

PEOPLE FIRST

# SCOTTISH BUILDING SOCIETY

175 Years  
of Helping  
Home Owners  
and Savers

 **SCOTTISH**  
BUILDING SOCIETY | 175  
YEARS

1848

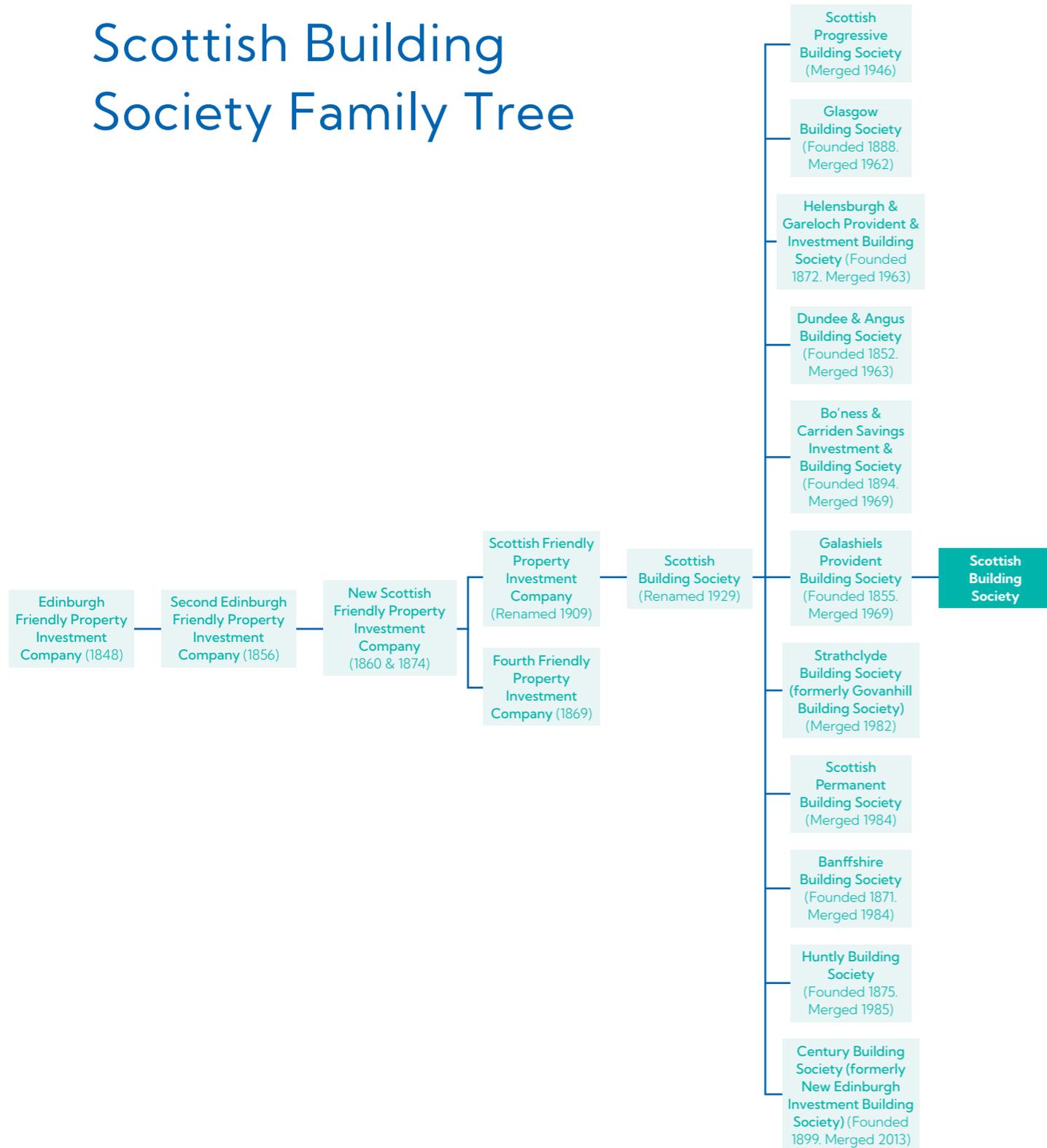
NIGEL WATSON

POWERED BY PURPOSE





# Scottish Building Society Family Tree



## Foreword

For 175 years Scottish Building Society has never deviated from its original purpose of helping people save money to help people to buy homes, which, as you will read, has stood the test of time.

As you read this book, in whole or part, you will see that this is a story about people and purpose and a drive to help others. In 1848 it was merchants and tradesmen who came together to form a society to provide ordinary people with a safe place for their savings with the chance to own a home at a time when there was a real housing need.

That simple ethos of helping people to help others – now called mutuality – is as relevant today as it was 175 years ago.

As I write this, the Scottish Building Society is going from strength to strength. We have just reported another year of strong growth across both savings and mortgages and are focused on delivering outstanding service, described consistently by our members as friendly and helpful.

We are aware of the part we play in wider society and have launched the Scottish Building Society Foundation. This charitable fund of £175,000 will play an important role in creating a wider, long-term legacy for communities across Scotland.

As we celebrate our 175th Anniversary, I was determined to uncover more about our history and the people who came before, steering the society through two world wars, economic depressions and recessions and the de-mutualisation of many building societies in the 1990s. I was delighted to commission Nigel Watson to uncover facts and stories that I doubt have been shared outside of ledgers and reports. His attention to detail and style has, I hope, provided an easy read for those wishing to know more. Thank you, Nigel, for your enthusiasm in telling our story.

Our history and heritage is unique and one I am proud of. I am especially grateful to our colleagues both past and present, who have helped us to achieve this fantastic milestone and, of course, to you, our members, since without your trust and support, we would not be here today celebrating the fact that we are the world's oldest remaining building society.

To conclude, I would like to say we recognise, above all else, that bettering lives, creating opportunities and building society comes through putting people first. I am looking forward to the next chapter in our history.

**Paul Denton**  
Chief Executive



## 1

# Foundations 1848-74

'Economical Management,  
Equal Division of Profits  
and the Utmost Liberality  
to Borrowers'

The Scottish Building Society is the world's oldest surviving building society. Founded in Edinburgh in 1848 as the Edinburgh Friendly Property Investment Company, it was among the earliest Scottish building societies. Today it is the only building society with headquarters in Scotland. The Society is proud of its heritage, spanning 175 years of service to its members, derived from its mutual status. The Society has remained faithful to its founding purpose, balancing the interests of savers and borrowers, while constantly adapting to meet changing times.

Mutuality is often misunderstood. It might be best summed up in the motto of Dumas's *Three Musketeers*: 'All for one and one for all.' A mutual society exists for the benefit of each of its members and all of its members. A society will do its utmost to assist an individual member but never at the expense of the membership as a whole. This has been at the heart of the Scottish Building Society and its predecessors since 1848.

The founders came together in a time of housing need to form a society whose members saved regularly, watched their savings grow and were able to borrow against their savings to buy their own homes. The mutual philosophy of the founders has never dimmed. In 1869, the Rules expressed the purpose of the society as 'enabling

Page from a ledger featuring accounts and expenditures, 1867.

EXPENDITURE.			
Furniture, per Report to date	£175	3	0
Transfer, per Report to date	5	12	0
Entrance Fees and Expense Fund	£7	10	6
Laws and Taxes, per Report to date	£88	7	8
Fines, per Report to date	7	15	0
Interest Fines	£13	0	0
Arrears	£103	12	11½
Interest on Loans, &c., per Report No. V.	19	19	0
Fees, per Report to date	£2411	2	0
Tax, per Report to date	319	11	4
Surplus Profit	£2730	13	4
	£5899	0	4

A MUTUAL SOCIETY  
EXISTS FOR THE  
BENEFIT OF EACH OF  
ITS MEMBERS AND  
ALL OF ITS MEMBERS



Princes Street,  
Edinburgh, 1858.

## The Founders: the First Members

The founders, remarked a later chairman, were 'respectable merchants and master tradesmen'. They were public-spirited, community-minded men, giving up their time voluntarily to help others just like themselves. Most of them were self-employed, they knew how to run a business, they appreciated the need for financial prudence, they understood the impact of bad debts.

While we know little about Edinburgh Friendly's ordinary members, the founders were members themselves, making regular investments to build up a sum they could apply to buying their own homes. In many respects, aside from the drive that brought them together to found and direct the society, they were typical of the ordinary working men and their families the Edinburgh Friendly was set up to help.

Robert Shand, the first chairman, was a tailor, trading as Macrae, Cameron & Shand at 105 George Street. He was one of the driving forces behind the Edinburgh Friendly and its successors for more than 30 years, acting at different times as chairman, secretary, treasurer, director and trustee. Of the other founding directors whose details

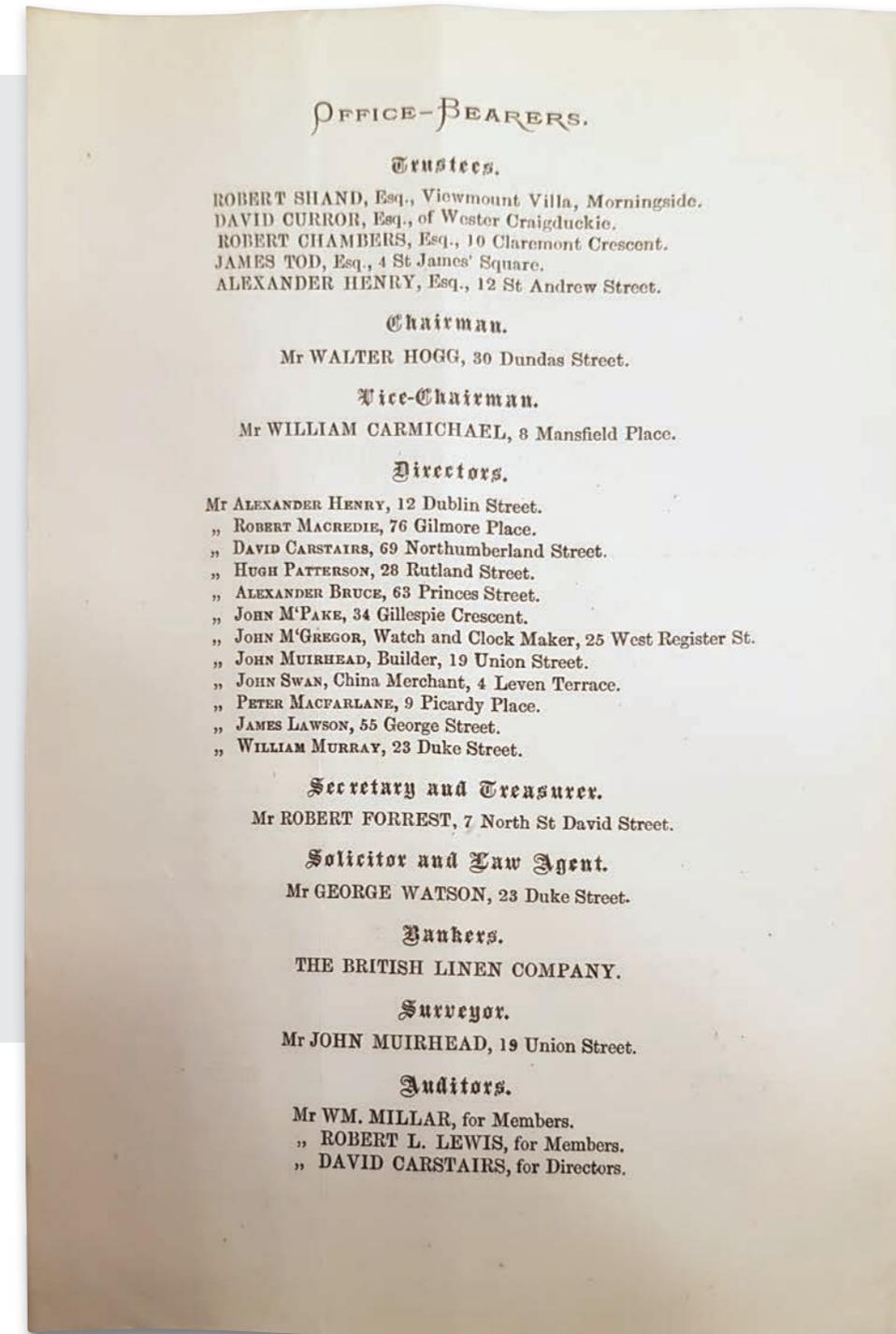
can be traced, we know they were all from similar backgrounds. Robert Tod was a paperhanger, painter and glazier; Walter Hogg was a cabinet-maker and upholsterer; Robert Millan and William Mann were in partnership as tailors and army clothiers; John Smart was a bootmaker, trading as Smart & Son; Matthew Carstairs, a plumber and gasfitter; George Alston, a tailor and clothier; James Stevenson, a builder and house carpenter; and Robert Wight and William Carmichael were fleshers or butchers.

Almost all of them were trading in streets within a few minutes' walk of the Edinburgh Friendly's office at 6 York Place in Edinburgh's New Town. (The Society would later return to York Place, leasing offices at No. 4 between 1950 and 1990.) Several of the founders probably knew each other, either because their business premises were close or they shared the same or related occupations. Many of them would apply the expertise they gained from running the Edinburgh Friendly to establish its successors while sharing it with a new generation of working men.

each Member to purchase or build Heritable Property on the most easy and advantageous terms, and secure a profitable return for the investment of money'; in 2023, as the Society celebrates its 175th anniversary, its purpose remains 'to provide mortgages for homeowners funded by savings raised from our members'. The interests of members were paramount in 1848; they remain paramount in 2023.

The Scottish Building Society was founded on 16 March 1848 as the Edinburgh Friendly Property Investment Company. One of many similar small building societies established in Edinburgh, it was probably the third

### THE SCOTTISH BUILDING SOCIETY WAS FOUNDED ON 16 MARCH 1848



List of office bearers for the Edinburgh Friendly Property Investment Company, 1851.

to be registered in the city. The first registered Scottish society had been formed in Glasgow in 1845. The building society movement in Scotland developed more slowly than the movement in England. For decades, many Scottish societies remained small and locally based. The Edinburgh Friendly and its successors confined their activities almost exclusively to the capital city until after the Second World War.

It was a terminating society, with a limited life, wound up when members' investments matched the nominal value of their shares. By 1846, it was estimated that there were 2,000 terminating societies in the UK. The Edinburgh Friendly's success in helping members to buy their own homes led to a second, third and fourth terminating society, often governed by the same people, usually run along the same lines, but all with different names. It was the third in line of these societies, the New Scottish Friendly Property Investment Company, formed in 1860, that took advantage of new legislation in 1874 to convert from a terminating into a permanent society and was eventually renamed as the Scottish Building Society in 1929.

By the late 1840s, there was a desperate need for new housing in Edinburgh. Almost no new houses had been built in the city since the financial crash of 1825. In the New Town, many developments were left unfinished – Broughton Street, for example, begun in 1824, was completed only in 1867 – with all the dust, dirt and disruption this caused. This left the city with a limited stock of housing for a booming population. By the 1840s, the overcrowded living conditions in the Old Town were regarded as the worst of any British city. They were a breeding ground for poor health – the cholera epidemics of 1832 and 1848 spread rapidly through overcrowded tenements – and poverty.

wood merchant, and was met in Gilhaide's Hotel, at twelve o'clock. Auctioneers—Craighorn alternately, 2d and 3d May, dealer, Barthol, Cumbern—lan, Glasgow, 1st and 2d May. FGS. PERSON HAMILTON, native William Low's office there, 2nd May. MADRILL, wife, Edinburgh there, 12th May, at two o'clock. CHIEF, shopman, Greenock, there, 12th May, at twelve o'clock. LITTLE, lately residing in Paris, Edinburgh, 12th May, at two o'clock. W.D.S. IAN WALLACE, merchant to a dividend, 10th June, at two o'clock. J.Y. lace merchant, Glasgow, one, from John MacLennan. GEORGE MARQUET of 1st, 11th June, from Donald. FISHBONDING. stone waste dealer, Glasgow, one, from John MacLennan. used in Sheriff's Office there. Roachery—to be examined 12 May, at twelve o'clock. Cooper, Fraserburgh—to be sold, 27th May, at twelve o'clock. FIC RETURNS. RAILWAY. receipts for postage for mails, April 20. 1846 37 6 1841 4 3 1831 1 8 1815 1 2 100 Miles opened. April 22. receipts for passengers, carriages, and mails, April 20. 1846 7 4 1847 5 4 1848 12 104 1849 18 115 DUNDEE RAILWAY. April 20. receipts for passengers, April 20. 1846 8 1 1847 10 10 1848 10 11 1849 11 7 AL RAILWAY. April 20. receipts for passengers, April 20. 1846 12 2 1847 11 7 1848 13 8 1849 12 8 SECTION RAILWAY. April 19. receipts for passengers, April 19. 1846 1 4 1847 7 9 1848 9 3 1849 11 8 RAILWAY. April 12. receipts for passengers, April 12. 1846 7 73 1847 0 0 1848 0 0 1849 0 0 68 miles, 1846 8 8 1847 8 43 OF MEARNS—Case of 3 of Angus and Mearns Tuesday last. The took up the appeals of Minister of Barry, which charge by the Presbytery. That, on the 16th day of May, he did drink whiskey, to the scandal of a profession; and on the when under the influence of liquor, was unable to behave in a decent manner;—other charges of wilful disobedience, arising from previous conviction. certain appeals, arising from the case of Aberbrothach. Some of the appeals of them were dismissed, and protested. N COUNCIL AND THE —At a meeting of the on Thursday last, some business of only over submitted certain reference to the Papal serje Lyon, W.S., the of young ladies being in, and immured within series. In doing so the a thought too much had

THE ADVERSE PLAINST. Reserved Seats, 4s.; Unreserved Seats, 3s.; Side Boxes, 2s.; Gallery, 1s. 6d. Tickets to be had at the principal Music-sellers. Doors open at Two o'clock.—Entertainments to commence at Half-past Two precisely. PROGRAMME OF THE FIRST ENTERTAINMENT, Thursday Evening, May 1, 1851. ANTHEM, "God save the Queen," National. Reading from the Tragedy of ANTONY AND CLEOPATRA! MISS OLIVA. SONG, "Oh, Charming May (by Desire)," Eccecl. Melodics. Andll. Performed by SIGNOR ANELLI. ARIA, "Il soave e bel contento," Pucin. National. SONG, "Bruce's Address," National. Reading from the Tragedy of ANTONY AND CLEOPATRA! MISS OLIVA. BALLAD, "Be Watchful and Beware," Glocr. Verdi. CAVATINA, "Non in sogno," Verdi. PROGRAMME OF THE SECOND ENTERTAINMENT, Saturday Morning, May 3, 1851. OVERTURE, "L'Italiano," Rossini. Reading from Shakspeare's KING JOHN. ANTHEM, "God save the Queen," National. SONG, "Bruce's Address," National. CAVATINA, "G. Lucia al quest' andino," Donizetti. BALLATA, "Il giacinto per esser felice," Donizetti.

An early notice for the Edinburgh Friendly Property Investment Company in 1851, from which the Scottish Building Society is directly descended.

