

# Accounting Historians' Guide to London

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London has played an important part in the history of accounting. The purpose of this brief guide is to show clearly those places in and around the City of London which are of interest to accounting historians. The emphasis is on:

(a) the early English works on bookkeeping, notably Hugh Oldcastle's *A Profitable Treatyce* (1543); Jan Ympyn's *A Notable and very excellent woorke* (1547); James Peele's *The Maner and fourme how to kepe a perfecte reconyng* (1553) and *The Pathway to perfectnes* (1569); John Mellis' *A Briefe Instruction* (1588); John Carpenter's *A Most Excellent Instruction* (1632); Richard Dafforne's *The Merchants Mirrour* (1st ed. 1635), *The Apprentices time-entertainer accomptantly* (1st ed. 1640) and *The English Merchants Companion* (4th ed. 1700); John Collins' *An Introduction to merchants accounts* (1653); Abraham Liset's *Amphithalami, or, The Accomptants Closet* (1st ed. 1660); Roger North's *The Gentleman Accomptant* (1714); Charles Snell's *Observations made upon examining the books of Sawbridge and company* (1721); Daniel Defoe's *Complete English Tradesman* (1726); James Dodson's *The Accountant* (1750) and F. W. Cronhelm's *Double Entry by Single* (1818).

(b) surviving examples of early accounting records: not only journals and ledgers but also pipe rolls and tallies;

(c) the 19th century founding fathers of the English accountancy profession and the firms which descend from them, e.g. Coopers & Lybrand; Deloitte Haskins & Sells; Peat, Marwick, Mitchell & Co.; and Price Waterhouse & Co.

The City of London has endured two great fires (1666 and 1940) and much rebuilding, not all of it to the highest architectural standards. As a result few of the original buildings remain and an effort of the imagination is required to envisage the environment of even early 20th century accountants. A visit to the Museum of London (corner of London Wall and Aldersgate St.) should, however, make the task easier.

## 1. Museum of London

## 2. Newgate Street

Newgate Street once contained both Christ's Hospital (a school) and Newgate Prison. James Peele was Clerk of Christ's Hospital 1562-1586; Richard Grafton, printer of Peele's *The Maner and fourme how to kepe a perfecte reconyng* (1553) and of Ympyn's *A Notable and very excellent woorke* (1547), was Treasurer 1552-1557. Charles Snell was educated here. He later lived in Foster Lane, off Cheapside. He was the author of bookkeeping texts and of *Observations made upon examining the books of Sawbridge and company* (1721), the first known investigation by an English accountant (the text is in Beresford Worthington's *Professional Accountants*, 1895). Sir James Martin (1861-1935), founder, long-time secretary and twice president (1922-23 and 1935) of the Society of Incorporated Accountants and Auditors (merged with the Chartered Institutes in 1957) was also educated at Christ's Hospital, which moved to Sussex in 1902. James Dodson, FRS (1710?-1757) was

appointed in 1755 Master of the Royal Mathematical School within Christ's Hospital. In the 1730s and 1740s he lived at the 'Hand and Pen ' in nearby Warwick Lane. His unpublished 'First Lecture on Insurance' was the first investigation into the principles of operation of a life assurance business. He was also the author of *The Accountant* (1750), one of the few early works on bookkeeping to deal with manufacturing operations, and the great-grandfather of Augustus de Morgan, author of *Arithmetical Books*, from the invention of printing to the *present* time (1847). Newgate Prison for a time (1702-04) housed Daniel Defoe. It was pulled down in 1902 to make way for the Central Criminal Court (the Old Bailey), scene in 1931 of the *Royal Mail* case which marked a turning point in the British accountancy profession's attitude to secret reserves.

### **3. Public Record Office Museum**

Please note that the museum has now moved from Chancery Lane to The National Archives, Kew, Richmond, Surrey, TW9 4DU.

### **4. Fleet Street**

Child's bank, on the south side at No.1 opposite the Temple Bar Memorial, is probably the oldest bank in London (1671) and was the model for Tellson's Bank in Dickens' *Tale of Two Cities*. The existing building dates from 1877. The surviving accounting records are described by S. W. Shelton in 'The Goldsmith Banker' in A. C. Littleton and B. S. Yamey, *Studies in the History of Accounting* (1956). The gateway just beyond leading to Middle Temple Lane was designed in 1684, apparently by Roger North (1653-1734), the author of *The Gentleman Accountant* (1714) (although an inscription claims Wren as the architect).

### **5. Strand**

Benjamin Franklin Foster taught bookkeeping at No. 161a (now part of King's College). He was the author of the earliest British work solely devoted to accounting history, *The Origin and Progress of Bookkeeping* (1852) and was the first to identify Hugh Oldcastle as the author of the *Profitable Treatyce* (1543). The editorial offices of *The Accountant* (founded 1874, the earliest English professional accountancy journal) have been at No. 151 since 1961.

