilling notes). This low numbered note is the thirty-seventh note issued and would be highly prized by collectors.

Many collectors start by forming a 'type' collection: they will try and obtain a 10 Shilling note of each cashier from Mahon to Fforde (10 Shilling notes ceased being issued after 1970), and all the £1 notes to Somerset (in 1988 they ceased to be legal tender – but remain valid at the Bank of England). Leaving out the white notes the collector then goes for the £5 notes from L.K. O'Brien (the first blue £5 which replaced the white £5 in 1957) to the current notes. The same with £10 notes (starting with Hollom in 1964) and £20 notes starting with Fforde in 1970, and £50 notes of Somerset issued in 1981. From there the collector often moves on to trying to get one of each prefix. One very attractive note is the blue

£5 O'Brien note of 1957 designed by Stephen Gooden RA which features the helmeted head of Britannia. The whole series of Britannia heads was prepared but at that time the Queen gave permission for her portrait to appear on notes. The £5 Britannia had been issued but the others were not issued and portrait notes were issued instead. The B277 Britannia £5 note issued 1957 replaced the white notes of the same denomination.

Beginners can be excused for being puzzled when they find there



A £10 note of Cashier J.Q. Hollom. Issued in 1964, it was the first £10 produced since World War II. The A01 prefix shows it is part of the first million notes printed and is therefore more desirable than 'mid series' prefix notes (between first and last prefixes).

is a £20 Bailey note, similar to ones in their wallets, valued at £350. The explanation is that the prefix and number A01 000040 means it is the fortieth note produced from the first million printed. Very low numbers are sought after the first prefix letter. If the prefix had been A01 085463, it would have been worth only £48 to a collector in perfect, Uncirculated condition.

In fact the first of any new design, e.g. A01 000001, is given to the Queen and many other low numbers are given to distinguished people. Only on two occasions has the very first note of an issue found its way on to the market. They were Kentfield £10 DD01 000001 and £50 E01 000001.

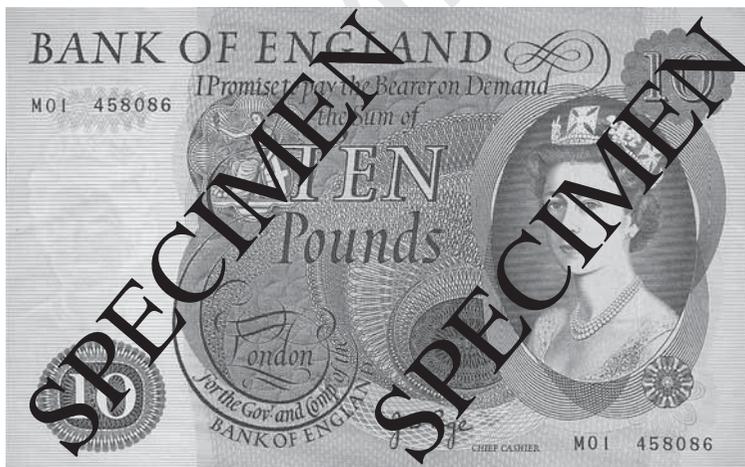
The key to understanding English notes is the prefix letters and numbers. For example when a chief cashier is replaced by a new one the prefix letters may continue from those of the previous cashier, so a £20 note issued by J.S. Fforde, B318 A01 to A05 is scarce because

only 5 million were issued. A06 issues will be under the new cashier's signature, Page.

The last run of an issue can also command higher prices. The DY21 prefix represents the very last million of English £1 notes and fetches £45. Ordinary prefixes can be bought for £2 to £4. Somerset (1980-8) £1 notes with prefix MN (B342) are extremely rare, only seven having been found so far, and are catalogued at £850. They are thought to be 'experimental notes'.

Other prefixes can denote 'Replacement Notes'. During the printing of notes at high speed errors occur. These are taken out and destroyed and are then replaced with the special prefix Replacement Notes. Due to error notes being removed the sheets once cut up do not have the right number of notes in the bundles. The Replacement Notes are put in to make the numbers correct. Replacements are a very complicated series which is still being researched by experts. Sometimes an error note gets past the checking stages and finds its way into circulation. These are also highly prized among collectors.