**EDINBURGH FRIENDLY PROPERTY INVESTMENT COMPANY.**  
Sanctioned by Act of Parliament, 6 and 7 Will. IV. cap. 32.

**Chairman.**  
Mr Robert Shand, 41 Dundas Street.

**Vice-Chairman.**  
Mr Robert Ramage, 27 Howe Street.

**Directors.**  
Mr Robert Tod, 35 Dundas Street.  
Walter Hogg, 30 Dundas Street.  
Robert Millan, 1 Hanover Street.  
William Gray, 36 York Place.  
John Smart, 1 Queen Street.  
Matthew Carstairs, 71 Northumberland Street.  
George Alston, 40 Hanover Street.  
Robert Wight, 31 Dundas Street.  
James Stevenson, 10 Cumberland Street.  
William Carmichael, 23 Dublin Street.  
John Hamilton, 6 Montgomery Street.  
William Mann, 1 Hanover Street.

**Secretary and Treasurer.**  
Mr John Maben, 8 South St David Street.

**Law Agent.**  
Mr John Gardiner, S.S.C., 27 York Place.

Three years have now elapsed since the establishment of this Company, and hitherto it has been more prosperous and successful than the most sanguine could at first have anticipated. The Directors have long felt, however, that from the heavy arrears of back payments required to be made by new members, its benefits were likely to be confined to those who had joined it at an early period, unless some means were devised for making these payable by easy instalments, spread over a considerable period. This they now propose to do, and they have accordingly matured a plan, which has met with the unanimous approbation of the Society, by which the arrears will be wiped off in eight years, at the rate of Sixpence per Share per fortnight; after which, and till the end of the Company, old and new members will pay equally. Should even an average measure of success continue to attend the Society, it is confidently hoped that it may terminate in little more than NINE YEARS from the present time, thus offering a great inducement to parties to join it, as the properties they may now purchase and at once possess rent free, with the assistance of the Company, will by that time be their own, free and unencumbered.

New Members will be enrolled on the evening of MONDAY the 19th May, between 7 and 9 o'clock, and every alternate Monday thereafter. Meanwhile, the fullest information will be afforded by any of the Office-bearers.

Copies of the Rules may be had for Sixpence, or sent by Post for Eight Stamps.

6 YORK PLACE,  
Edinburgh, 25th April 1851.

21 Grou... Opposite the C... J FEGAN & CO. respectfully to in burgh and its vicinity, of London, with a large as Novelities in FRENCH P; &c. &c., selected with th they have the utmost co to their numerous patron of the newest and most f worn in Paris and Lon invite their early inspec of GOLD and SILVER GIMPS, FRINGES, FEATHERS CLEANED, WREATHS, BOUQUETS, order. N.B.—The Tra moderate terms. \* Observe—Opposite LONDON: 30 PEEL STREET NEAR CRYSTAL THOMAS COCK intending Visitor Exhibition, that he h Establishment for their a can have separate Beds, a face, Lunch, &c. &c., of t following terms for each Bed, 2s. per Night; Breakfast, with Men Lunch, 1s. 6d.; Tea \* \* \* These Charges in attendance. THERE ARE do not require to Hours choice. Tickets can be had i secure to the holders good the dates for which they of remaining for a longer (disengaged), thus saving and probable extra exp avail themselves of this a Those who do not take be received at Peel Street, vacant, but holders of T any disappointment. Mr COCKBURN is allow Gentlemen in Edinburgh uses, and give further in Mr Ali, 21 Prince's High Street; Mr Kirkbe Martin, 79 Queen Street Street; Mr Sutherland, 1 Copies of the Prospect Country in reply to prep Stamps to the Proprietor of MORRISON STREET, a burgh, who will issue arrangements. AT A SPECIAL GE the NORTH BRI PANY, held in Gub's R Edinburgh, on 25th April JOHN LEARMONTH, Company, it it was resolved.— That the Bill now bef A Bill for enabling th Company to enlarge th and to make certain sh Dalkeith, and to make Branch, and for other pu Meeting, be and the ear the Meeting, and that t affixed thereto, in token JOHN LE TAILOR AND CL MESSRS D. WALL to SELL by Auction April, in their AGENCY, at Twelve, upwards FROCK, and WALKING SERS, Superfine WEST and NARROW CLOTHS, SILKS, SATINETS, Home-made LINEN & PARASOLS, FURNI MASK TABLE - CL BRUSSELS CARPET LING, SPUN SILK, PLAIDS, BELL, P On view on Tuesday n SALE OF Upwards of 100 MUSLI CAMBRIC, and MUSI MERINOES, GINGH, TERPANES, SUPE SILKS, SATINETTE Home-made LINEN & PARASOLS, FURNI MASK TABLE - CL BRUSSELS CARPET LING, SPUN SILK, PLAIDS, BELL, P

Offices

The Edinburgh Friendly's office was at 6 York Place. The first secretary was John Maben and the first law agent was solicitor John Gardiner. The society's later successor, the Fourth Edinburgh Friendly, was based at 5 St Andrew Square, on the site of the modern building occupied today by the Gaucho restaurant.

Having a centrally located office was important for members who were invited to meet the secretary one evening, usually between 7 pm and 9 pm, every fortnight to pay their regular subscriptions and transact any other business. That ethos continues today through the Society's six customer relationship centres, as the branches have been renamed, situated across Scotland, allowing members to develop a personal rapport with centre staff.

The St Andrew Square building, according to local directories, was home for the offices of a wide variety of Edinburgh societies, from learned institutions like the Edinburgh Geological Society, Royal Physical Society and Botanical Society to charitable bodies like the Edinburgh City Mission, Sabbath Alliance and the wonderfully named Scottish National Association for the Suppression of Licentiousness and the Recovery of the Fallen. In 1925 the Scottish Friendly, as the Society became in 1909, moved to 75 Hanover Street, then in 1928 to 73 Hanover Street. In 1929 the Society



23 Manor Place was the Society's headquarters for many years. This drawing was used on the cover of the Society's annual reports.

The Edinburgh Friendly and other similar societies in the city were one response to the crisis. They were also a means of breaking the stranglehold on home loans traditionally exercised by the Scottish legal profession. One of the Edinburgh Friendly's predecessors stressed that such societies were 'no speculation, no scheme by which uncertain results are to be obtained, but a sober, well-trying and successful mode of associating together a number of persons for the sure and steady benefit of the whole. To the Capitalist, this Society affords additional facilities to realise property; to the Tradesman, a field is open to obtain property without encroaching on his trade capital; and to persons holding Official Situations peculiar advantages are offered, either to husband their savings or to purchase residences of their own, and thus, by prudent and judicious economy of their incomes, to enable them to provide for the exigencies of the future, the casualties of life, or the infirmities of age'.

Many of the early terminating societies, like the Edinburgh Friendly, only made loans available to subscribing shareholders. It was possible for a member to repay a loan to secure outright ownership of a typical house costing £130, secured with a £5 deposit, in 14 years. 'Every Man a Landlord!' proclaimed one Edinburgh society. By the time the Edinburgh Friendly's successor, the New Scottish Friendly Property Investment Company, became a permanent society in 1874, societies were extending loans from subscriptions and deposits to others, expanding the availability of mortgage finance.

Like other societies, the Edinburgh Friendly based its Rules on the model rules taken from the legislation governing friendly societies passed in 1834. Members taking up shares paid sixpence entry-money and sixpence per share annually to cover management expenses. They were expected to turn up one evening every fortnight to pay their subscription of one shilling per share or pay one halfpenny per share in fines if they failed to do so. To assure the security of the funds of shareholders and depositors, the directors – tradesmen who knew only too well the impact of defaulting creditors – insisted that the society's secretary and treasurer provided a bond of £100. This was a hefty sum, equivalent in 2023 to more than £9,000.

The Rules protected the interests of all members while ensuring individual members were treated fairly. Shareholders incapacitated by mental illness were absolved from any fines or liability for arrears and their guardians were entitled to withdraw in full any contributions made after six

## 'EVERY MAN A LANDLORD!'

months. Otherwise, shareholders in arrears were given six months to make up their loan repayments before they forfeited any secured property. The society's surveyor examined every mortgaged property to ensure it was worth more than the proposed loan. The surveyor was reimbursed on a sliding scale depending on the value of the property, 'provided that such Property is not situated more than three miles from the Cross of Edinburgh', in which case an additional fee was payable. He was also expected to carry out an annual survey of all secured properties.

For a modern reader, the most striking aspect of the Rules covers the allocation of loans. 'All the disposable Funds which the Company may have at the termination of any Quarter, shall, on such Quarter-Night, at Eight o'clock precisely, be submitted to competition among the Members, and shall be allotted to the highest bidder, who shall be entitled to receive the whole, or such part thereof as he may require.' Bidding started at £25 per share, the nominal value of each share, and if two bidders were in competition, 'they shall offer a premium for the right to an advance, beginning with and advancing at not less than One Shilling per share.' Shareholders winning the right to a loan were entitled to take up more shares at the same premium. Annual interest of 5.2 per cent was charged on the loan, payable fortnightly, but reimbursed in full once the transaction was completed. Bidding for loans was common among many similar societies at the time and premiums helped to cover operating expenses.

During its first year the Edinburgh Friendly advanced loans amounting to £2,162, worth about £217,000 in 2023. Initially, with plenty of founding members, there were adequate funds to meet demand, and the premium paid during the society's first quarter averaged £13 for a £325 loan. But the rate of recruitment soon slowed down, making funds scarcer, and increasing competition for loans. At one point, bidding resulted in a premium of £217 for a loan on a property valued at £937. In April 1851, the directors appealed for more members to bring in more capital to enable the society to advance more loans. To make entry easier, they launched a phased payments plan, enabling new members to match the contributions made by existing members by instalments over eight years. In their circular issued to *The Scotsman*, the directors concluded by saying,

'Should even an average measure of success continue to attend the Society, it is confidently hoped that it may terminate in little more than Nine Years from the present time, thus offering a great



UPPER FLAT HOUSES WITH ATTICS.



HOUSES ON THE GROUND FLOOR.

Model housing financed by early Scottish building societies and built in Stocksbridge in Edinburgh from the 1860s onwards.

### THE SECOND EDINBURGH FRIENDLY WAS FORMED ON 29 JANUARY 1856

inducement to parties to join it, as the properties they may now purchase and at once possess rent free, with the assistance of the Company, will by that time be their own, free and unencumbered.'

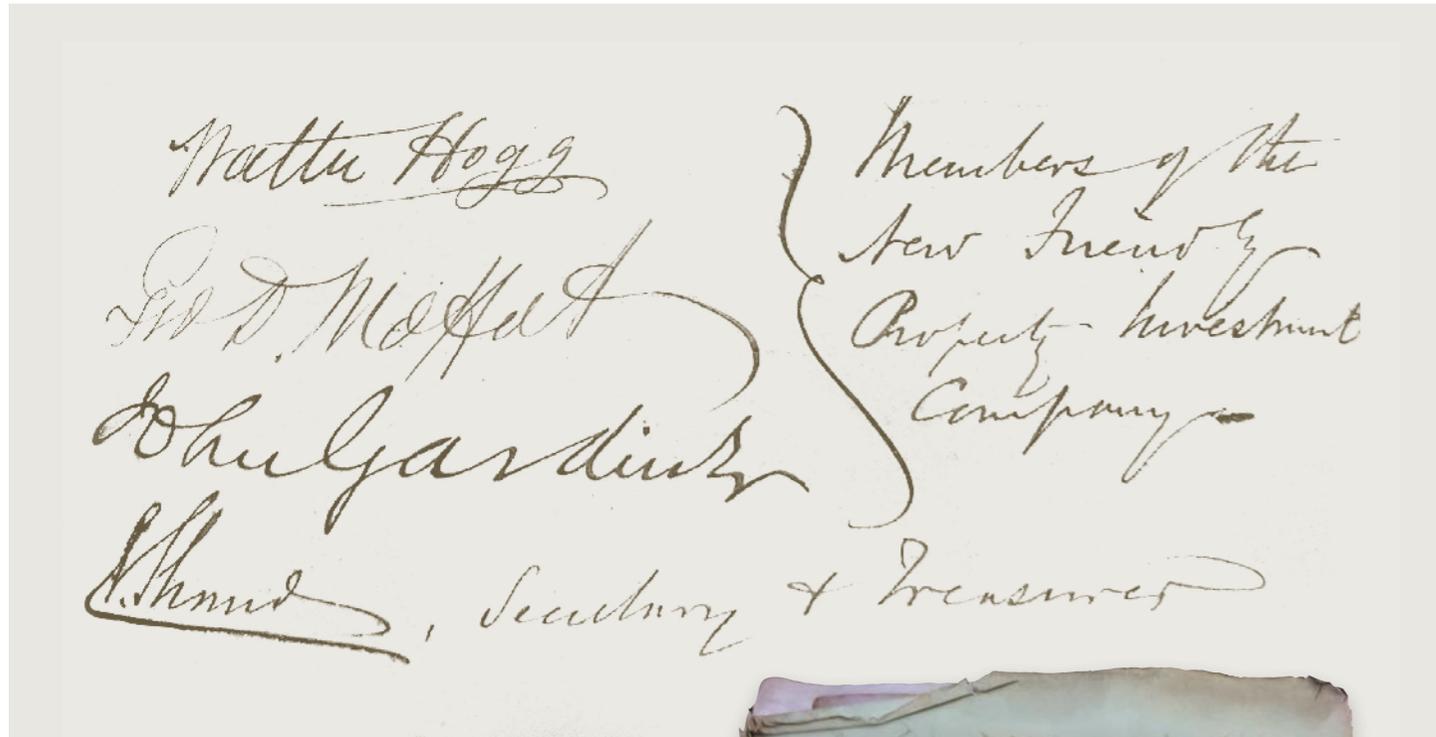
The Edinburgh societies, as one observer later remarked, did 'excellent work in helping persons of small means to realise their ambition to own the roof over their heads'. The Edinburgh Friendly, its successors and other societies played an important part in increasing the number of houses in the capital by 100 per cent between 1871 and 1911. Much of it was purpose-built housing for skilled tradesmen, like Walter Hogg, William Mann and John Smart, with suburbs rising up in Dalry, Abbeyhill and Gorgie, often linked to sources of new employment, like the breweries, maltings and foundries. But the societies also helped members to buy existing properties as well as new ones.

Founding new societies in quick succession, usually in advance of the termination of the previous society, helped to keep mortgage funds flowing. The original Edinburgh Friendly was wound up in 1860 but four years earlier on 29 January 1856 at a meeting at 6 York Place, it was agreed to form the Second Edinburgh Friendly Property Investment Company. As the *Edinburgh News & Literary Chronicle* reported after the first subscription meeting on 11 February, 'The very marked success which has attended the Edinburgh Friendly Investment Company, commenced nearly eight years ago, has induced a number of its members and their friends to establish another society, based on the same principles. The society is what is called a terminating one, with popular and economical management, equal division of profits and the utmost liberality to borrowers consistent with a regard to the general security.'

This time Walter Hogg took the chair while Robert Shand became secretary and treasurer. Several of the same men, including Robert Millan,

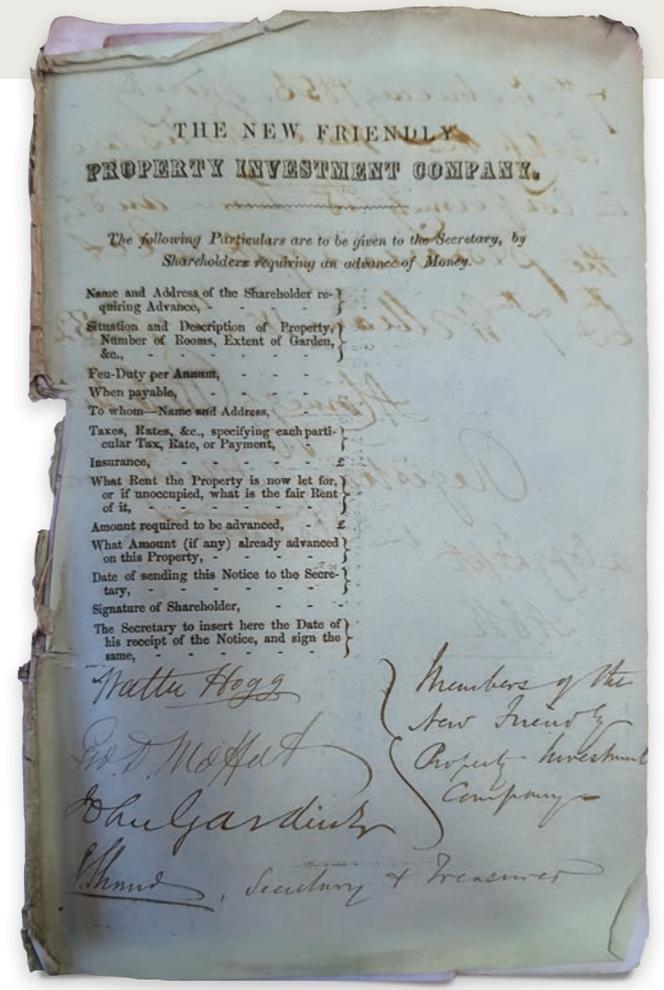
**NEW FRIENDLY PROPERTY INVESTMENT COMPANY,**  
Enrolled Pursuant to Act of Parliament.  
In Shares of £25 each. Entry-Money, 6d per Share.  
FIRST SUBSCRIPTION MEETING—11TH FEB. 1856.  
Trustees—ALEXANDER AUCHE, Esq., 4 Argyle Square.  
WILLIAM CURRIE, Esq., Malva Green Cottage.  
JAMES ORROCK, Esq., 7 Abercromby Place.  
Chairman—MR WALTER HOGG, 30 Dundas Street.  
Vice-Chairman—MR D. S. ANDERSON, 247 Canongate.  
**DIRECTORS.**  
William Elgin, 13 North St Andrew Street.  
William Aitken, 3 Pitt Street.  
George Hailing, 21 Nelson Street.  
Edwin Pass, 47 Frederick Street.  
John Hamilton, 6 Montgomery Street.  
Robert Millan, 135 George Street.  
William Mann, 135 George Street.  
Matthew Carstairs, 71 Northumberland Street.  
John Smith, 1 Amphion Place.  
Robert Macredie, 44 Moray Place.  
Robert Meek, 23 Howe Street.  
Surveyor—ARCHD. SCOTT, Esq., architect, 10 Teviot Row.  
Law Agent—JOHN GARDNER, Esq., S.S.C., 27 York Place.  
Secretary and Treasurer—MR ROBT. SHAND, 41 Dundas St.  
The very marked success which has attended the Edinburgh Friendly Investment Company, commenced nearly eight years ago, has induced a number of its members and their friends to establish another society, based on the same principles. The society is what is called a terminating one, with popular and economical management, equal division of profits, and the utmost liberality to borrowers consistent with a regard to the general security.  
Prospectuses and every information will be furnished by any of the Office-Bearers. The Rules will be ready in a few days. Meanwhile, members will be enrolled by the Secretary.

Notice announcing the formation of the New Friendly Property Investment Company in 1856.



William Mann and Matthew Carstairs, were on the board. They were able to share the expertise they had gained from successfully running the first Edinburgh Friendly with a new generation of interested volunteers. Among the latter were the vice-chairman, D S Anderson, an apothecary who kept a laboratory in Canongate, William Elgin, a bookseller from North St Andrew Street, and William Aitken, a chemist and druggist with a shop in Pitt Street. Edwin Pass traded as perfumer and hairdresser in Frederick Street, Robert Meek was a working jeweller in Thistle Street and John Smith in Amphion Place was a cut-glass manufacturer. One of the trustees, James Orrock, practised as a dentist and surgeon in Abercromby Place.

The Rules for the New Friendly Property Investment Company formed in 1856, with the signatures of the first office bearers.



