



Stow Parish Archive

Newsletter

November 2008

Banks having trouble is nothing new. In October 1878 the City of Glasgow Bank collapsed in spectacular fashion. An examination after the closure showed net liabilities of over £6m, together with extensive loans on poor security, and speculative investments in Australian farming, mining stocks and American railway shares.

In addition, false reports of gold holdings were made to the authorities, balance sheets and profit and loss statements falsified, and the share price held up by secret purchases of the Bank's own stock.

So successful was the deception that on the Bank's last business day its £100 shares were selling at £236. Henry Inglis of Torsonce, (friend of Thomas Carlyle) was a Director.

Bankruptcy of Mr Henry Inglis

A meeting of creditors of Mr Henry Inglis of Torsonce, one of the directors of the City Bank and at present a prisoner in Glasgow jail. A statement of the bankrupt affairs has been prepared showing assets to be £52,123,1/6 and the liabilities £72,577,5/8. Among the assets the largest item is the Estate of Torsonce, which is entered as representing £40,300 from which then falls to be deducted £19,360 to meet heritable bonds at £20,940 over the property held by the bankrupt. The City Bank also holds bonds.

January 1879

At his re-examination in bankruptcy when he was asked to sign a record of his statements Inglis said *"I placed implicit confidence in such results as were presented to me and never thought for a moment of parting with my shares. I was in entire*

ignorance of the enormous credits to the customers of the bank till a week or two of the stoppage" At the trial Lauderdale Maitland, of Dumfries who had known the prisoner from boyhood, said that he had never had reason to doubt his perfect honour.

Mr Henry Inglis denied all the charges. When he took his seat at the board of directors he found his colleagues were men of irreproachable character and he had every confidence in the management. With regard to the charge of theft, Mr Inglis claimed this to be absurd. The trial lasted eleven days and the verdict was unanimous.

The Lord Justice-Clerk said,

"The jury after a long investigation and full deliberation have found you guilty of the falsifying and fabricating of the balance sheets of the bank for personal ends. The sentence of the Court on you Lewis Potter and on you Robert Stronach is to be imprisoned for 18 calendar months".

The other five prisoners, Stewart, Salmond, Inglis and Taylor were called to stand up.

The Lord Justice-Clerk said *"The jury have found all of you guilty not of fabricating or falsifying the balance sheets, but of publishing them, knowing them to be false, The sentence is that you be further imprisoned for eight calendar months"*.



Please come along to the Town Hall on Wednesday 26th from 7.30 onwards and help us add to the Archive. We can copy any photos or documents or we can simply make notes on any memories that you have that would be of interest