### **6. London School of Economics**

The London School of Economics (founded 1895) has played a crucial part in the development of academic accounting in England. L. R. Dicksee and F. R. M. de Paula were part-time professors here and W. T. Baxter was the first (1947) full-time professor of accounting in England. Such writers on accounting history as H. C. Edey, R. S. Edwards, D. Solomons and B. S. Yamey are or were all closely connected with LSE. The school has recently established a Business History Unit round the corner in Portugal Street.

## **7. Temple**

No. 6 Crown Office Row is associated with Alexander Pulling, author of *The Law of Joint Stock Companies' Accounts* (1850).

## **8. Temple Place**

Here for nearly 30 years was Incorporated Accountants' Hall (1929-1957). It was sold in 1959 after the incorporated accountants had merged with the chartered accountants. The building, which dates from 1895, is described by Pevsner as 'a perfect gem of its kind'. It is now the offices of Smith and Nephew Associated Companies Ltd.

## **9. Puddle Dock/Baynard's Castle**

Mellis' *A Briefe Instruction* (1588) was printed by John Winder who dwelt at the sign of the White Bear near Baynard's Castle. Nothing now remains of the latter but a nearby public house bears the name and an interesting Inscription. Close by is Puddle Dock to which Peat, Marwick Mitchell and Co. moved from Ironmonger Lane in 1976.

## **10. St. Paul's Churchyard**

St. Paul's Churchyard was formerly famous for its publishers. James Peele's *Pathway to perfectnes* was printed here by Thomas Purfoote in 1569 and John Carpenter's *A Most Excellent Instruction* (1632) was also published here.

## **11. Paternoster Row**

Paternoster Row was formerly famous for its publishers. Cronhelm's *Doub/e Entry by Single* was published here in 1818.

## **12. Guildhall Library, Aldermanbury**

Guildhall Library, Aldermanbury houses the UK's finest collection of directories. Kent's *London Directory*, 1775, mentions Terence Shortney, Merchant & Commercial Accomptant of 5 Church Row, Fenchurch St., the earliest known reference to a practising accountant in London. The Stock Exchange Collection of annual reports of listed companies (1869- 1954) is also kept here. The library also contains various old account books including, for example, the surviving late 17th century accounting records of Sir Robert Clayton and Sir Charles Peers.

## **13. Ironmonger Lane**

Ironmonger Lane is connected to King Street by the delightfully named Prudent Passage, contains Mercers' Hall where Sir Thomas Gresham's journal (1546-51--the earliest surviving English account-book in double entry) is preserved. No.11 housed for many years (1906-

1976) the offices of Peat, Marwick Mitchell & Co. (formerly W. B. Peat & Co.). A Roman pavement is preserved underneath.

#### **14. Mansion House Place**

Mansion House Place formerly known as George Street, contained the offices of Cooper Brothers and Co., now Coopers & Lybrand, for over a century from 1854 to 1959. The Bank of China now stands on the site. The Mansion House is the official residence of the Lord Mayors of London. A number of chartered accountants have held the office, the first being Sir Edward Moore, Bart. (1922-23) and the most recent Sir Kenneth Cork (1978-79). The Gallerani Co. of Siena, whose early 14th century London office accounts have survived, rented a house in nearby Wallbrook.

#### **15. London Bridge Station**

London Bridge Station at the southern end of the bridge, is now dominated by the Southwark Towers office block, home of Price Waterhouse & Co. since 1975. John Mellis, author of *A Briefe Instruction* (1588), lived in the Battle Bridge area nearby. Edwin Guthrie, one of the founding fathers of both the English and the American accountancy institutes and author of one of the earliest articles on depreciation, was born in Bermondsey Street.

#### **16. Royal Exchange**

There have been three Royal Exchanges. The first, founded in 1565 by Sir Thomas Gresham (whose journal is preserved in Mercers' Hall, Ironmonger Lane), was destroyed by fire in 1666. The third and present building was completed in 1844. The bell tower is surmounted by Gresham's grasshopper crest. At the south entrance of the Royal Exchange in the 17th century were published books by Richard Dafforne, John Collins and Abraham Liset.

#### **17. Frederick's Place**

Frederick's Place is described by Pevsner as an 'oasis of domesticity'. The Georgian houses were built by the Adam brothers in 1776 on a site originally owned by a Sir John Frederick (Lord Mayor of London in 1661). The offices of Price Waterhouse & Co. were at number 3 from 1899 to 1975.

#### **18. Budge Row**

The London and General Bank which gave its name to the famous auditing case of 1895 had its head office here.

## **19. Mark Lane**

Mark Lane is mentioned by James Peele in a journal entry. It was here at the junction with Hart Street, that, according to Mellis, Oldcastle, first English writer on bookkeeping (1543) taught arithmetic and bookkeeping.