Two of the newcomers epitomised the spirit of the society. Alexander Auchie, an upholsterer, like Walter Hogg, and one of the trustees, represented the public spiritedness of so many of these men. His interests extended beyond the society as a city councillor and he was one of the corporation's senior charity managers, looking after, for example, the Royal Edinburgh Asylum for the Insane. One of the directors, George Hailing, was typical of the men who banded together to help each other buy their own homes. He enjoyed secure employment as a first-class clerk with the General Post Office in Waterloo Place, but was hardly well off, living in rented rooms in 21 Nelson Street, where a flat today would sell for a half a million pounds. By 1868, although he was still a Post Office clerk, membership of the society had allowed him to buy his own home in Henderson Row.

A few months after the Second Edinburgh's first meeting, a small notice appeared in a local paper, urging that 'Those desirous of either Purchasing their Dwelling-house or Shop, or of making a Provision for their Family, should join immediately'. A similar message promoted the Second Edinburgh's successor, the Scottish Friendly Property Investment Company, formed in November 1860. 'This Company,' reported the *Edinburgh News*, 'offers a safe and desirable Investment for parties wishing to become Purchasers of Dwelling-houses and other Properties'.

Once again it was run by a mixture of experienced men and newcomers. A lawyer, Thomas MacFarlane, was briefly chairman, but he was soon succeeded by bootmaker John Smart, one of the directors of the first Edinburgh Friendly. Butchers and builders, a baker and a haberdasher, a currier and leather merchant, and a papermaker's agent all sat on the board. Perhaps through Alexander Auchie, the society had persuaded David Curror, Auchie's fellow city councillor, to become a trustee. A successful lawyer, he also served as manager of the city's High Street Relief Fund in 1861 and became City Treasurer in 1862. A letter in the *Edinburgh Evening Courant* described him as someone 'who has devoted a large portion of his time to various of our city boards'. The Scottish Friendly was dissolved on shares reaching maturity in 1873.

'A SAFE AND DESIRABLE INVESTMENT'

Notice advertising the Scottish Friendly Property Investment Company as 'an excellent opportunity' for prospective house buyers in 1863.

**Properties for Sale, &c.**

**SCOTTISH FRIENDLY PROPERTY INVESTMENT COMPANY.** LIMITED  
ON THE TERMINATING PRINCIPLE.

**Trustees.**  
Robert Shand, Esq., 105 George Street.  
William Cushnie, Esq., Malta Green.  
Alexander Hay, Esq., Gayfield Place.  
David Curror, Esq. of Wester Craigduckie, S.S.C.  
Charles Mackenzie, Esq., 80 George Street.  
JOHN SMART, Esq., Queen Street, Chairman of Directors.

The Directors have now adopted a Scheme whereby parties joining the Company as at 26th January current, instead of having at once to pay up the full contributions for the last two years, will be admitted on payment of 1s 6d per share fortnightly, till their contributions equal those of members who entered at the commencement of the Company.

The present, therefore, affords an excellent opportunity for parties about to become purchasers of property desirous of borrowing on heritable security, obtaining advances from this Company, which has been in existence for two years, and been very successful.

For further particulars may be learned on application to Mr ROBERT FORREST, 56 HANOVER STREET, Secretary and Treasurer of the Company.

\* \* \* The first payment under the new Scheme falls to be made on MONDAY, 26th instant, between Seven and Nine o'clock Evening, at the Bible Society's Rooms, 5 St Andrew Square.

Curror also acted as one of the trustees for the next terminating society in this series, the Fourth Friendly Property Investment Company, established in February 1869. Robert Shand sat as a trustee and Walter Hogg was chairman. The occupations of Hogg's fellow directors – from skilled tradesmen and retailers to printers and railway clerks – showed just how economically diverse the city was, a strength that helped it to ride out recessions which badly hit other cities like Glasgow more dependent on heavy industry. 'The object of this Company', it was reported in *The Scotsman*, 'is to enable every Shareholder to become his own Landlord, or the Owner of Heritable Property, on easy terms.' By then, the bidding method of applying for loans had been abandoned, and every shareholder was entitled to request a loan provided funds were

### Archibald Scott, Architect and Surveyor

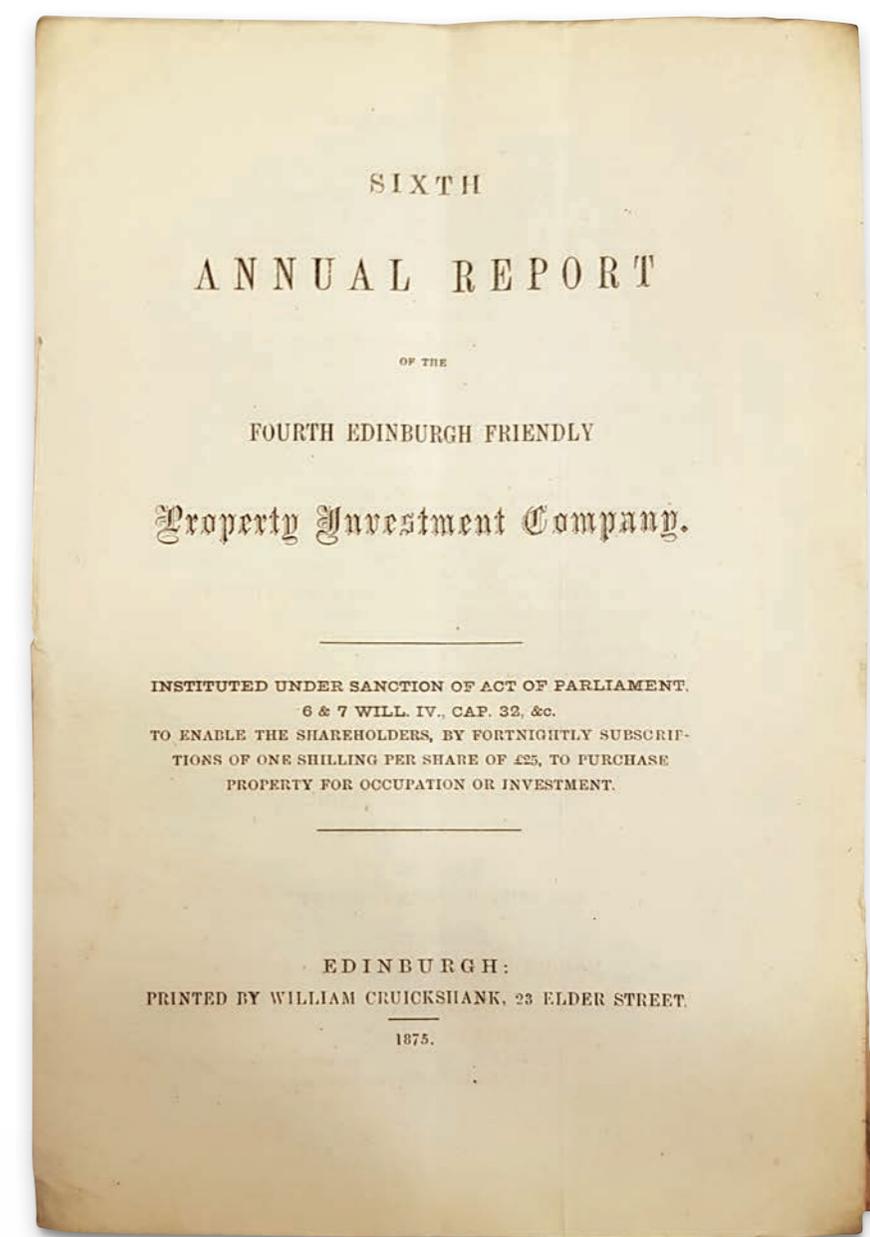
The surveyor for the Second Edinburgh, the Scottish Friendly and the Fourth Friendly was Archibald Scott. In 1869 he added the title of architect on the formation of the Fourth Friendly. Together with the presence of several builders on the board, this suggests that the societies were offering loans to builders. Born in Dunbar in 1798, Scott practised as an architect in Edinburgh from around 1825, when he is known to have designed the houses at 18–26 Hamilton Place in the suburb of Stockbridge. He was proficient enough to become architect to the National Bank of Scotland, designing many of their branches, and this connection may have recommended him to the Edinburgh Friendly directors.

Edinburgh.  
 To be Sold by Public Roup, within Lyon & Turnbull's Rooms, 51 George Street, on Wednesday the 31st day of March 1869, at Two o'clock Afternoon.  
 These TWO HOUSES on the Ground Plot of No. 31 RICHMOND FEND, containing Two Apartments each, with Water and Water-Closets. Fee-Duty, 2s. Upset Price, £115.  
 Apply to Messrs J. B. DOUGLAS & SMITH, W.S., 67 Frederick Street.  
 THERE WILL BE SOLD BY PUBLIC ROUP Within the Premises No. 4 Kirkcaldy, Leith, on Wednesday the 7th day of April next, at Two o'clock afternoon.  
 ALL and WHOLE that TENEMENT of HOUSES, No. 4 KIRKCALDY LEITH, the Three First Flats of which are occupied as a Wine and Spirit Shop. The Houses situated in the most central thoroughfare in Leith, has Large Accommodation, is Recently Fitted up and is well adapted for Dinner or Supper Parties, having every facility for Cooking. The remaining Flat is Let as Dwelling-House.  
 Fee-Duty, nominal. Rental, £21.  
 The Stock and Goodwill of the Public-House can also be obtained.  
 For further particulars apply to J. CAMPBELL INNES, S.S.C., 15 Charlotte Street, Leith, in whose hands are the Title-Deeds and Articles of Roup.  
**EVERY MAN HIS OWN LANDLORD.**  
 THE DIRECTORS of the SCOTTISH PROPERTY INVESTMENT COMPANY are prepared to Advance to Purchasers of HOUSES or SHIP PROPERTY in Scotland, Nearly the Value of the Property to be Acquired. Both Principal and Interest are Repaid by Easy Installments. See Company's Prospectus, which may be obtained at—HEAD OFFICE, 105 SOUTH BRIDGE, EDINBURGH; SPECIAL OFFICE, 11 BERNARD STREET, LEITH.  
**NEW PROPERTY INVESTMENT COMPANY.**  
**FOURTH EDINBURGH FRIENDLY PROPERTY INVESTMENT COMPANY,**  
 On the Terminating Principle.  
**OFFICE-BEARERS.**  
*Trustees—*  
 ROBERT SHAND, Esq., Viewnour Villa, Morningside.  
 DAVID CURROR, Esq., of Water-Closet, Leith.  
 ROBERT CHAMBERS, JUNR., Esq., 10 Royal Crescent.  
 JAMES TON, Esq., 4 St James Square.  
 JAMES GULLAND, Esq., 1 Queen's Crescent.  
*Chairman—*  
 Mr WALTER HOGG, 30 Dundas Street.  
*Vice-Chairman—*  
 Mr WILLIAM CARMICHAEL, 8 Mansfield Place.  
*Directors—*  
 Mr ROBERT MAORIS, 72 Northumberland Street.  
 Mr GEORGE MITCHELL, Wood Merchant, 50 Gilmour Place.  
 Mr WILLIAM SHAW, Printer, 52 West Register Street.  
 Mr JOHN SWAN, China Merchant, 163 West Port.  
 Mr DAVID CLARK, Secretary's Office, North British Railway Company.  
 Mr WILLIAM BROWN, Joiner, 31 Stafford Street.  
 Mr WILLIAM ANDERSON, Clothier, 15 George Street.  
 Mr ALEX. HENRY, 8 Abercromby Place.  
 Mr J. C. REID, Printer, 14 Thistle Street.  
 Mr WILLIAM LAWSON, 3 Rosemount Buildings.  
 Mr JOHN MUIRHEAD, Builder, 27 Morrison Street.  
 Mr JOHN PATTERSON, 23 Bannockburn Street.  
*Secretary and Treasurer—*  
 Mr ROBERT FORRESTER, 17 Queen Street.  
*Solicitor and Law Agent—*  
 Mr GEORGE WATSON, 23 Duke Street.  
*Bankers—*  
 THE BRITISH LEXEN COMPANY, Surgeons.  
 Mr ARCHD. SCOTT, Architect, 10 Terriot Row.  
**FOURTH EDINBURGH FRIENDLY PROPERTY INVESTMENT COMPANY,**  
 On the Terminating Principle.  
 The Benefits to be derived by Shareholders of Companies based and carried on on the Terminating Principle are now becoming well understood and appreciated. This is shown by the success which has attended the former Friendly Investment Companies, and by the number of parties who have already joined this Company.  
 The object of this Company is to enable every Shareholder to become his own Landlord, or the Owner of Heritable Property.  
 The Shares are £25 each, payable in fortnightly subscriptions of 1s. per Share. All payments to be made to the General Fund, which is accumulated for benefit of all the Shareholders.  
 The THIRD SUBSCRIPTION NIGHT is fixed for WEDNESDAY, 31st MARCH, in No. 5 St Andrew Square, between the hours of 7 and 9 p.m.  
 Prospectuses, Forms of Application, and every information will be furnished by Mr THOMAS DUNBAR, 5 St Andrew Square, and by Mr ROBERT FORRESTER, the Secretary, No. 17 Queen Street, who will enrol Members and receive their Subscriptions.  
 TENANTS desirous of becoming PROPRIETORS of the HOUSES they occupy should Examine the PROSPECTUS of the STANDARD INVESTMENT SOCIETY, which shows how Houses may be Bought and Paid for Monthly, Quarterly, or Half-Yearly Installments, amounting annually to very little more than the Rent.  
 Further information may be obtained at the Society's Office, 37 George IV, Bridge, Edinburgh, daily, from 10 to 4, and 7 to 9; Saturdays, from 10 to 1 only.

**THE COUNTRY.**  
**DUNDEE.**—To Sell, that Villa called Blackbank, opposite the Public House, consisting of Two Floors, containing 2 Bed-Rooms, Bath-Room, Kitchen, Scullery, W.C. &c., with a Garden, &c. There is a Large Garden, well fenced, and a Small Field of 10 Acres. Apply to THOMAS JOHNSON, Esq., 105 South Bridge, Edinburgh.  
**DUNDEE.**—A Dwelling-House to be Sold or Let, with Coach-House, Stable, &c. Apply to THOMAS JOHNSON, Esq., 105 South Bridge, Edinburgh.  
**GLASGOW.**—Large Leasehold, 125 Acres of good land, with the Estate includes Three Farms and House-lands, and 2 Cottages. For particulars, apply to Mr C. H. TRENKLE, Handross, Crawley, Sussex.  
**GLASGOWSHIRE.**—The Villa of Broomhall, on the North, Three Miles from Leithgow (at formerly advertised) to be Sold or Let. Apply to William Johnston, Solicitor, Bathgate.  
**POLMONT.**—For Sale, Comptrol House, with Large Garden and 2 Parks; or to Let Furnished. 220, Southman Office.  
**COUNTRY.**  
**COUNTRY HOUSE FOR SALE,** containing Library, Dining and Drawing Rooms, Six Bed-Rooms, Bath-Room, Pantries, Servants' Bed-Room, Kitchen; Stable, Coach-House, Gardener's House, Vineyard, many fruit trees, in full bearing order, and other accommodations. The House stands on a Yew of nearly Two Acres, surrounded by Walks and planted with Thriving Trees. It is within Five Minutes Walk of the Glasgow Railway Station, situated half-way between Edinburgh and Glasgow, to either of which places there are convenient Trains. A large Part of the price may remain on the Property if desired.  
 Apply to CHARLES ALLAN, Esq., Solicitor, Bathgate.  
**WYVERKETHING—DWELLING-HOUSE AND GARDEN**

**ALL and WHOLE that TENEMENT of HOUSES, situated on the BURNHOLM, with a Free Thoroughfare of an Acre belonging to James Little. If the Property is not exposed separately, with it attached to each.  
 For further particulars apply to James Little, who holds the Title Deeds, March 6, 1869.  
 TO TANNERS, C  
**ST NINIANS, NEAR WORKS, DWELLE**  
 To be Sold, within the Court of Session, on the 26th March at 10 o'clock.  
 The TAN-WORK, SEA DWELLING-HOUSE, 3 HOUSES, with a VILLAGE of ST NINIAN, TANNERS, Dundee, &c.  
 For further particulars apply to Messrs. SMITH & CO., whose hands are the Title-Deeds, 37, St Andrew Square, Edinburgh, on 26th March 1869.  
**B.**  
 There will be Exposed to Public View, on Thursday the 12th day of March 1869, at 10 o'clock, contained in a Box, SEVEN BUILDING and COTTAGE sites, with a Cottage and Co., as also a OFFICES, occupied by James J. Knox, Glasgow, &c.  
**SALE**  
**UPPER**  
 To be Sold by Public Roup, on Thursday the 12th day of March 1869, at 10 o'clock, in the County of Dumfriesshire, Office, Labourer's Land, at present let yearly for further particulars apply to Messrs. SMITH & CO., whose hands are the Title-Deeds, Bank of Scotland, Annan.  
**TO BE SOLD**  
 Within Dundee's Rooms, 3 Wednesday the 12th day of March 1869, at 10 o'clock, in the County of Dumfriesshire, Office, Labourer's Land, at present let yearly for further particulars apply to Messrs. SMITH & CO., whose hands are the Title-Deeds, Bank of Scotland, Annan.  
**TO BE SOLD**  
 By Public Roup, on Thursday the 12th day of March 1869, at 10 o'clock, in the County of Dumfriesshire, Office, Labourer's Land, at present let yearly for further particulars apply to Messrs. SMITH & CO., whose hands are the Title-Deeds, Bank of Scotland, Annan.  
**THE ESTATE**  
 In the Parish of Orkney, consisting of 300 Imperial Acres, arable and Pasture Land, &c. No part is let or occupied. The Estate is situated in the Parish of Orkney, which forms the southern part of the County of Orkney, and is bounded by the Sea to the North and West, and by the Sea to the South and East. The Estate is situated in the Parish of Orkney, which forms the southern part of the County of Orkney, and is bounded by the Sea to the North and West, and by the Sea to the South and East. The Estate is situated in the Parish of Orkney, which forms the southern part of the County of Orkney, and is bounded by the Sea to the North and West, and by the Sea to the South and East.  
**NEWS**  
**DWELLING-HOUSE**  
 There will be Sold by Public Roup, on Friday the 20th day of March 1869, at 10 o'clock, in the County of Dumfriesshire, Office, Labourer's Land, at present let yearly for further particulars apply to Messrs. SMITH & CO., whose hands are the Title-Deeds, Bank of Scotland, Annan.  
**THE DWELLING-HOUSE**  
 There will be Sold by Public Roup, on Friday the 20th day of March 1869, at 10 o'clock, in the County of Dumfriesshire, Office, Labourer's Land, at present let yearly for further particulars apply to Messrs. SMITH & CO., whose hands are the Title-Deeds, Bank of Scotland, Annan.  
**WOOL MILL**  
 The BUILDINGS and occupied thereby, of the**

The sixth annual report of the Fourth Edinburgh Friendly Property Investment Company, 1875. Most of the early archives of the Scottish Building Society and its predecessors were destroyed in the 1940s.



## A Permanent Society 1874–1919

### 'Not a Penny Lost'

The New Scottish Friendly Property Investment Company, the direct predecessor of the Scottish Building Society, was established on 31 January 1874. Later in the same year, the New Scottish Friendly took advantage of new legislation, the Building Societies Act 1874, to become a permanent and incorporated society. This made it one of just 34 incorporated building societies in Scotland by 1877.

