On the night of January 1, 1777, Lord Cornwallis arrived at Princeton with 8,000 British regulars and the next morning, leaving 1,500 men at Princeton, advanced to Maidenhead, now called Lawrenceville. Here he left a portion of his army, as being unnecessary, and with 5,000 men marched on Trenton. On reaching Shabbonak Creek, two miles out of Trenton, he found a part of the American forces ready to check their advance. These forces were under the command of Generals Stevens and Fermoy, who had been instructed not to hazard a pitched battle. Cornwallis was preparing to attack when the Americans fell back on Trenton, with Cornwallis closely following. In the meantime Washington had posted the rest of his army on the high bluff south of the Assanpink, with orders to entrench themselves as well as possible. As the Americans fell back, General Greene assumed command and united his forces with Washington, Knox and the rest of the army on the south side of the Assanpink. About 4 o'clock the head of the British column appeared on Greene street, near where the city hall now stands. After a short halt a column was formed to attack the Americans and charged down Greene street to the Assanpink bridge, then but a small structure only sixteen feet wide. Washington opened on the enemy with the artillery as they came down the hill where Taylor's Opera House now stands, and as the head of the attacking column reached the bridge, a fire of musketry was poured upon them which checked the advance, and the British column was broken into disorder. Almost simultaneously a great shout was raised along the whole American line of nearly a mile. The British exasperated by this rout, soon reformed, and again with martial music and flying colors charged down the hill, but again met a bloody repulse. A third time the attempt was made, but again Washington drove them back, until a hundred and fifty dead and wounded were left behind. The loss of the American forces was small as they were protected by entrenchments. Night had arrived and Cornwallis ordered his men to bivouac in the streets for the night. Boastingly he claimed that in the morning he would capture the whole American army. "Ah" exclaimed Sir William Erskine of his staff, "in the morning Washington will not be here." "Oh yes, he will," was Cornwallis' reply, "I have got the old fox in a trap, and he and his rag-a-muffins cannot escape me."

After the darkness had set in Washington had called a council of war, which met at a small frame house on the west side of Broad street where the Lutheran Church now stands. Here he proposed that they should move quietly away during the night and attack the British at New Brunswick on the morrow and capture the stores and supplies, first sending the baggage and