Bundles of 100 notes from the 1960s to the 1980s would usually



From 1960 to 1981 the prefix M was used to signify a Replacement Note.

contain one to three Replacement Notes. The Replacement Notes used in the early issues of 1928 to 1940 are not properly known. However, new research has now shown the B250 £1 Peppiatt S--D, S--E, S--H and the B252 T--D to be replacements. The later period Peppiatt, Beale and O'Brien 10 Shilling notes have number, number, letter --A, and the £1

notes have S--S and S--T. The Queen Elizabeth II replacement prefix is M or combinations of it with other letters, like S--M when the single letters were all used up. Replacement Notes using M finish at Page. With the introduction of high speed Crossfield counting machines, situations arose where 'spoiled' notes were replaced by hand. Consequently in practice there is no way that collectors can identify replacements from 1981 to 1993.

Starting in 1993, a new system was introduced known as 'B' reams and column sorts. Later cashiers used the prefix LL-- which was still being used in 2009. Confusion remains over the use of column sorts and cataloguers have changed their minds on the Kentfield £20 with X-- prefix which was once called a 'column sort'. Now such notes with prefixes under X71 are listed as normal production run.

Vincent Duggleby explained the B ream problems as

a means of recovering good notes from partly faulty sheets. Some of these were used for experimental or special purposes. So there are four ways of describing variations of the same process, getting the maximum number of good notes from a given production run. The prefix and number used on the substitute notes depends on where and how the spoils occurred. If, for example the error is constant in the same place on the same note on every sheet, a pack of Replacements will be used. If there are random errors in one or more of the eight columns on a (8 x 5) sheet, then these will be marked, cut off and stacked until such time as there are enough good notes to make up a bundle which will be numbered as 'column sort'. Different prefixes (as well as numbers above the normal multiple) enable the Bank to maintain quality control at all stages of production.

New collectors sometimes have problems identifying Peppiatt £1 and 10 Shilling notes as there were four basic types issued. The first issue had single prefix letters and were without thread (the metal strip in notes was added in 1940) and were pre-World War II issues. They continued the letter range from Catterns. The next issue has double letters, i.e. letter, number, number, letter. The third issue was caused by the war. Apart from bomb damage to the printing works, many colour inks had been obtained from Germany and were no longer available. Colours were changed to blue for the £1 and mauve for the 10 Shilling. Because of the wartime disruption many distinct shades exist of the £1.

Confusion occurs as the Bank decided to use up old stocks of the pre-

war unthreaded paper in 1948. So notes appeared in the old colours with single prefixes: red-brown for the 10 Shilling and green for the £1. They can be distinguished by the prefixes O50 to O70 and O5L to 71L for the 10 Shilling notes and R--A and S--A (B258) for the £1.

The fourth issue can be identified as a metal thread is added to the notes. Some have the same prefixes as the previous issue like the 10 Shilling 71L (B262) and the £1 S39A (B260) which indicate the possibility of a number overlap between cashiers. Such overlaps are highly valued by collectors. Examples exist such as Fforde £5 (B314) and Page (B324). The C, D, E and H prefixes were shared by both cashiers. An overlap pair with consecutive serial numbers is catalogued at £650. The 1967 £10 B316p Fforde/Page overlap is one of the most expensive modern notes cataloging at £2,800. There are letter overlaps on Lowther and Bailey issues.

It is worth mentioning that the second Lowther £5 with Elizabeth Fry picture issued 21 May, 2002 got into the news as it was found the serial numbers could be easily rubbed off. This was due to the varnish type coating and the issue was suspended until the varnish area was changed so that the number would not rub off. It has been found that some high numbered notes have no varnish at all.

Holding the £5 note at an angle and looking at the silver hologram of Britannia the collector will see an oval phosphor-like shape which is known as the 'Full Halo'. The corrected notes have the varnish removed from the top of the Halo which leaves the serial numbers free and is known as the 'Cut Halo'.

There are seventy-five special prefixes issued between 1990 and 2003 to commemorate events, e.g. HK97 (The Hong Kong handover), HM50 (the Queen's golden wedding anniversary), PW50 (the Prince of Wales's fiftieth birthday). These were never intended for circulation but were sold in special packs for collectors.

Other very rare Bank of England notes are those with a serial prefix followed by numbers 000000. These are official 'specimen' notes which are not legal tender and are produced to show various authorities the new issue of a note. The beginner will soon realise that the prefixes on Bank of England notes are well worth studying.