Once again, many previous names appear as directors, including Robert Shand and David Curror, two of the five trustees, and William Mann, who became chairman. We know the occupations of most of the directors. For example, Andrew Linton was a cork-cutter, making bottle-stopping corks and other closures; Henry Swan was a china merchant; Arthur Bruce made jewel cases; and David Wightman was a music-seller. The Rules differed little from the Rules governing the forerunners of the New Scottish. The trustees were in place for only a few months before incorporation made them unnecessary. The secretary and treasurer was Robert Forrest and the office remained at 5 St Andrew Square.

Unlike its predecessors, the New Scottish Friendly, as a permanent society, was able to dispense with the stipulation that new members must match the contributions of founding members. To accommodate this, the society retained the



Galashiels, a major commercial centre for the Scottish Borders, late 19th century.

**FOURTH EDINBURGH INVESTMENT COMPANY,**  
Enrolled under the Act of Parliament  
6 and 7 William IV., cap 32.

SHARES, £25 EACH. FORTNIGHTLY PAYMENTS,  
ONE SHILLING PER SHARE.

OFFICE-BEARERS.  
JAMES BUCHANAN, Esq., 114 High Street, President.  
DANIEL CREILAR, Esq., 13 Union Street,  
Vice-President.

DIRECTORS.  
Mr J. DALRYMPLE, 1 Findhorn Place.  
Mr JOHN MORISON, junr., 2 East Newington Place.  
Mr ANDREW MACDONALD, Summerhall.  
Mr CHARLES McLEAN, 17 Rider Street.  
Mr T. BLACKIE, 11 Mount Pleasant, Portobello.  
Mr ROBERT NICOL, 57 Cockburn Street.  
Mr ROBERT WILSON, 23 Hogo Street.  
Mr ALEXANDER FORBES, 3 West Newington Place.  
Mr J. ALLAN DOW, 34 Buccleuch Place.  
Mr WILLIAM GARDNER, 3 Selkirk Hill.  
Mr JAMES HENDERSON, 10 India Street.  
Mr JAMES GILBERT, 24 Salisbury Street.

TRUSTEES.  
ROBERT ANDERSON, Esq., 110 Grange Place.  
JAMES BUCHANAN, Esq., 114 High Street.  
ROBERT GORDON, Esq., Mayfield Terrace.  
JOHN DALRYMPLE, Esq., 1 Findhorn Place.  
JOHN GIFFORD, Esq., 41 St Andrew Square.  
JAMES THIN, Esq., 7 Hillbank Terrace.

In announcing the formation of this Company, the Directors desire to state that they are prepared to make Advances for immediate settlements.

Second Day, Night of Subscriptions on TUESDAY, 5TH FEBRUARY, from 7 to 9 P.M.

Applications for Shares received from 7 to 9 of the EVENINGS of each THURSDAY, FRIDAY, and SATURDAY of FEBRUARY current, at the COMPANY'S OFFICE, 114 HIGH STREET (Buchanan's Hotel.)

Mr JAMES MORHAM, 6 Queen's Crescent, Manager.  
Mr ALEXANDER DUKSON, 179 High Street, Treasurer.  
JOHN ROBERTSON, Esq., S.S.C., 63 North Hanover Street,  
Law-Agent.

NATIONAL BANK OF SCOTLAND, Bankers.

COMPANY'S OFFICE:  
BUCHANAN'S HOTEL, 114 HIGH STREET,  
Edinburgh, December 1869.

**THE FOURTH EDINBURGH FRIENDLY PROPERTY INVESTMENT COMPANY.**  
The DIRECTORS are prepared to receive LOANS on DEPOSIT, at the rate of 4 per cent. per annum for Sums repayable at Six Months and 3½ per cent. per annum at call.  
Apply to Mr ROBERT FORREST, 17 QUEEN STREET, the Treasurer of the Company.

Advert in *The Scotsman*, 1870. These small notices were typical of the limited advertising of the societies of the time.

system of subscribing shareholders, who made regular investments until their shares matured, but created separate sections for each new share issue. In 1876, for instance, *The Scotsman* reported the opening of the society's third section to admit new members 'without the necessity of back payments'.

The challenge for members who were paid out was where to deposit the proceeds. Some destinations, it turned out, were not safe or secure. In 1879, the Edinburgh newspapers reported the fallout from a spectacular financial crash which affected Scottish Friendly members. The collapse of the City of Glasgow Bank in 1878 devastated

the lives of countless individuals and shattered many businesses. It was a major scandal. The balance sheet had shown capital and reserves of £1.6 million; it turned out that there was a deficiency of £5.1 million, equivalent to more than £480 million in 2023. The directors were tried, found guilty of fraud and imprisoned. One Scottish Friendly member, Ebenezer Loudon, a foundry manager, was entitled to proceeds of £450 and decided to invest £217 in shares in the bank. The cheque issued by the Scottish Friendly was lost and in issuing a new cheque it was agreed that the shares would be placed in the name of Scottish Friendly's trustees, including Robert Shand and David Curror, until it was clear that the missing cheque was unlikely to turn up. Unfortunately, the trustees were still holding the shares when the bank collapsed. William Cushnie, another member and retired house carpenter, who had been a director, had invested part of his proceeds in bank shares, and lost the lot. Already in his eighties, he died a broken man in 1880. There must have been others who suffered losses.

There was, however, an unexpected benefit for Edinburgh from the collapse of the bank. As its failure forced two-thirds of all builders in Glasgow out of business, it stimulated property development in Edinburgh as an alternative source of investment, helping societies like the New Scottish Friendly.

Faith in the building society movement was shaken a few years later by financial failures of English societies, the Portsea and the Liberator, in 1892, leading to further legislation to tighten their regulation in 1894.

The New Scottish Friendly, on the other hand, was small and secure. Members understood that they were investing for the longer term rather than for the immediate reward of dividends. The time taken for investments to mature ranged around 12 to 14 years. In 1893, for example, members of the fifth section were paid out after subscribing for twelve and a half years. In the same year, a small advertisement appeared in the *Edinburgh Evening News* under the heading 'Most Successful Company' – 'Ample funds for immediate advances. Parties desirous of acquiring property most liberally dealt with.' In 1894, the society's loan book totalled £45,100, the equivalent of £4.6 million in 2023.

New Scottish Friendly's permanent status allowed it to outgrow its predecessors. The society was launching new sections to attract new members almost every year. The nominal value of the shares increased to £32 10s by 1896 when the society was offering 4 per cent loans repayable by easy fortnightly instalments of one shilling per share.

## 'MOST SUCCESSFUL COMPANY'

**THE NEW SCOTTISH FRIENDLY PROPERTY INVESTMENT COMPANY.**  
 Incorporated by Act of Parliament.  
 This COMPANY was instituted for the purpose of enabling Members to obtain ADVANCES for the purchase of HERITABLE PROPERTY by Small Fortnightly Subscriptions.  
 The DIRECTORS have resolved to OPEN A NEW SECTION (the 3d) of the Company, by which Members may be admitted without the necessity of back payments.  
 The FIRST MEETING for PAYMENT of SUBSCRIPTIONS under the New Section will be held on the Evening of 7th February at the Company's usual place of business, No. 5 ST ANDREW SQUARE, betwixt the hours of 7 and 9 o'clock, and every alternate Monday at the same hours.  
 All information will be obtained on application to Mr ROBERT FORREST, Secretary and Treasurer, No. 7 North St DAVID STREET, EDINBURGH.

This progress showed the growing popularity of building societies in the city by the end of the 19th century. Alongside the advertisement for the New Scottish Friendly in the *Edinburgh Evening News* in 1896 were similar advertisements for the Fourth Provident Investment and Building Society, the Old Edinburgh Property Investment Company, the Leith Property Investment Building Society and the Edinburgh Mutual Investment and Building Society. Catering mainly for the less affluent buyers of smaller properties, they had a proven record of offering borrowers as much as 95 per cent of the value of the properties they were buying, eliminating the need for them to put down big deposits.

The building society movement in Scotland, however, was small by comparison with England. By 1900, for instance, there were just 140 incorporated societies in Scotland while in England there were 2,310. And Scottish societies were small, averaging just 233 members each in 1906, making the New Scottish Friendly a typical example. In fact, with 433 members by 1914, it was one of the larger Scottish societies.

In 1903 the society's annual report listed total loans of £53,781 (£5.2 million in 2023). This made it significantly larger than the Amicable, founded in 1892, which would power its way to become the leading Scottish society between the two world

### NEW SCOTTISH FRIENDLY PROPERTY INVESTMENT COMPANY.

**OFFICE-BEARERS.**  
**TRUSTEES.**  
 ROBERT SHAND, Esq., Viewmount Villa, Morningside.  
 DAVID CURROR, Esq., of Wester Craigduckie.  
 CHARLES MACKENZIE, Esq., 81 George Street.  
 JAMES GULLAND, Esq., 18 Nelson Street.  
 JOHN SWAN, Esq., 4 Loven Terrace.  
**Chairman.**  
 Mr WILLIAM MANS, 39 Frederick Street.  
**Vice-Chairman.**  
 Mr WILLIAM MURRAY, 9 Duke Street.  
**Directors.**  
 Messrs ALEX. A. TRAILL, 4 Peel Terrace, Newington.  
 " ANDREW LINTON, Clerkentter, 57 High Street.  
 " PETER SMELLIE, 19 St David Street.  
 " HENRY H. SWAN, China Merchant, 242 Canongate.  
 " PATE, MARSHALL, Bootmaker, 50 W. Register St.  
 " ARTH. M. BRUCE, Jewel Case Maker, 63 Princes St.  
 " WILLIAM SMITH, 3 Thistle Place, Viewforth.  
 " DAVID WIGHTMAN, Musiceller, 46 Frederick St.  
 " JOHN G. GRIEVE, 35 South Bridge.  
 " JAMES BRUCE, Slater and Glazier, 24 Dundas St.  
 " RICHARD GRAYETT, 52 Hanover Street.  
 " RICHARD C. MACKINTOSH, Dentist, 18 North Bridge.  
**Secretary and Treasurer.**  
 Mr ROBERT FORREST, 7 North St David Street.  
**Solicitor and Law Agent.**  
 Mr GEORGE WATSON, 23 Duke Street.  
**Bankers.**  
 The BRITISH LINEN COMPANY.  
**Surveyor.**  
 Mr WILLIAM MACKENZIE, Hope Park End.  
**The SECOND MEETING for PAYMENT of SUBSCRIPTIONS, ENTRY MONEY, &c., will be held in No. 5 ST ANDREW SQUARE, on MONDAY the 23d current, at Seven o'clock P.M.**  
 The Directors will be prepared to make Advances on suitable Heritable Property which the Shareholders may purchase betwixt this and Whitsunday next.

## 'NOT A PENNY HAD EVER BEEN LOST TO SHAREHOLDERS'

**INSURANCE AGAINST FRAUD AND DISHONESTY.**  
 POLICIES covering EMPLOYERS against any Loss by reason of DEFALCATIONS made by Persons in their employ in whatever capacity.  
 The usual BONDS of CAUTION given to the POST OFFICE, and all GOVERNMENT DEPARTMENTS, MUNICIPAL BODIES, PUBLIC COMPANIES, and MERCHANTS.  
 SPECIAL FLOATING POLICIES at Low Rates to cover the WHOLE OF A STAFF, RAILWAY, BUILDING, and other CONTRACTS Guaranteed.  
 LONDON GUARANTEE AND ACCIDENT COMPANY LIMITED.  
 15, Abchurch Lane, LONDON, E.C. 4.

**MOVABLE.**  
 THE (upwards of Mr Naemyth), has BUSH.  
 SATURDAY, 20th MARCH.  
 CITY INVEST.  
 GGS, CHANCERY LANE, LONDON.  
 AMOUNT £500,000.  
 (Of which upwards of £100,000 have been privately subscribed).  
 Represented by Certificates, bearing 5 per cent. interest, of £100, £50, and £25 each, payable to bearer.  
 THE PRICE BEING  
 Class A, 25s.....for the £100 Certificates,  
 Class B, 24s.....for those of £50, and

wars. Over its lifetime, said the report, New Scottish Friendly had made advances of more than £190,000 without any defaults, 'and consequently not a penny had ever been lost to shareholders'. At that year's annual general meeting held at 5 St Andrew Square, with Arthur Bruce, the Princes Street jewel case maker, in the chair, members heard that of the 120–130 properties mortgaged annually over the last few years, 'not one had ever fallen in and been a burden to the Society'. In 1904 the society launched its 28th section, which resulted in the take-up of 664 shares, proclaiming, 'Thirty Years' Continued Prosperity'.

Prosperity, however, was on the slide. The society's advances peaked at just over £64,000 in 1906, a figure, remarkably, that would not be exceeded in cash terms until 1931 and in real terms not until 1935. The lack of progress before the First World War was partly because Edinburgh's building industry was in recession, as it was across the UK, and fewer new houses were being built. The society could not compete with the higher rates of interest being paid by the banks, which stemmed the flow of new deposits.

In December 1909, the society changed its name. After more than 35 years, it dropped 'New' from its title, becoming the Scottish Friendly Property Investment Company.

The First World War set back the building society movement. Members withdrew their savings, often tempted by the higher interest earned on government war loans, there were fewer advances, and investment income was reduced. House-building stopped and the property market slumped. Between 1913 and 1922, Scottish Friendly's deposits and loans almost halved while the number of mortgaged properties fell from 122 to 85. While the average mortgage loan dropped from just over £500 to just over £400, the number of members remained almost unchanged, which ran counter to the trend in many Scottish societies.

The war had another impact. Before 1914, most employees were men. The job of secretary was seen as a male preserve. The handful of societies who did employ women recruited them as typists and telephonists. The call-up of the nation's young men for military service forced the societies to employ more women, including in executive posts.



Cowcaddens and the Grand Theatre, Glasgow, c.1900.

## 3

## Uncertain Times 1919–39

'Own a Home Today  
the Easy SBS Way!'

Scottish Friendly struggled to regain its pre-war position during the 1920s and 1930s. Like many societies, it remained proudly local, but the trend was towards national societies with branch networks straddling national boundaries. The Amicable led the way in Scotland, rapidly overtaking every other Scottish society, opening its first branches in 1925 and expanding its mortgage book from £79,000 in 1921 to £991,000 in 1939.

Scottish Friendly on the other hand followed the pattern of many smaller societies. It retained a single city-centre office which opened part-time, once a fortnight, for members to bring in their passbooks and record transactions. Its officers and directors were all part-time and there were no permanent staff. George Scott, secretary since 1891, handed over to J Murray Scott in 1921, who would remain in post until 1950. Deposits and loans never matched pre-war levels.

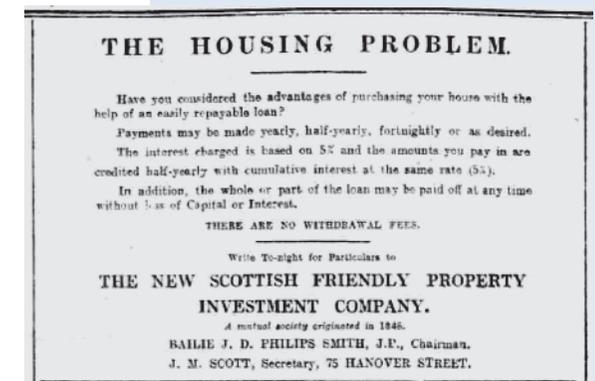
The inter-war years were difficult economically, particularly during the early 1930s. In the 1920s private housing development was dwarfed by municipal housing programmes, with councils and building societies reluctant to work together. Societies content to confine themselves to their traditional geographical boundaries had little scope for expansion until private house-building revived in the mid-1930s. 'The average Scottish building



Inverness, early 1900s.

### J D Philips Smith: Society Chairman and Radio Enthusiast

In 1919 Scottish Friendly elected a new chairman. Forty-nine year old Bailie J D Philips Smith divided his life between a successful career as a licensed valuer and his commitment to Edinburgh as a city councillor and chairman of Scottish Friendly. He was also a radio enthusiast. Radio was the coming technology. The BBC was founded in 1922 and transmitter stations were springing up all over the country. Philips Smith was instrumental in pressing for Edinburgh to have its own radio relay station which was opened in 1924. He was present at the opening ceremony alongside the Lord Provost and the BBC's first director-general, John Reith, himself a Scot. Philips Smith was still chairman when he died in 1936.



**DEPOSITS AND LOANS  
NEVER MATCHED PRE-  
WAR LEVELS.**

## Helping Members

The minutes of the first meeting of the newly renamed Scottish Building Society held on 26 March 1929 record five loans typical of the Society's inter-war business. The Society generally offered small loans – the average outstanding loan in 1931, for example, was £326 – for the less well-off on small properties, mostly older ones rather than new-build, largely within the city of Edinburgh.

These loans included £200 borrowed by barman Albert Smith to buy a second-floor flat at 9 Brougham Street. The flat, which cost £425, consisted of a parlour, bed-closet, two bedrooms and a kitchen.

Bed-closets were beds enclosed in a cupboard, a common feature of Scottish tenements. The flat was lit by electricity but did not have a bathroom; neither were yet standard in every home. It was only in 1956 that the Society agreed to limit terms for properties without a bathroom to ten years.

The £325 one-bedroom flat at 18 Brunton Terrace, purchased by motor mechanic John Lawrence with the help of a £275 loan, was still lit by gas but it did have a bathroom.

Much more substantial was the three-bedroom flat at 65 Spottiswoode Street South, which came

with a living room, scullery, pantry, boxroom and bathroom, as well as electric light and gas. The borrower was A C Campbell Whyte, a solicitor, who borrowed £700 towards the £850 purchase price.

For many years, the Society made small loans to help small businesses and the meeting approved a £250 loan to enable chemist John Meredith from Linlithgow to expand into Edinburgh through the purchase of a shop in Stenhouse Mill.

These were typical customers of the Society, which was helping people in a wide range of occupations. There were commercial travellers and

gas-workers, civil servants and railway clerks, master bakers and engineers, teachers and cabinet makers, postmen and photographers. The Society helped a sculptor, a seedsman and a Leith-based sailmaker. Edinburgh's thriving printing and publishing industry was well represented by printers and proof-readers, compositors and linotype operators. There were several dairy keepers, that is, people who sold milk produced by animals they either owned or maintained. There was the superintendent of the Sailors', Soldiers' and Airmen's Institute and the organising secretary of the National Bible Society.

society', observed the *Edinburgh Evening News* in 1927, 'while useful in its way, is much too limited in range.'

