

# Money Values

February 1971 brought an end to what was called LSD. Not the hallucinogenic drug, though it had similar effects on some, but the system of currency that had been employed in England for much of the previous 1000 years.

This is how the system worked. Like today's decimal currency it had a pound (£) and a penny – but a Latin **d** (for denarius) not an English **p** – but the relationship between them was different. Now we have 100 pence to a pound, although it was originally 240. That apparently odd number was a combination with a third unit, the shilling. There were 12 pence in a shilling, and 20 shillings in a pound. A price, for example 3 pounds, 7 shillings and 11 pence, would be written as £3 7s 11d, or £3-7-11, or £3.7.11. In this book I shall use the first format throughout – £3 7s 11d. The arithmetic involved in dealing with these units was tricky enough, as anyone born before about 1960 will recall, but was even worse if a value included fractions of a penny. The halfpenny, pronounced ha'p'ny, was ½d, and the farthing was ¼d. If you'd like to imagine what life was like for a shop assistant, try calculating the cost of two and three-quarter yards of material at 3s 4¼d a yard.

In today's currency £3 7s 11d was between £3.39 and £3.40. However, because of the effects of inflation I would discourage you from doing that mental calculation. Although for much of the early period of our story the inflation rate was relatively stable, at the time of decimalisation it was rising rapidly. Thus £1 on Decimalisation Day, which was 19 February 1971, is now worth over £10. I append simple tables so that you can do the calculation yourself. These are derived from historical government all-items price indices and, rather than a massive year-by-year translation table, I've provided a series of way-points, and I've set the start at 1914, the year Spedan took over Peter Jones. However, because the value of the £ in 1864 was almost exactly the same as its value in 1914, close to one hundredth of its value now, for the first five chapters you can simply multiply a figure by 100 and take a bit off. In fact I've done many of them in the text, but not all.

<b>Year</b>	<b>Value of £1</b>	<b>Year</b>	<b>Value of £1</b>	<b>Year</b>	<b>Value of £1</b>
1864	0.91	1926	1.89	1970	7.46
1870	0.97	1934	1.61	1975	13.76
1900	0.94	1939	1.77	1980	26.91
1910	0.98	1945	2.67	1990	50.77
1914	1.00	1952	4.01	2000	68.55
1919	2.23	1960	5.01	2010	c. 88.00