## **20. Cullum Street**

Cullum Street is built on the site of the house of Sir Thomas Cullum, a 17th century London merchant whose accounts are discussed in Alan Simpson, *The Wealth of the Gentry 1540-1660* (1961), ch.3.

## **21. Lombard Street**

Lombard Street is named after the Lombard bankers who were pre-eminent in finance in medieval London. The Borromeo Co of Milan, whose London branch accounts, kept in Italian, have survived for 1436-39, probably had offices in or near Lombard Street. At number 65 was the Overend Gurney bank whose crash in 1866 helped to demonstrate the need for professional accountants. Richard Dafforne lived in Abchurch Lane which runs south from Lombard Street towards Cannon Street.

## **22. Change Alley**

Change Alley is associated with the early history of the London Stock Exchange. There are plaques to Jonathan's and Garraways coffee houses where brokers and jobbers transacted business in the 18th century.

## **23. Leadenhall Street**

Leadenhall Street is noted for its shipping companies. At the corner of Lime Street, opposite the modern P & O building is the former Royal Mail House, built in 1929-30 just before the famous Royal Mail case (*R. v. Kylsant*) of 1931. It stands, as a plaque indicates, on the site of East India House where John Carpenter, author of *A Most Excellent Instruction* (1632) worked as an accountant.

## **24. Throgmorton Street**

Throgmorton Street has the Stock Exchange (with a visitors' gallery) on one side and Drapers' Hall (fronting Throgmorton Avenue) on the other. In Drapers' Hall is preserved the ledger (1522-1527) of Thomas Howell.

## **25. Bank of England**

The Bank of England was founded in 1694. The Bank's ledgers have survived from 1696 onwards.

## **26. Lothbury**

Lothbury runs alongside the Bank of England. The City Equitable Fire Insurance Co. Ltd. which gave its name to the auditing case of 1925 had its offices here. Here also for a time were both W. B. Peat & Co. (before the move to Ironmonger Lane in 1906) and Deloitte (1855-1905).

## **27. Coleman Street**

Hugh Oldcastle, author of the first English text on bookkeeping, the Profitable Treatyce (1543), was the youngest son of Richard Oldcastle, a 'shearman' (draper) of Coleman Street. James Peele is also associated with Coleman Street.

## **28. Threadneedle Street/Bishopsgate**

Threadneedle Street/Bishopsgate on the corner the Bank of Scotland stands on the site of South Sea House, where Charles Lamb worked during the 1790s. It was here that 'the shade of some dead accountant, with visionary pen in ear, would flit by me, stiff as in life'. 'Living accounts and accountants', wrote Lamb, 'puzzle me. I have no skill in figuring. But thy great dead tomes, which scarce three degenerate clerks of the present day could lift from their enshrining shelves--with their old fantastic flourishes and decorative rubric interlacings--their sums in triple columniations, set down with formal superfluity of ciphers--with pious sentences at the beginnings, without which our religious ancestors never ventured to open a book of business, or bill of lading--the costly vellum covers of some of them almost persuading us that we are got into some better library -- are very agreeable and edifying spectacles. I can look upon these defunct dragons with complacency'. And here, continued Lamb, worked John Tipp who "thought an accountant the greatest character in the world, and himself the greatest accountant in it".

## **29. Chartered Accountants Hall, Moorgate Place**

Chartered Accountants Hall, Moorgate Place was opened in 1893 and enlarged in 1930 and 1959. Pevsner in *The Cities of London and Westminster* describes it as the building that made its architect John Belcher famous and is enthusiastic about the 1959 extension. The Hall houses the finest collection of historical accounting literature in the world (see *Historical Accounting Literature*, 1975). A history of the Hall (now out of print) was written by John H. Stern and published by Gee & Co. in 1953. The Institute of Chartered Accountants in England and Wales publishes *Accounting and Business Research* (quarterly) and *Accountancy* (monthly, established as *The Incorporated Accountants' Journal* in 1889).

### **30. Finsbury Pavement/Ropemaker Street/Bunhill Fields**

The Neuchatel Asphalte Co. which gave its name to the first important English case on divisible profits (1889) had its head office in Finsbury Pavement. Daniel Defoe died in Ropemaker Street in 1731. He is buried in Bunhill Fields a little to the north. His tomb, marked by an obelisk, is on the right of the main walk. 'Next to being prepared for death, with respect to Heaven and his soul', wrote Defoe in the Complete English Tradesman, 'a tradesman should be always in a state of preparation for death, with respect to his books. . . a death-bed is no place, and a sick languishing body no condition, and the last breath no time for repentance; so I may add, neither are these the place, the condition, or the time to make up our accounts; there's no posting the books on a death-bed, or ballancing the Cash-book in a high feaver'.

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