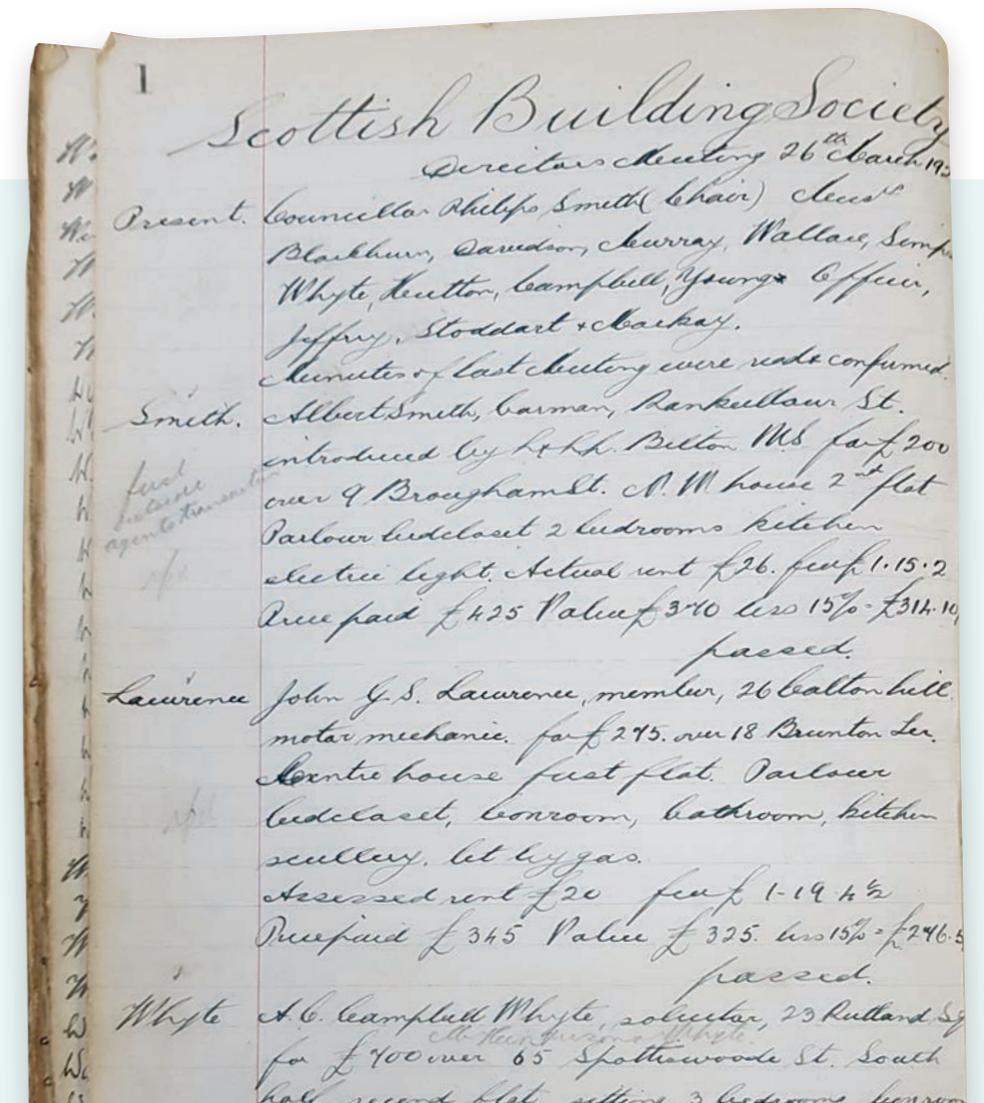
In May 1928, *The Scotsman* contended that the expansion of English societies into Scotland was a sign of lethargy among Scottish societies. Growing competition goaded the latter, which had recently formed their own association, into holding their first national conference in Stirling in 1928, 'with a view to stirring public interest in the movement'. 'Support Scottish Building Societies', ran a less than inspiring association advert in 1931, 'Whose Terms Are As Favourable As Any Other.'

In March 1929 Scottish Friendly changed its name to become the Scottish Building Society, 'as being more in accord with modern ideas'. One of those modern ideas was extending home loans to borrowers who did not have to be depositors with the Society. The Society, Philips Smith told the handful of members at the annual general meeting in 1931, 'had always kept in view that its mission was to provide homes for its members on reasonable terms'.

The directors met regularly to approve every loan application, a practice that continued until the early 1960s. This was possible only because of the small number of applications. For example, between March 1929 and January 1930, the directors approved 52 mortgage applications. While the vast majority of loans were for properties within the wider city of Edinburgh, the Society very occasionally approved applications for properties just beyond the city, in places like Bonnyrigg and Loanhead, or a little further afield, like Airdrie, Crieff, Dumfries and Kelso.

## 'SUPPORT SCOTTISH BUILDING SOCIETIES'

The first page of the first minute book of the newly renamed Scottish Building Society in 1929.



The Society never lost sight of its original purpose, as the annual report stressed in 1930: 'To enable Members to purchase the Houses they occupy or To provide a safe and profitable Investment for their savings'. The loan approved for bagpipe reedmaker William McLeod in 1930 epitomised the help given by the Society to those aspiring to buy their own homes. McLeod, who supplemented his income by working as a chauffeur, lived in a ground-floor flat at 8 Royal Crescent, rented from his employer. The flat was made up of a sitting room, back bedroom, two bed-closets, a kitchen and a bathroom. It had been improved since McLeod's employer had bought the property for £480 in 1924. In the much worse economic climate of 1930, McLeod was able to buy the flat for £400 with the help of a loan from the Society of £362 10s.

Although the chairman, Philips Smith, referred in 1930 to 'the remarkable progress being made by building societies', and the Society was increasing its lending, the Scottish Building Society remained resolutely local. The contrast between a small, local Scottish society and its larger English rivals was evident on the front page of *The Scotsman* on 8 April 1931. Underneath an advertisement for the world's largest building society, the Halifax, was a

The Society was competing with English societies like the Woolwich, Co-operative and Halifax by the early 1930s as these adverts from 1931 show.

**HALIFAX BUILDING SOCIETY.**

THIS SOCIETY IS PREPARED TO GRANT THE FOLLOWING ADVANCES ON FIRST-CLASS HERITABLE PROPERTY FOR PERSONAL OCCUPATION BY THE BORROWER:—

On Houses up to £500 Value .....	90%
On Houses up to £750 Value .....	85%
On Houses up to £1000 Value .....	80%
On Houses up to £2000 Value .....	75%

LOANS ARE REPAYABLE BY EASY INSTALLMENTS, AND THE INTEREST RATE IS EXTREMELY MODERATE.

APPLY TO  
75 GEORGE STREET,  
J. S. R. LAMONT,  
District Manager.

---

Originated 1848.  
**THE SCOTTISH BUILDING SOCIETY,**  
73 HANOVER STREET,

Assists Purchasers of their own Homes.

The inclusive cost of the Interest on, and the repayment of the Capital of, a Loan of £500 is £705, 6s. 8d. spread over 13½ years.  
The Rent alone would be £540.

This amount is fixed, and is not afterwards increased when the Bank Rate is raised.

Odd amounts may be paid in to reduce the period of the Loan.

Phone, 26366 for Pamphlet.

typical small ad for the Scottish Building Society, just a few lines under the heading, 'Assists Purchasers of their own Homes'. The Society's advertising was limited and occasional. It seemed happy to rely on word of mouth and introductions from local law firms and accountants.

As the advertisement for an English society in a Scottish newspaper indicated, times were changing. From the early 1930s, cheap money and lower returns from the stock market made the societies a popular source of investment. Awash with funds, building societies financed more than 80 per cent of new properties built in the 1930s. Societies liberalised their lending. While the general policy of the Scottish Building Society was to provide loans of between two-thirds and three-quarters of the value of a property, it was typical of many other societies in offering to extend the loan to 90 per cent if the borrower took out insurance to cover the difference. It was also typical in offering a range of repayment periods for terms of 14, 17, 21 or 25 years, with longer terms significantly reducing the level of regular repayments. Once the Society approved a loan, the interest rate remained unchanged, regardless of fluctuations in the rate set by the Bank of England.

As interest rates fell, home buying became cheaper than ever before. Private housing development took off. Typical of the new building companies taking advantage of cheap finance and plentiful land was James Miller & Partners, later to become Miller Homes. One of the estates developed by Miller in the 1930s was in Edinburgh's Craighleith district. Here in 1935 Mrs Amelia Bennett was able to purchase a new bungalow with a 20-year £420 loan from the Society.

Despite its small size, the Society was also willing to take part in a builders' pool. This was one of the most effective ways of providing mortgage finance to purchasers during the housing boom of the later 1930s. The building society advanced three-quarters of the purchase price secured on the property and a further 20 per cent against deposits paid by the builder to insure the societies against low-income borrowers defaulting. It was known as a pool because the scheme operated by each builder covered several houses at once and often an entire estate. Many builders were able to advertise houses for sale for a down payment of as little as £25, with repayments spread over twenty-five years at as little as £1 a month. The Scottish Building Society was active in one builders' pool from 1935 covering 30 new houses with a local building company, Lothian District Building Ltd, although we have no evidence of where the properties were built. It turned out, however, that existing legislation did

## Larger Loans

The Society occasionally considered exceptional loan applications outside its usual home loans. In 1931 the local YMCA asked the Society for a loan of £4,500 to buy land and build a new hostel. This was ten times larger than the usual loan made by the Society. With reluctance, the directors rejected the application because of the size of the loan and the lack of any legal commitment for repaying the loan. A few years later, however, in 1935, the directors were more confident when faced with an application from the Scottish Women's Club, a flourishing private club, for the sum of £2,700 for alterations to the Club's premises at 13–14 Atholl Crescent. The loan was approved and later extended.

**THE SOCIETY  
NEVER LOST  
SIGHT OF ITS  
ORIGINAL  
PURPOSE**

not cover the use of pooling arrangements for collateral security. They were declared illegal in 1939 and subsequent regulations proved so strict that their use ceased.

When Bailie Philips Smith died in 1936, he was succeeded by Major Tom Blackburn. He was a decorated veteran of the First World War, serving with the King's Own Scottish Borderers. After the war he became secretary of the Edinburgh & East of Scotland Agricultural College. For a short time, one of his lecturers was William Allison who took over as general manager of Scottish Amicable in 1921.

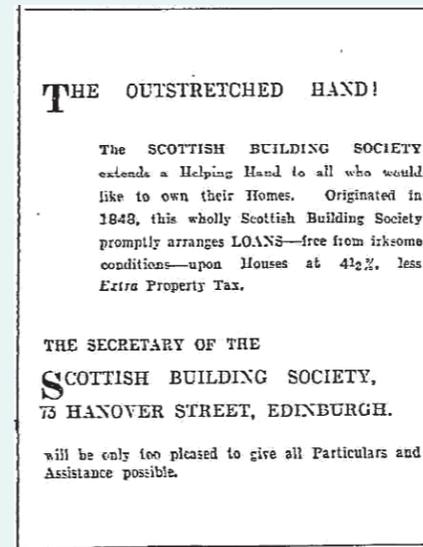
The Scottish Building Society had no such position as general manager. Its officers remained part-time. But Blackburn brought more energy and ambition to the Society as did the appointment of an ambitious young lawyer, John Gibson Kerr, as director. The board recognised it needed more expertise, appointing R A Simpson as director for his knowledge of the Edinburgh property market, even if it did little to reform the day-to-day operations of the Society. Board meetings discussed few issues other than approve every application for a loan. The only regular occasion when the directors discussed the Society's finances was just before the annual general meeting.

Perhaps Simpson influenced the Society's more energetic marketing campaign. 'From Strength to Strength' proclaimed an advertisement for the Society in 1937. 'The volume of support accorded this POPULAR SCOTTISH BUILDING SOCIETY has surpassed all Previous Records ... This wholly SCOTTISH BUILDING SOCIETY promptly arranges LOANS, free

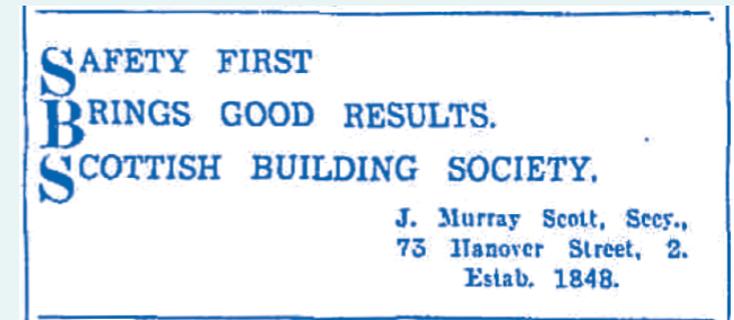
### 'THIS POPULAR SCOTTISH BUILDING SOCIETY HAS SURPASSED ALL PREVIOUS RECORDS'

#### Each Application on its Merits

The Society considered every application on its merits. For instance, on 26 May 1938, Henry Hayhoe asked for a 90 per cent advance to purchase a bungalow in Craiglockhart Avenue. He explained that he was a junior partner in gunmakers Mortimer & Son, established in Edinburgh in 1834. The business was amalgamating with the even older firm of Edinburgh gunmakers, John Dickson & Son, formed in 1820, and the merged firm was taking over premises at 21 Frederick Street. With the costs involved, he was strapped for cash. The directors were happy to approve the loan. John Dickson & Son continues to trade today as Scotland's oldest gunsmith.



Advertisements from 1937 and 1938.



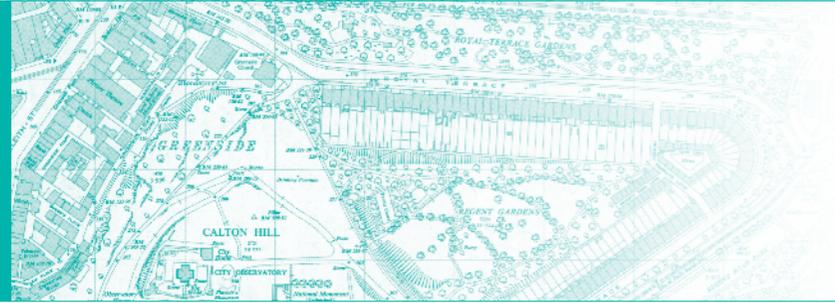
from irksome conditions, upon Houses at 4½% ... Own a Home Today the Easy SBS Way!'

The stress on the Society's Scottish roots from the use of block capitals reflected a consensus among Scottish societies that this was one distinction they could use to their advantage to combat competition from English societies. As the chairman of another society, the Dunedin, commented in 1938, 'Why should the thrifty Scot hand over his hard-earned savings to organisations south of the border?'

One ad encapsulated the Society's cooperative ethos with the strapline 'The Outstretched Hand!' – 'The Scottish Building Society extends a Helping Hand to all who would like to own their Homes'. Another stressed the Society's reputation as a trusted home for people's savings under the heading 'Safety First Brings Good Results'.

There was a steady rise in the number of mortgaged properties, which reached 414 in 1937. By then, the Society had at last overtaken in real terms the previous peak in mortgage loans recorded in 1906. In 1939, the Society's mortgage loans totalled nearly £199,000 (£10.3 million in 2023). There were 460 borrowers and the average mortgage was £340 (£17,500 in 2023), less than twice the average annual wage for ordinary adult male workers, showing how buying your own home was excellent value for money.

## 4



## New Directions 1939–61

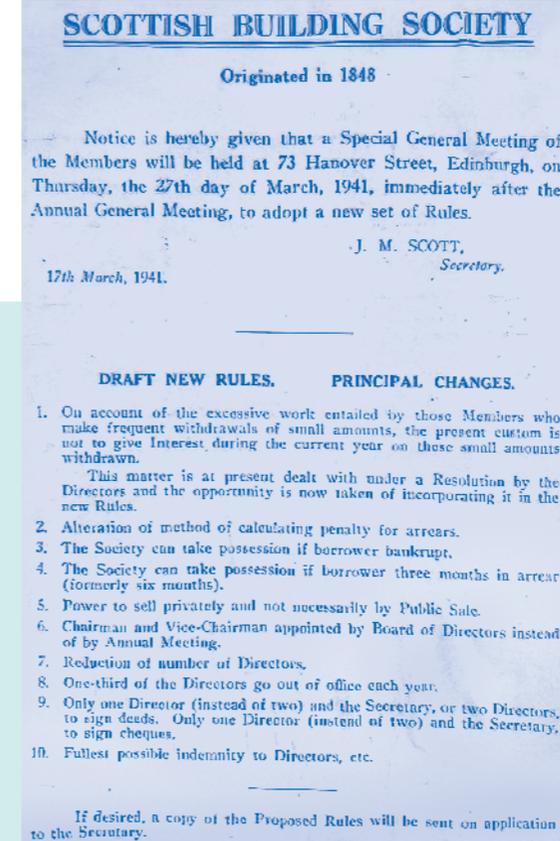
'Absolute Integrity  
and Honest Dealing'

'In view of the declaration of war,' agreed the directors on 6 September 1939, 'it was decided that no further advances be made.' Like every other building society, the Scottish Building Society had to adjust.

Perhaps the most uncertain time for the Society was in the early days of the war. Despite the Society's established reputation for looking after members' savings, they were understandably nervous about the impact of war. They queued up outside the Society's office in Hanover Street, clutching their passbooks, anxious to make withdrawals, although they probably had no idea where else to place their money at the time other than under their mattresses.

Members who wanted to reverse withdrawals made in haste met a frosty reception from the Society's directors. 'Three members who wished to rejoin', noted the minutes of the board meeting for 1 November 1939, 'were refused as sudden withdrawals are a danger to the Society.'

As this shows, the directors were not best pleased by this flurry of withdrawals without notice. They were critical of members, indignantly observing that 'Some notices of withdrawal have been received from *nervous* or *timid* investors'. Steps were taken to control withdrawals. As usual, the directors took into account the individual circumstances surrounding every request. 'Genuine



Extract from the Society's minutes in 1941 updating its Rules.

PERHAPS THE MOST  
UNCERTAIN TIME  
FOR THE SOCIETY  
WAS IN THE EARLY  
DAYS OF THE WAR.

Portland Street,  
Troon, c.1960.



cases of withdrawal had been paid out at once as usual. The others had been told that they would not be allowed to take advantage of the members who had more faith in the Society and that they would have to wait about a month till we saw how many withdrawals were intimidated.'

There was an air of unreality in Edinburgh during the first months of the war. Children had been evacuated to distant parts before war was declared in anticipation of the worst but when the first air raid took place at the end of October 1939 people dashed out into the street rather than ran for the shelters, gazing upwards at the sky in the belief that the gunfire was nothing more than large-scale practice. The futile efforts of German bombers to sink ships in the firth and bring down the Forth Rail Bridge encouraged people to think the city was safe. The Society's directors went so far as to assert misguidedly in November 1939 that aerial bombardment of towns and cities would be 'an unlikely event'. Yet Edinburgh for the most part did escape unscathed unlike its bigger industrial neighbour, Glasgow, in the west.

The blackout requirements for everyone to cover their windows and doors at night with heavy curtains, cardboard or paint to cut out lights that might have helped enemy aircraft curtailed the usual way the Society operated. Hours for the regular evening meetings were first changed from 7 until 8.30 to between 6 and 7. War discouraged most members from venturing out in the evenings and from February 1942 evening meetings were stopped altogether.

Although mortgage loans fell sharply, largely because the war halted house-building, it did not stop deposits. Societies were anxious that they would lose more funds as the government introduced a series of war loans. In fact, they benefited from the government's national savings campaign. Since people were spending less because of rationing and other restrictions on daily life, they were able to save more. By 1945, for instance, the Scottish Building Society had more than £54,000 on deposit with the bank, equivalent to more than £1.8 million in 2023.

Changing personal circumstances because of wartime conditions sometimes caused hardship. Within days of the declaration of war, the Society was receiving requests for help from members who had already joined the forces or were expecting to do so imminently. Eventually, many employers agreed to subsidise the military pay of employees on active service, which made it possible for many of them to continue with their mortgage repayments. For others, it was not so simple. Depending on their occupation, the self-employed

**'EACH CASE MUST BE  
DECIDED ON ITS MERITS'**

## Wartime Loans

Loans were still approved during the war. The Society rewarded loyalty, applauded self-help and appreciated the helping hand of family members. In 1944 the Society approved a loan of £400 for the Harvatt family who wanted to buy a £600 flat in Bruntsfield Terrace. George Harvatt had been serving with the Royal Navy for four years, earning just £3 12s a week. Mrs Harvatt, a member for three years, had a small sum on deposit; her aunt, Miss Fleming, a member for some 30 years, had a larger sum on deposit, and had offered to help her niece with the loan. The family could put only £200 towards

the purchase, leaving them to find £400. The Society agreed to lend the family the whole sum repayable over 19 years. Mrs Harvatt had said she would find work so the family could make the weekly repayments of 13s 1d.

Members turned to the Society to help them support their families. In 1945 the Society approved an application from Donald Masson, the advertising manager for *The Scotsman*. He wanted to re-mortgage his home, repaying his loan to his previous building society in full, and giving his son the surplus of £140 to cover the costs of his chartered accountancy qualification.

could face a sharp drop in their earnings, while others in continuing employment might find they were placed on half-time. In every instance, agreed the directors, 'each case must be decided on its merits.'

As the war drew to a close, the building society movement turned its thoughts towards peacetime. Whenever the Scottish societies met, a constant theme was ensuring sufficient housing post-war for the next generation. As it turned out, austerity would postpone the revival of private house-building until the mid-1950s.

Another consideration for many smaller Scottish societies was what they should do to secure the best interests of their members after the war, given the growing competition from larger societies. Several of the smallest were dissolved, seeing no future in the post-war world. Others changed their names as a sign of moving into modern times. And a handful discussed the possibility of amalgamation. The trend towards consolidation would only really get underway much later and many tentative discussions about merger ended without agreement.

One that went ahead was the Scottish Building Society's takeover of the Scottish Progressive Building Society. Major Blackburn was approached by the Scottish Progressive's chairman, Baillie Johnston-Gilbert, at the end of 1945. Times were different then and due diligence was cursory. On 18 December 1945, the Society's directors agreed

**HOUSE PURCHASE LOANS.**  
**INTEREST RATE** now reduced to 4½% per annum.  
 Repayment by monthly instalments.  
 Prospectus free on application.  
 Write or 'phone,  
**DUNFERMLINE BUILDING SOCIETY.**  
 Head Office—"East Port," Dunfermline; 'phone 5.  
 Edinburgh Branch—45 Frederick Street; 'phone 25166.  
 Glasgow Branch—39 Bath Street; 'phone 0845.

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**4% ADVANCES.**—Periods to suit individual cases, but repayments accepted at any time, with interest adjustment; no complicated tables. Prospectus of **GRANGEMOUTH CO-OPERATIVE BUILDING AND INVESTMENT SOCIETY, LTD.** (ESTAB. 1876), from **AGENCY, 2 QUEEN STREET, EDINBURGH, 2;** Telephone No. 27697.

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**FOUNDED 1848.**  
**SCOTTISH BUILDING SOCIETY.**  
 Advantages Loans at 4½% Interest.  
 73 HANOVER ST., 2. 'Phone 25125.

Notices from 1944 for three Scottish societies – the Dunfermline, Grangemouth and Scottish. Only the Scottish still flourishes.

**SCOTTISH BUILDING SOCIETY**  
**CENTENARY YEAR**  
 ORIGINATED IN 1848

**ASSETS £215,962      RESERVE FUND £14,408**

SUMS ACCEPTED UP TO £5000  
 INCOME TAX PAID BY THE SOCIETY

INVESTING SHARES ... .. £2-5-0 PER CENT.

**DEPOSITS** { ONE MONTHS NOTICE £1-15-0 PER CENT.  
 SIX MONTHS NOTICE £2- 0-0 PER CENT.

ADVANCES ARRANGED AT 4%

J. MURRAY SCOTT } JOINT  
 JOHN C. WAKE } SECRETARIES

**73 HANOVER STREET, EDINBURGH, 2**  
 PHONE 25126 (3 LINES)

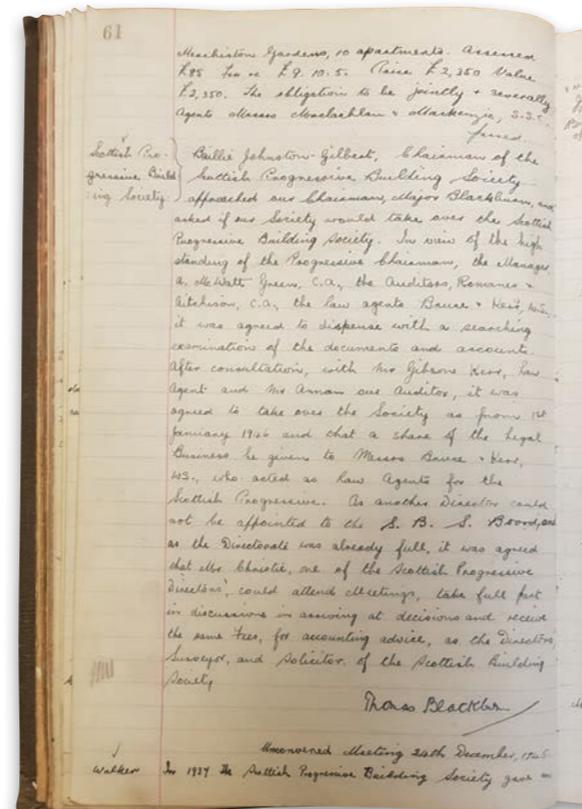
The Society celebrated its centenary in 1948.

that given 'the high standing' of Scottish Progressive's chairman, manager, auditors and law agents, they would 'dispense with a searching examination of the documents and accounts'. It was agreed to take over Scottish Progressive from 1 January 1946.

Two years later, the Society celebrated its centenary with a dinner at the North British Station Hotel (now the Balmoral) on 16 March 1948. Major Blackburn in his speech reflected on the founding directors, who 'raised aloft that banner of mutual help and assistance, of absolute integrity and honest dealing, and of fair-mindedness in all things that have been the keynotes, the watchword of this Society, ever since'. He could claim that the Scottish was the sixth largest society in Scotland, with nearly a thousand members, and total mortgages of nearly £202,000.

**'FAIR-MINDEDNESS IN ALL THINGS'**

The Society absorbed the smaller Scottish Progressive society in 1945.



While most mortgages granted by the Society still covered properties mainly in and around Edinburgh, a small number were approved for properties further afield, including the Boat of Garten, Dunbar, Galashiels, Glasgow, even though the Society's depositors were concentrated in the Scottish capital. For instance, the trustees of Partick Baptist Church, Glasgow, were granted a loan of £1500 over 20 years to buy a terraced villa in Scotstoun as a manse. The Society even approved a few loans for properties in London. And the Society was lending money to small businesses, including the Begarnie family, dairy-keepers, in Cowan Road, who were investing in a new bakery unit, and Edinburgh members Archibald and Mary Morris, who were buying a licensed grocer's shop and house in Prestonpans.

Borrowers were sometimes given a helping hand by family members. In 1948 the £80 loan taken out by Malcolm Pettigrew to buy a three-roomed flat in Arthur Street was guaranteed by his father. In the following year, another member, Miss Turnbull, gave her nephew and his wife, Mr and Mrs Brown, £400 to double their loan from the Society to buy a house in Galashiels.

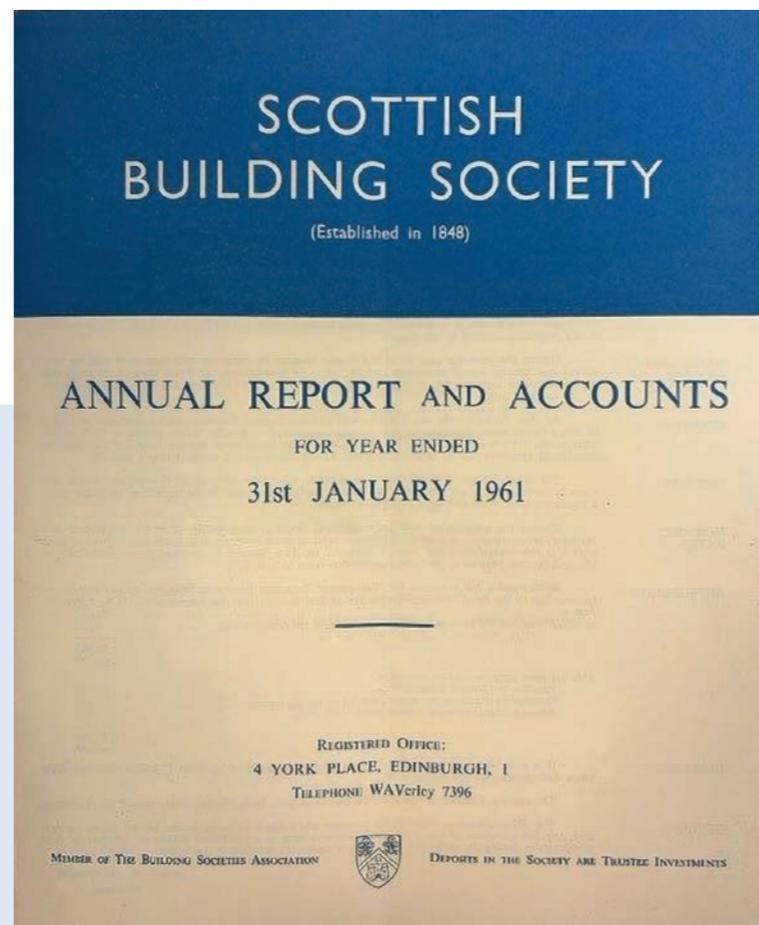
The Society's secretary, J Murray Scott, had been in post since 1921. While he was not getting any younger, the Society was getting bigger. A joint secretary was appointed to help him with his increasing workload. The Society had never really changed the way it operated for decades.



A more consistent approach to loans was adopted in 1956. While dwellings with shops attached would be considered individually, as a general rule the Society would reduce its commitment to loans for businesses. The maximum terms for properties with internal WCs and bathrooms would be limited to 20 years. There would be no loans for properties without internal WCs and loans for properties without bathrooms would be no longer than ten years. The condition of a lot of housing in post-war Britain was poor, lacking many of the comforts and conveniences we take for granted in the 21st century. A note on a flat in Caledonian Place in Edinburgh, surveyed in 1960, stated that it was well maintained, with 'hot water from an interior grate in the kitchen', but it had no bathroom.

Arrears were kept to a minimum, a record characteristic of the Society throughout its existence, and careful attention was paid to the income of borrowers to make sure they could afford the repayments. Individual circumstances were considered – a loan for a corporation bus conductor on £10 a week was approved on

**'CAREFUL  
ATTENTION  
WAS PAID  
TO THE  
INCOME OF  
BORROWERS'**



the recommendation of Gibson Kerr. Although the applicant's income 'is not a very high one, we are satisfied that he and his wife are careful people and will be able to meet the instalments'. The board always looked sympathetically at requests for repayments to be deferred in cases of illness, unemployment or other adverse personal circumstances.

The decade had been a successful one for the Society. Total mortgages had risen from £277,000 in 1950 to £649,000 and total savings from £266,000 to £696,000 while the number of properties mortgaged had increased from 390 to 659.

**'WE ARE SATISFIED  
THAT HE AND HIS  
WIFE ARE CAREFUL  
PEOPLE AND WILL  
BE ABLE TO MEET  
THE INSTALMENTS'**

### Loans for Women

It was rare for women to be granted mortgages in their own name before the 1970s. At the very least they were expected to have a male guarantor. It was only in the late 1970s that the practice died out, despite the passage of the Sex Discrimination Act in 1975, which required men and women to be treated equally. Many women, single or married, never had their own bank account. Many women after their marriage gave up work. For married women, financial affairs were invariably dealt with by their husbands alone. Women in an unhappy marriage often found themselves trapped without any money or a career of their own. As the examples below show, however, the Scottish Building Society took a different view in line with its principles of honesty, fairness, integrity and its policy of judging every mortgage application on its merits.

In 1954 the Society approved a £200 loan for a 71-year-old widow secured against her home in Portobello. As a widow, she relied on her

weekly pension of £1 12s 6d and letting income of £2 a week. She wanted the loan to help her daughter buy her own home. In 1955 the Society gave a helping hand to an unmarried part-time shop assistant on a weekly wage of £2, giving her a loan of £1,100 spread over 20 years, so she could buy a property in Fort William where she could live and start her own business. The Society often granted loans to married women separated from their husbands. In 1955 one wife, earning £5 a week as a lampshade maker, plus £3 10s a week paid by her estranged husband, was given a 20-year £500 loan for a flat in Springwell Place, Dalry, guaranteed by Edinburgh Corporation. The Society gave loans to unmarried couples in advance of their marriage. In 1956 a couple from North Berwick were given an £1,100 loan over 20 years for a bungalow in nearby Gullane. The Society's minutes make a point of noting that the fiancée would carry on working as a secretary after the wedding.

## 5

## Mergers 1961-85

'A Valuable Service  
to the Community'

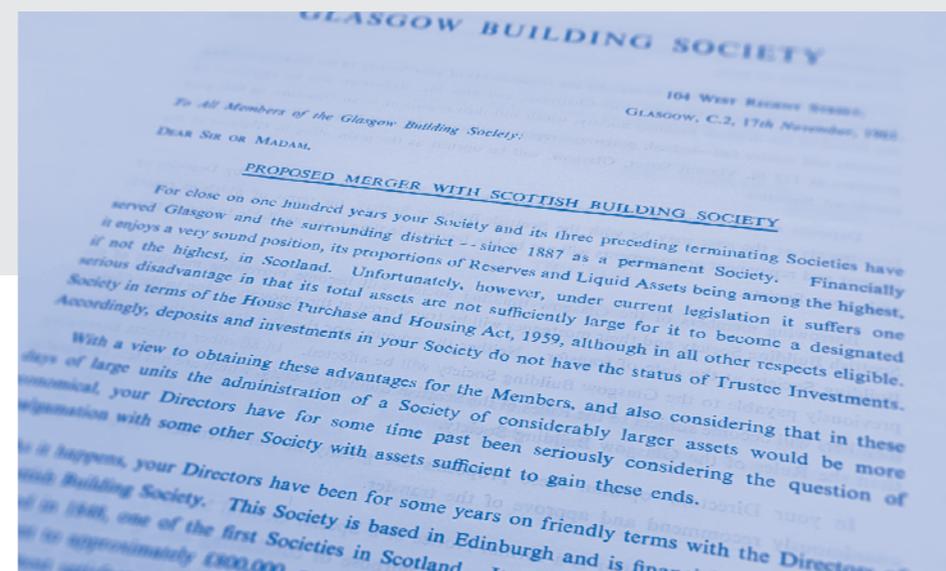
During this period, the Scottish Building Society significantly increased in size and scope. This stemmed largely from the take-over of smaller societies struggling to attract sufficient deposits to continue lending. Nine of them were merged into the Society, five during the 1960s, four during the first half of the 1980s.

After years of on-off discussions, the Society completed its take-over of the Glasgow Building Society, founded in 1888, in 1962. This is the only 1960s merger whose impact on the Scottish Building Society can be judged since the later mergers cover a period when few of the Society's records have survived. It was driven by John Gibson Kerr who took over the chair in 1961. His career with the Society spanned some 30 years, serving as law agent, director, managing director and chairman.

In 1961 the Society had 840 members, held 706 mortgaged properties, and had total savings and total mortgage loans respectively of £743,000 and £692,000. In 1962, after absorbing the Glasgow society, the figures increased to 1,265, 1,249, £1.1 million and £1 million. To cope with this growth, it was agreed that in future a list of loans would be circulated among the directors. As the volume of loans grew, the minutes became much more succinct, with much less information about each loan. The directors also alternated their meetings

Aberdeen in the  
mid 1980s.

THE SOCIETY  
COMPLETED ITS  
TAKE-OVER OF  
THE GLASGOW  
BUILDING  
SOCIETY



Between 1961 and 1985, the Scottish Building Society absorbed nine smaller societies, including the Glasgow, Huntly and Strathclyde.



Letterheading for the Glasgow branch of the Society in 1962.

between the Society's Edinburgh office in York Place and its Glasgow office at 173 Vincent Street.

Demand for loans in a buoyant economy outstripped available funds. The Society found itself overdrawn at the bank although this situation was soon reversed. Periodically restrictions were imposed on loans over the next few years as the Society, in common with many others, struggled to meet demand. Some, including the Society, developed links with law firms whose client accounts provided a more reliable income stream for lending.

With amalgamations taking place across the movement, it was clear that only the strongest societies would survive. This gave the Society the impetus to seek out arrangements with other societies anxious about their future. Scarcely had there been time to integrate the activities of the Glasgow society before Gibson Kerr was putting forward names of likely take-over targets to his fellow directors. During the course of 1962 the Society had discussions with eight other societies: the Helensburgh & Gareloch, Hamilton, Dundee & Angus, Stirlingshire, Perthshire, Inverness, Scottish Permanent and Fourth Provident & Investment. Between the end of 1962 and the middle of 1963, the Society had agreed to take over the Helensburgh, founded in 1872, and the Dundee & Angus, founded in 1852.

Small improvements were made to speed up administration as the Society grew. The first accounting machines were acquired. The secretaries were allowed to pass 'normal loans' where satisfactory surveys had been concluded. Loan applications for circulation or consideration at board meetings were limited to business loans (which were restricted to less than ten per cent of loans in any one year); any loan exceeding £3,000; any loan for a house lacking a bathroom; any loan with a repayment term longer than 20 years; and loans repayable by endowment policies. In 1967 the Society advertised under the

**Invest in Scotland  
and watch your  
savings GROW!**

In the last two years the Society has advanced over ONE MILLION POUNDS ON SCOTTISH PROPERTIES (representing 99 per cent. of our TOTAL advances).

**4<sup>10</sup>/<sub>4</sub>**

Investments received on Share or Deposit. Attractive Rates of Interest with Tax Paid by the Society! Deposits and Shares with us are TRUSTEE INVESTMENTS.

**Scottish Building Society**  
(Established 1848)

**144 NETHERGATE, DUNDEE Tel. 24036**  
Head Office—4 York Place, Edinburgh. Tel. WAV 7306  
Glasgow Office—173 St Vincent St, Glasgow. CEN 0570

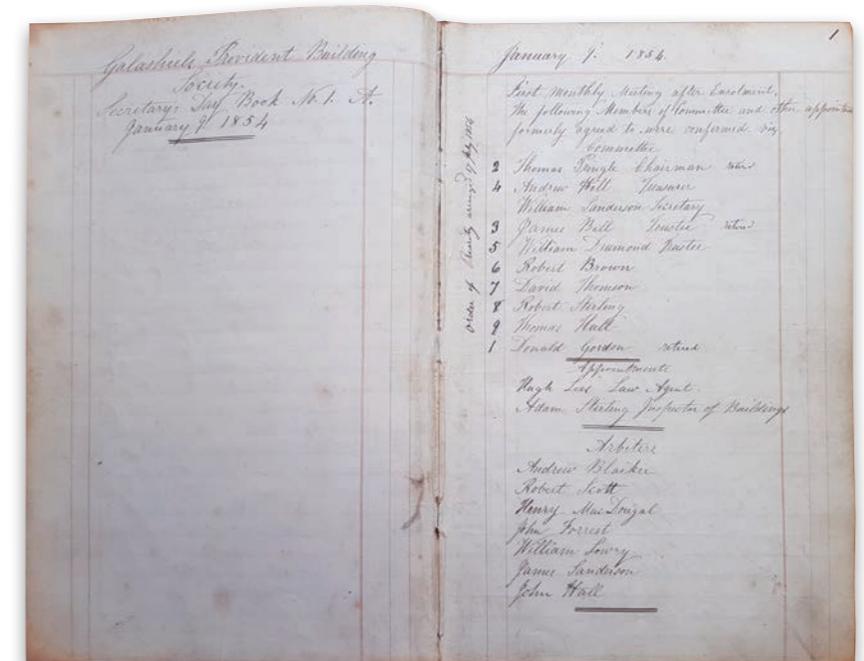
The Society gained a branch in Dundee after taking over the Dundee & Angus society in 1963. This advert is from 1967.

heading 'Invest in Scotland and watch your savings GROW!' that it had advanced loans of more than a million pounds during the previous two years while attracting more savers with rates of 4.25 per cent tax free.

In 1969 two more societies merged with the Scottish: the Bo'ness & Carriden Savings Investment & Building Society and the Galashiels Provident Building Society. Both these societies had given great service to their own local communities for many years, the Bo'ness since 1894 and the Galashiels since 1855.

The history of the Society during the 1970s is hazy because of the lack of information. It was a turbulent time economically with inflation unmatched

The first page of the first minute book of the Galashiels Provident Building Society, founded in 1854, taken over by the Scottish Building Society in 1969.



### Working for the Society

Christine Small worked for the Scottish Building Society for 48 years, from the age of 16 in 1966 until her retirement in 2014. She joined as short-hand typist for the office manager, Colonel Gunn, at 4 York Place. Her weekly wage was £6 paid monthly. As a small society, there weren't many staff. There were a couple of cashiers on the counter who dealt with members when they came to pay in cash or cheques or make withdrawals. There was a large accounting machine which produced punched data cards. John Gibson Kerr was the

chairman and Christine would occasionally have to walk over to his offices in Castle Street with documents for him to sign. Soon after Christine joined, the Society acquired 2 York Place, with more office space and a bigger counter for customers. Christine became one of the cashiers. She enjoyed getting to know the members who came in regularly to deposit their cash or cheques or make withdrawals. She eventually worked in turn in the mortgage department, the computer department and, finally, the accounts department.

until the present time. Consistently high interest rates (in 1984–85, for example, the Society was charging borrowers as much as 14.5 per cent on loans while investors were earning interest up to 8.5 per cent) attracted new lenders to enter the mortgage market, providing serious competition for the building societies for the first time. This was the prelude to the legislation in the 1980s that made it possible for building societies to demutualise and convert into banks, paying dividends to shareholders.

Although the Scottish Building Society had taken over several societies during the 1960s, it remained one of the smallest building societies. Nevertheless, its accountant at the time, Douglas Wilson, with two assistants, was struggling to manage the administration. The Society's operations needed to become more professional. Change was needed to strengthen the Society in the face of growing competition. Although the ageing John Gibson Kerr remained chairman, new faces were joining the board, including Mark Sheriff, a leading Glasgow stockbroker, and Eric Cuthbertson, senior partner in a prominent law firm, both appointed in 1975, and Peter Brown, who ran his own successful accountancy practice, appointed in 1977.

Peter Brown had first been involved with the Society through membership of the local board set up in Galashiels after the merger with the Galashiels Provident. Made up of local people who knew the community, meeting monthly to approve mortgage applications, this for Peter Brown was the essence of mutuality – local people overseeing local savings used to help local people to buy their own homes. It was Peter Brown who suggested the Society should establish a branch in Troon, a larger town with more potential than Galashiels, which opened in 1977.

An important decision was the appointment of the Society's first general manager, later its first chief executive, Willie Munro, in 1978. An experienced senior manager with Abbey National, he was a late addition to the shortlist for interviews. Self-effacing, straightforward and sociable, he impressed the board with his insistence that it was possible for the Society to generate annual growth in excess of 20 per cent. As it turned out, said Peter Brown, growth in Munro's second year was 25 per cent.

### CHANGE WAS NEEDED TO STRENGTHEN THE SOCIETY

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He was, said Peter Brown, 'a people person, terrific with staff'. He established close contacts throughout the building society movement, which helped to raise the Society's profile. He was very persuasive (on the basis of a few words following a handshake, he persuaded the Duke of Edinburgh to become patron of the charity he had helped to set up) and a good judge of character when appointing staff. Munro stayed with the Society until his retirement in 1998, by which time its mortgage book had increased tenfold from some £10 million to more than £100 million.

He was backed by a new chairman, Eric Cuthbertson, who took over in 1980 and served until he had to step down because of illness in 1991. He transformed the way the board worked. He ensured time was set aside before and after meetings to allow directors to get to know each other. He made sure board papers were circulated in advance so directors could raise any issues with him in advance of meetings. Meetings were kept to time and decisions were almost always made by consensus. He insisted on the highest standards. It was an example followed by his successor, Peter Brown.

On taking over the chair, Cuthbertson invited a few of his fellow directors to meet two leading Edinburgh lawyers, Sir Charles Fraser and Dennis Andrews, over dinner. The aim was to discuss the future of the Society in an increasingly competitive financial services marketplace. They suggested that the Society, under its new leadership, should steer clear of competing with other banks and societies. Instead, it should concentrate on the fundamentals of every society, savings and lending, which it was already managing very well.

This advice chimed with Willie Munro's mantra – 'Stick to the knitting!' – by which he meant a focus on safe investments and prudent lending. As competition increased, this led to criticism of the Society for being conservative and risk-averse, when some societies were lending in excess of 100 per cent on properties. But the Society's bad debts were always very low because it never lent more than 75 per cent of the value of any property unless there was additional cover in place. The wisdom of this policy would become evident in later years with the failure of lenders who made imprudent decisions in the dash for growth.

The chairman was warning against 'damaging adventures into new fields' in 1983. He lamented the loss of smaller societies and highlighted the advantages of mutuality. 'The smaller society with local management

### 'WE PROVIDE A VALUABLE SERVICE TO THE COMMUNITY IN SCOTLAND'

and local knowledge serves a very valuable function, particularly in the field of smaller loans ... We provide a valuable service to the community in Scotland and a service which cannot always be matched by the nationals. We intend to continue to do so.'

The Society's strategy for growth was based on mergers, adding branches and increasing agencies. Between 1982 and 1985, the Society's total deposits and total mortgages increased respectively from £15.5 million and £12.5 million to £33 million and £26.5 million.

In 1982 the Strathclyde (formerly Govanhill) Building Society was taken over, followed in 1984 by the Scottish Permanent and the Banffshire, founded in 1871, and in 1985 by the Huntly, incorporated in 1875. As with the Galashiels Provident, a local board was established for a short while for the Huntly. The Banffshire's office in Keith was relocated to new premises, becoming a new branch of the Scottish. In Glasgow the Bath Street branch was merged with the Hope Street branch and a new branch opened in Victoria Road. This brought the number of branches outside Edinburgh to five. At the same time, there was a steady increase in the appointment of law firms and accountants in towns all over Scotland to act as agents for the Society. By 1985, there were 29 agencies, from Falkirk, from Lerwick to Tayvallich. And from a handful of staff just a decade earlier, the Society was employing 36 people.

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The Society built up a network of agents across Scotland, including this one, based in Aberdeen, advertising in 1980.



# New society premises 'on the ball'

SCOTTISH Building Society's new premises in Glasgow at West George Street, in a new special building, for the first time, has been designed by Scottish Building Society's offices and is expected in the near future.

The new, six-story building, which will be the new headquarters of the Society, is being built on the site of the old Glasgow City Hall, which was demolished in 1968. The new building is being built on a site which was previously occupied by the Glasgow City Hall, which was demolished in 1968. The new building is being built on a site which was previously occupied by the Glasgow City Hall, which was demolished in 1968.

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Mr Carrae at the helm

Mr Carrae, a member of the Scottish Building Society, is shown in a professional setting, likely related to his role in the organization.

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We would like to visit THE SCOTTISH BUILDING SOCIETY every branch in that area, please.

Peter Brown in the team

Mr. Peter Brown is a member of the Scottish Building Society, contributing to the organization's growth and success.

**LETTER TO MEMBERS**  
 Dear Members,

Proposed merger with the Scottish Building Society

After long and careful thought, your Directors have decided, in agreement with the advice of the Chief Executive, to recommend the operations of all Building Societies to be transferred to the Scottish Building Society with a larger majority.

In making this decision, your Directors have taken into account the fact that the Scottish Building Society is a larger and more established organization than any other Building Society in Scotland.

The advantages of this merger are many and include the fact that the Scottish Building Society is a larger and more established organization than any other Building Society in Scotland.

By an absolute majority, your Directors have recommended that you should vote in favour of the proposed merger with the Scottish Building Society.

The Directors have no doubt that this merger will be beneficial to all members of the Scottish Building Society and to the community as a whole.

Yours faithfully,  
 [Signature]

**STRATHCLYDE BUILDING SOCIETY**

98 Bath Street, Glasgow G2 2JH  
 Tel. 041-222 5751/2

To Dear Members of the Society

Dear Sir or Madam,

Proposed merger with Scottish Building Society

There has been considerable public interest in the proposed merger of the Building Society, and it is important that you should be fully informed of the details of the proposed merger.

The proposed merger will result in the Scottish Building Society becoming a larger and more established organization than any other Building Society in Scotland.

The advantages of this merger are many and include the fact that the Scottish Building Society is a larger and more established organization than any other Building Society in Scotland.

By an absolute majority, your Directors have recommended that you should vote in favour of the proposed merger with the Scottish Building Society.

The Directors have no doubt that this merger will be beneficial to all members of the Scottish Building Society and to the community as a whole.

Yours faithfully,  
 [Signature]

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Have pleasure in announcing the opening of their new office in Galashiels.

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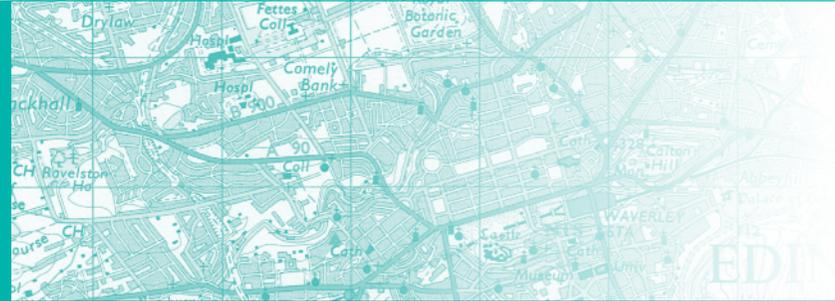
We are open weekdays 9 a.m. to 5 p.m. and Saturdays mornings until 12 a.m.

**SCOTTISH BUILDING SOCIETY**

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 Telephone (0696) 2652.

A newspaper advertisement for the Society's refurbished Galashiels branch in 1978.

6



# Growth amid Crises 1985-2013

'The Society is not for Sale!'

The mergers of the early 1980s strengthened the Scottish Building Society while safeguarding the interests of the members from the societies taken over by the Scottish. Times were changing for the building societies movement. The Building Societies Act 1986 both strengthened the oversight of societies through the newly created Building Societies Commission, while giving societies the power to demutualise.

To remain competitive, and ensure its future as an independent society, the Scottish had to grow. Although it was small by comparison with many English societies, it was strong enough to offer attractive rates for depositors and extend its lending. At the beginning of 1985, a year in which it agreed 731 new mortgages worth nearly £7.4 million, it was top of the list for the best rate paying societies. Within a year, the Scottish would be one of only three surviving Scottish societies, alongside the much bigger Dunfermline and the much smaller Century.

With scarce resources, the Society was not as well known as the Dunfermline, gaining a reputation over the years thanks to its steady expansion as one of the Scottish financial services sector's best-kept secrets. It was better known within the communities it served, partly through enabling branches and agencies to sponsor local events and causes. Typical was the Troon branch's

Local branches sponsored local community events, and still do so. This is the Troon fun run in 1986.



The 10K Race was won in the excellent time of 32mins 22secs by G. Tenney of Linwood A.C. In second place was D. Stanley of Dalmailington and third R. Hill of Ayr Seaforth A.C. The first lady home was Kate Todd of Loudoun Runners in a time of 38mins 37secs, Isabel Fraser of Ayr Seaforth took second and Morag Dunlop third.

The main sponsor for the event was the Scottish Building Society and Mr. Gerry O'Donnell, the manager at the local branch in Portland Street, himself a keen road runner, said he was delighted at the response and the success of the event. The prize of a £20 voucher for the first placed male runner was donated by Apollo Engineering of Troon and the £10 voucher for the first placed veteran male runner was donated by the Atlas Common Good Fund.

The first placed male veteran was David King of Irvine A.C. in an excellent time of 34mins 56secs and Kate Bell of Loudoun Runners took first female veteran in a time of 41mins 56secs.

All children and adults who competed in the event and do not belong to a running club, will be made most welcome at the Troon Tortoises when they hold their weekly training nights at the Marr Playing Fields on Tuesday and Thursday evenings from 7pm. Adults train from 8pm onwards. The age limit is 8 years and upwards.

In the one mile Fun Run, the race was won by Adam Young, second Graeme Parker, third Ian Letch of Troon Tortoises, fourth Alistair Gardiner of Troon Tortoises, 5th Craig Parker and sixth and first female Vikki McPherson of Troon Tortoises.

Notice announcing the appointment of an agent in Wishaw in 1987.

THE Scottish Building Society is extending its operation to include Wishaw.

It is to join forces with local Insurance and Mortgage Consultant William Graham at his office at 50 Main Street, Wishaw.

Although established in 1848 the Scottish Building Society is not perhaps quite as well known as some of its larger English counterparts but it is a very large organisation.

It has grown quietly and steadily over the last 140 years by restricting lending to properties in Scotland only and by not spending large amounts on national advertising and opening offices throughout the UK.

Currently with assets of over £50 million and branches and agencies in most parts of Scotland, Wishaw is the latest site.

Mr Graham's family firm has been selected to represent the 'Scottish' because of experience gained by him over the past 17 years with the Yorkshire Building Society which is now closing down office agency connections.

The "Scottish" offer a variety of investment accounts from the normal Paid-up Share Account to the "Scotplus" Account offering highly attractive and competitive interest rates, with interest being available either on an annual or monthly basis.

Currently, however, the most popular is the aptly named "Scotline" Account which, in association with the Royal Bank of Scotland, provides access to immediate cash withdrawals of up to £100. 24 hours per day 7 days per week through the Royal Bank of Scotland "Cashline" dispensers.

As there are more than 330 "Cashline" dispensers in Scotland alone (and more than 200 in England and Wales) this makes the "Scotline" Account the most accessible in the United Kingdom. The interest rate on this account is variable and depends on the account balance at any one time.

Mr Graham says: "It is encouraging to see Scotland's premier building society making its facilities available locally not only for investment but also offering very competitive and flexible mortgage facilities, after all, it surely makes sense for the Scottish people to invest in a building society for them to lend on Scottish property."

And to help get the "Scottish" off to a good start in Wishaw, Mr Graham in conjunction with King's is offering the first 100 customers to open accounts with the Society a complimentary box of sweets.

sponsorship of the new football strip for the local Bourtreehill Boys' Club in 1985 and sponsorship of local football leagues by the Galashiels branch in 1987.

After the string of mergers in the early 1980s, growth thereafter was based mainly on expanding the Society's agencies, in places like Auchterarder and Inverurie, Nairn and Stornoway. The successful opening of a branch in Inverness took the number of branches, including Edinburgh, to seven.

The Society stuck to the policy it had generally followed since its foundation of lending only on properties in Scotland, encapsulated in the phrase, 'Scottish savings for Scottish homes!', first used in the 1930s. It remained cautious and prudent in its lending, unlike some larger rivals. Both Eric Cuthbertson, as chairman, and Willie Munro, who joined the Society's board as chief executive in 1986, insisted that the highest standards should apply to lending to ensure that the individual member was not over-committed and that the interests of all members were protected. In 1987, for example, only eight mortgages, totalling £32,000, were in arrears beyond 12 months. As one annual report put it, 'Lenders have a social responsibility to steer borrowers away from obligations which they cannot afford and building societies as lenders to protect their members' funds'. Or, as Willie Munro told *The Scotsman* in 1993, 'We're very cautious lenders, I would say. We really don't want to put people onto beans and toast for the next ten years. It's not in their interest or ours for them to become committed to monthly bills they cannot afford'.

There was an aspiration to use the new powers given to societies to expand the range of products beyond home loans but this was limited. To retain members, loyalty bonuses were instituted, and to assist borrowers when interest rates were so high low-start mortgages were introduced.

To manage the growing business, more senior managers were appointed. In 1988, Rory Matheson, who had come to the Society in 1985, became general manager, joining the board two years later. In 1989 the Society sold its head office in York Place, moving to larger premises at 23 Manor Place. A new computer system was installed although not before the original replacement had proved unworkable. The Edinburgh branch relocated to 2 Manor Place during 1990, when the Inverness branch moved into larger premises in Station Square.

As the UK economy deteriorated, with plunging property prices placing many borrowers into a position of negative equity, the board reiterated its objective of developing 'a strong independent building

### 'SCOTTISH SAVINGS FOR SCOTTISH HOMES!'

The Society remained proudly independent and resisted demutualisation, unlike many other societies, most of which subsequently lost their independence.

society based in Scotland'. The recession only increased competition but the Society did not stand still. By the time Peter Brown took over as chairman in 1991, the Society had grown its savings and loans by three times in real terms since 1982.

The 1990s was a decade when several of the largest English societies, including Abbey National, Bristol & West and Cheltenham & Gloucester, gave up their mutual status in favour of converting to banks. None of them remained independent. There was an unsuccessful attempt in Scotland to create a commercial bank by taking over mutual organisations. The Scottish Building Society was approached but rejected any idea of giving up its mutual status.

The Society's resolute insistence that it would not contemplate demutualisation did not deter a flood of applications from would-be members south of the border. In the spring of 1996, the disruption this caused to the Society's day-to-day operations led to a ban on English speculators opening accounts. 'We naturally resent those who wish to interfere with our progress,' said Willie Munro. 'The Society is not for sale!' Peter Brown told the press that the Society's steadily accumulated reserves 'belong to the Society as a whole – not to any individual member'.

It was the relationship between members and staff that showed the real value of mutuality. As chairman, Peter Brown visited the Society's branches regularly. On one visit to Galashiels, he had to wait a while

### Working for the Society

Linda Taylor joined the Society in York Place in 1986 after leaving college. By then, she recalled, the building was not in the best of conditions. The branch was on the ground floor with head office upstairs, where Linda worked in the finance department. Almost everything was done manually, from entering data from agency sheets to sending out cheques to customers. It was a friendly place under Willie Munro, who knew everyone and who was often accompanied into work by his black labrador. Linda went on maternity leave in 2000 and the Society helped her to carry on working from home as her family grew up until she returned to the office in 2008.

### 'THE SOCIETY IS NOT FOR SALE!'

## SBS attacks society 'carpetbaggers'

by **Waleed El-Ghbrj**

THE SCOTTISH Building Society yesterday attacked "carpetbaggers" and reiterated its commitment to remaining mutual.

"We have endured our share of speculators over recent weeks, with nearly 1,000 new accounts being opened at branches during April alone," said chief executive Willie Munro.

"Genuine investors are very welcome and many have applauded our rejection of carpetbagger applications from outside the area, but pure speculators simply are a nuisance," he said.

"The sturdy Scottish has thrived for 148 years and we naturally resent those who wish to interfere with our progress. The Society is not for sale!"

Mr Munro was speaking as the Society results for the year to January

saw total assets grow by £5.2million or 4.8%, although pre-tax profits slipped 3% to £1.54million.

"We lend only in Scotland and so a 43% increase in new loans last year supports the view that mortgages north of the border are still in demand," said Mr Munro.

Its new subsidiary, SBS Mortgages, based on the acquisition of 110 loans added a further £4.5million so that total mortgage balances

increased by £9million during the year.

"That this increase in lending activity has been achieved without compromising quality standards is evidenced by the improved arrears position and the reduced bad debt charge in accounts — which are down from £29,000 in 1995 to £9,000 in 1996."

Investors still outnumber borrowers by a ratio of six to one. Reserves

rose 10% to £10.9million and its gross capital ratio (cover for liabilities) rose from 10.4% to 11.1%.

The Society is also offering free insurance, in conjunction with General Accident, to borrowers for their mortgage repayments in the event of unemployment.

It also paid tribute to director Fred Barrow, former chairman of the former Huntly Building Society, who passed a way last June.

before seeing the manager, Joan Lister, who eventually emerged from her office gently escorting an elderly lady to the door. It turned out her visitor was a long-established Society member who had just lost her husband and had turned to Joan for help in arranging the funeral. This summed up the value of the branches and the close personal relationships that often developed between staff and members. As the Society's annual report for 1996–97 put it, 'good terms and experienced staff providing personal attention at the branch are still appreciated by customers in this hi-tech age of change'. Joan Lister, for example, had been with the Society for 16 years when she became manager. Her predecessor, George Carfrae, had been with the Galashiels branch for 19 years before moving to Edinburgh to become general manager in 1997 and secretary in 1998.

These links were cemented by the involvement of local branches and agencies in community events. In 1997, for example, the Eyemouth agency sponsored the Seafood Festival, the Selkirk agency the local golf competition and Dunbar agency a concert in aid of the MacMillan cancer charity. By now, many of these agencies, as well as the branches, were the only providers of local financial services as major banks and building societies withdrew.

In 1998, as the Society celebrated its 150th anniversary on 16 March with an event at the Scottish National Portrait Gallery, Willie Munro retired as chief executive, succeeded by Rory Matheson. The Society's growth had slowed down, with static operating profits, during the 1990s as opportunistic investors targeted bigger societies heading towards demutualisation. This slowdown was masked by the acquisition of several hundred mortgages from English financial institutions offloading their portfolios of Scottish loans. Before taking on these existing mortgages, the Society's staff scrutinised each one with care. For those identified as doubtful, the Society shrewdly insisted on the seller indemnifying the Society against defaults.

Nevertheless, Willie Munro had been instrumental during his two decades at the helm in securing the Society's future by



### The Meaning of Mutuality

When the Society celebrated its 150th anniversary, the Galashiels branch received the following letter from a local member who had joined Galashiels Provident in 1957. 'In all that time, I have never had one cause for complaint with any transactions I have made. The Galashiels branch on Bank Street has a staff of four, all ladies, of whom nothing is any trouble. Their cheery disposition makes my weekly visits something to look forward to. As well as conducting their business in an efficient manner, they always have time to pass the time of day with the customers. If all the other branches in Scotland have the pleasant and courteous manner of this branch, I would recommend the Scottish Building Society to anyone.'

growing its assets significantly. The Society passed the £100 million mark in savings in 1996 and in loans in 1998. The Society had grown by nearly four times in real terms since 1982. Moreover, noted the Society's annual report for 1997–98, he had been 'a fine ambassador for the Scottish [Building Society] throughout the building society industry'. More importantly, perhaps, he had done much to make mutuality mean something to members.

Under Rory Matheson, the Society continued to make progress, although less rapidly, increasing its assets in real terms by 50 per cent by the time his successor Gerry Kay had taken over in 2008. Operating profits, however, remained much the same as they had in the 1990s, although it was stressed that the Society looked 'only to make sufficient profit to support the growth of the Society'.

Like his predecessor, Rory Matheson got on well with members and employees. He was assiduous in bringing the Society's administration up to date and ensuring it met the increasingly stringent requirements of the Building Societies Commission. As a result, meetings with the Commission, recollected Peter Brown, were often perfunctory. When one commissioner asked him what kept him as chairman awake at night, his colleague Mark Sheriff interjected, 'Peter sleeps very soundly!' Chairman and chief executive developed a good rapport. Rory Matheson would call Peter Brown every two or three days to bring him up to date, sound him out on issues and take his advice.

There were more agencies, taking the total number beyond one hundred, several branches relocated to better premises and in 2005 the growing number of head-office staff moved to a modern refurbished property in Dalry Road. New avenues were explored to attract members. While the Society aimed to devise simple and clearly understood mortgage products, unencumbered by compulsory fees or insurance premiums, the number of specialist products expanded, covering, for example, self-build, buy-to-let and guest-house borrowers. There were efforts to extend the use of technology. An automated mortgage application was launched in 2003, 'while retaining the Society's individual approach to mortgage underwriting'. The Society, members were told, 'will continue to operate in a way which puts membership



A cartoon depicting Willie Munro, who achieved so much for the Society, in 1998, the year of his retirement.

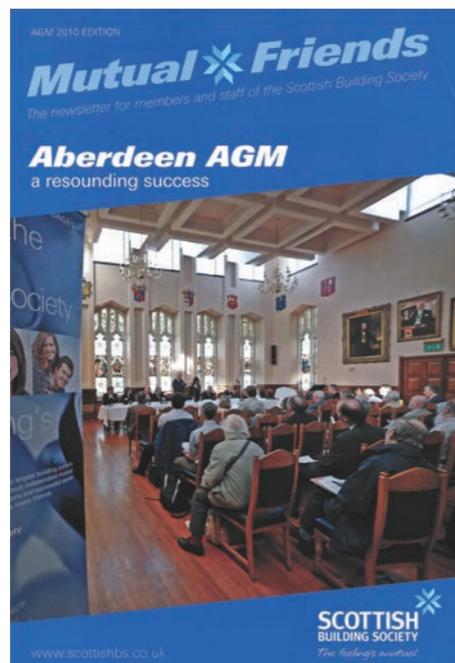
**'MEMBERSHIP FIRST'**

first'. Part of this approach led the board to begin holding the Society's annual general meetings outside Edinburgh, beginning with Inverness in 2005, to make attendance easier for more distant members.

The Society was also grappling with more stringent financial and corporate governance regulations. One consequence was a limit on the terms served by non-executive directors intended to ensure their independence. Peter Brown, who stepped down as chair in 2002, was the last of the traditionally long-serving chairmen. Mark Sheriff also retired from the board after 28 years. The Society was anxious to improve the diversity of the board and in 2001 appointed Alexa Henderson, the first woman ever to serve as a director, who came with extensive finance, accounting and audit experience.

Once again, in 2007, the Society took the opportunity to acquire mortgages from other lenders, masking the slowdown in lending. Its wider social ethos led to links with Scottish housing associations, offering more affordable properties as prices continued to escalate, and support of half a million pounds for the Scottish government's scheme for first-time buyers.

The collapse of Northern Rock in 2007 preceding the financial crash of 2008 onwards shocked the UK's financial services world. Northern Rock's abandonment of mutual status in 1997 in favour of becoming a listed bank had been a factor in the reckless growth that led to its downfall. Since so many people still thought of it as a mutual organisation, the Society wrote to every member to reassure them about the Society's financial security.



Below left: A new branch was opened in Glasgow in 2009.

Below centre: The Society began taking the Annual General Meeting beyond Edinburgh from 2005. In 2020 it was held in Aberdeen.

Below right: The Troon branch was refurbished in 2010.

## Working for the Society

John Boyd joined the Troon branch in 2012. He was mentored by the branch's two long-serving assistants Wilma Macintosh and Frances Milroy, who each had between 15 and 20 years of service. This was typical of many of the Society's employees. 'The member was the heart of the branch,' said John. 'I knew I was coming into an organisation where the member came first.' Many customers had been members for many years and had built up personal relationships with branch staff. A few years later, John became branch manager, later taking over the Glasgow branch, and eventually becoming manager for all the branches in 2022 as they were redeveloped as customer relationship centres.

The new corporate plan launched in 2007 reinforced the policies of the previous few years while adding an aspiration to become a greener, more environmentally friendly organisation. The overriding aim was 'to remain Scottish, mutual and independent'. In 2008 a new branch was opened in Aberdeen.

The failure of the much bigger Dunfermline Building Society in 2009 was a poor advertisement for the shrinking building society movement. Poor judgement, investments and policies all contributed to the Dunfermline's collapse. Once again, members of the Scottish Building Society received a letter of reassurance from the chief executive. The disappearance of the Dunfermline – its profitable core business became part of the Nationwide Building Society – left only the Scottish and Century as Scottish-based building societies.

In the midst of this, Alexa Henderson took over the chair in 2011. It was not an easy time for the Society. The property market was depressed and low interest rates held little incentive for savers. The financial crisis had slowed down the Society's growth. An affinity savings schemes connected to football proved controversial, resulting in a court case successfully defended by the Society in 2013.

In the same year, the Society took over the Century Building Society, founded in 1899. With just 3,000 members, it was more than ten times smaller than the Scottish, but it added assets of more than £21 million. The take-over left the Scottish Building Society as the only remaining Scottish-based society. On the one hand, this said much about the Society's determination to remain independent; on the other, it highlighted the challenges the Society needed to tackle to secure its future.

## 'SCOTTISH, MUTUAL AND INDEPENDENT'

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Investments from 2 December 2006										
<b>CASH ISA</b>										
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£24,000-£26,999		4.95	5.20	4.84	4.95	5.08	5.08	5.20	5.08	5.20
£21,000-£23,999		4.90	5.15	4.79	4.90	5.03	5.03	5.15	5.03	5.15
£18,000-£20,999		4.85	5.10	4.75	4.85	4.98	4.98	5.10	4.98	5.10
£15,000-£17,999		4.75	5.00	4.65	4.75	4.88	4.88	5.00	4.88	5.00
£ 100-£14,999		4.65	4.90	4.55	4.65	4.78	4.78	4.90	4.78	4.90
<b>YOUNG SCOTSAVER</b>										
INTEREST ANNUALLY %										
90 days' notice		Old	New							
£100 and over		4.50	4.75							
<b>SENIOR SCOTSAVER</b>										
INTEREST ANNUALLY %										
Instant access		Old	New							
£300 and over (including first year 0.50% bonus)		4.25	4.50							
<b>THISTLE BOND</b>										
INTEREST ANNUALLY %										
Variable Rate option		Old	New	Old	New	Old	New	Old	New	
Initial term 1 year		4.40	4.55	4.31	4.45	4.55	4.65	4.65	4.65	
<b>SCOTPLUS &amp; INCOMEPLUS</b>										
INTEREST ANNUALLY %										
90 days' notice		Old	New	Old	New	Old	New	Old	New	
£200,000 and over		4.40	4.65	4.25	4.33	4.50	4.59	4.59	4.59	
£150,000-£199,999		4.15	4.40	4.00	4.07	4.25	4.33	4.33	4.33	
£ 50,000-£ 99,999		3.65	3.90	3.50	3.56	3.75	3.82	3.82	3.82	
£ 25,000-£ 49,999		3.40	3.65	3.25	3.30	3.50	3.58	3.58	3.58	
£ 10,000-£ 24,999		3.00	3.25	2.85	2.89	3.10	3.14	3.14	3.14	
£ 5,000-£ 9,999		2.75	3.00	2.60	2.63	2.85	2.89	2.89	2.89	
£ 500-£ 4,999		2.40	2.65	2.25	2.27	2.50	2.53	2.53	2.53	
Withdrawals subject to 90 days' notice or penalty where balance remaining is less than £10,000. Balances which fall below £100 will receive interest at Scotline rate.										
<b>SCOTLINE</b>										
INTEREST ANNUALLY %										
Instant access		Old	New	Old	New	Old	New	Old	New	
£100,000 and over		2.90	3.15	£2,500-£4,999	1.75	2.00	2.00	2.00	2.00	
£ 25,000-£99,999		2.40	2.65	£ 500-£2,499	1.65	1.90	1.90	1.90	1.90	
£ 10,000-£24,999		2.25	2.50	£ 1-£ 499	1.40	1.65	1.65	1.65	1.65	
£ 5,000-£ 9,999		2.00	2.25							
All interest rates are variable unless otherwise stated. Apart from ISAs, interest is payable net of tax at the appropriate rate (which may be reclaimed by non-taxpayers) or gross, provided that the required certification has been received by the Society. AER stands for Annual Equivalent Rate and illustrates what the interest rate would be if interest was paid and added each year. Full details of revised interest rates for accounts not listed (excluding closed loans) are available from branch offices, from the address below or on our website.										
<b>Mortgages from 2 December 2006</b>										
Interest rates are increased by 0.25% (0.25% for Base Rate trackers) from the above date for loans completed on or before 18 November 2006. For borrowers with fixed or capped rate loans, this change will affect the rate charged after the fixed or capped rate period has ended. Details of revised payments are being sent to affected borrowers. This notice also applies to borrowers with SBS Mortgages Ltd.										
 <p><b>SCOTTISH BUILDING SOCIETY</b> Scotland's first Building Society</p> <p>www.scottishbs.co.uk Head Office: SBS House, 193 Dalry Road, Edinburgh EH11 2EF Tel: 0131 313 7700</p>										

## 7

# Tradition and Transformation 2013 Onwards

## 'The Personal Approach'

Building societies faced several challenges in the wake of the financial recession. They had to contend with a depressed housing market. While historically low interest rates favoured borrowers, creating a competitive market, high property prices made house purchases difficult for first-time buyers trying to raise a hefty deposit. As for savers, low interest rates meant minimal returns. Societies also had to meet more stringent regulations. Another challenge was advancing technology, with the increase of online access to savings and loan accounts changing the relationship between societies and many of their members.

Mark Thomson, previously chief operating officer, became chief executive in 2013. A chartered banker, he had been credit director for Scottish Widows. Among several senior management appointments, Andrew Moses became head of lending. One of his first tasks was to review the Century mortgage portfolio since the Society's arrears rate had risen because of the poor quality of some Century loans. Better management ensured better credit quality – for example, the Society helped several borrowers with significant arrears to get back on track – and an improved revaluation. This was just one of several operational matters that occupied the senior team for the next few years.

The Dalziel Girls' Rugby Club who, along with two other local teams, won the Society's competition for a memorable day on the pitch, seen here with Scotland international Darcy Graham and his team mates Charlie Shiel and Cammy Hutchison.



Edinburgh Rugby players in their shirts sponsored by the Scottish Building Society being led out onto the field of play by Grant Gilchrist and Cameron, winner of the Society's mascot competition.

A project to harmonise savings products, with an emphasis on fairness, simplicity, transparency and long-term value, was completed in 2016. An organisational review helped to make sure employees were properly rewarded and motivated in a competitive marketplace for jobs. Initiatives were launched for members, from a regular newsletter and member forums to rewards for loyalty. Members helped to choose the local charities supported by their local branches every year. More work was done on environmental policies. And some progress was made in developing online technology.

Many aspects of the Society remained unchanged. There was the traditional approach to mortgage applications, with a team of qualified mortgage advisors working in all the branches. For borrowers facing difficulties in tough times, the Society extended repayment terms or deferred repayments. There was a loyal and long-established agency network alongside the branches. The Society benefited from the virtues of its small size, from a collaborative workplace ethos to the personal connection between agency and branch staff and their customers. Decisions could be made quickly and people had immediate access to senior managers, including the chief executive. All these qualities helped the Society to be named Building Society of the Year in the inaugural Scottish Mortgage awards in 2019.



### FAIRNESS, SIMPLICITY, TRANSPARENCY AND LONG- TERM VALUE

Kath Brown, Audrey Smith and Lorraine Thomson have served the Society's Galashiels members for many years.

The Scottish Building Society has won the award as Best Building Society in Scotland every year since 2019. The team here are (left to right) Douglas Sharpe, Gavin Hastings, Suzanne Williamson, Alex Moffat, Lorraine McLean, Andrew Moses and Paul Denton.

While much of this work helped to stabilise the Society, there was little growth. In real terms, between the beginning of 2014 and the beginning of 2020, before the impact of the Covid-19 pandemic, savings grew not at all and loans advanced by just over more than ten per cent. The traditional role of the branches and agencies was overdue for review as their use for transactions declined. The Society entered into its first national sponsorship deal in 2017 to help raise the Society's profile. The Society remained one of Scotland's best-kept financial secrets. Surveys discovered the defunct Dunfermline society was more widely recognised than the Scottish, despite its status as the world's oldest surviving society, its great heritage and thriving mutual ethos, held in high regard by its members. Too many systems still relied on paperwork and the Society lagged behind in developing its online presence. Moreover, with changing regulations, the first port of call for home loans was third-party mortgage brokers, and the Society had done little to cultivate this relationship. Profits were not large, hindering investment in marketing, people and technology.

By the time Raymond Abbott, with extensive private equity and investment experience, became chairman in 2016, he could see the urgent need for the Society to concentrate on growth. He summed up his concern at his first board meeting as chairman when he wrote on the whiteboard one word: 'relevance'. The non-executive directors developed a high-level growth strategy for the senior management team, including more spending on marketing. To take this plan forward, a chief executive with sales experience was appointed. Paul Denton took up the role in June 2019. He had a strong commercial background in financial services, having been head of trading for retail banking at RBS and director of mortgages and business for the Co-op Bank.

Over the next few years, Paul Denton and his reinvigorated leadership team, turned around the Society's financial performance. With the

### Working for the Society

Online platforms are not for everyone and many members value the physical presence of the Society's branches and the personal service they receive from experienced and often long-serving staff. Kath Brown, Audrey Smith and Lorraine Thomson have been working together in the Galashiels branch for many years. Kath joined in 1997, Audrey in 2004 and Lorraine in 2014, all of them initially as part-time assistants. They enjoy the variety of their work. 'We like meeting people,' said Kath. 'We like getting to know people and they like getting to know us.' 'Customers get a personal service from us,' said Lorraine, 'and they like to see a friendly face and someone they know.'

## 'RELEVANCE'

support of the board, he succeeded in making the Society relevant, finding new ways of supporting members and reviving its financial fortunes, while ensuring the Society remained true to its founding purpose of helping people to buy their homes and save for the future.

There were several strands in this strategy. The number of agencies was reduced. As a subsidiary part of someone else's business, it was difficult to use them to promote the Society effectively. Digital services were increasingly popular and work began on developing the Society's online savings and mortgage service, launched as SBS Online in January 2021. At the same time, the Society was committed to retaining its branch network for the value it gave members while reimagining their purpose given the decline in their use for day-to-day transactions. The Glasgow branch was relocated to a more central location. More money was invested in raising the Society's profile. 'We are proud of our Scottish roots and heritage,' Paul Denton wrote in the 2020 annual report. This included the Society's first national television advertising and a greater presence on social media. The Society's products were rationalised, returning to a concentration on mortgages and savings, which accounted for the great majority of sales. Making lending against the main residence of members a priority did not preclude innovation, with the introduction of self-build and retirement interest-only mortgages. Closer relationships were developed with mortgage brokers, which propelled growth in the Society's loan portfolio. Reducing savings products to the four most popular cut costs, making it possible to enhance rates offered to savers. All this helped to make the organisation less complex and more efficient while offering more for members.

But this strategy was only just beginning to have an impact when the pandemic struck. The Society worked hard to support people working from home. To keep people informed of frequently changing regulations, the chief executive's monthly employee update became weekly. Branch opening hours were reduced and business was initially restricted to urgent transactions.

Immediate steps were taken to invest in the necessary technology to help the 90 per cent of the Society's employees working from home. It was a new experience for most people, making the one-to-one relationship with line managers critical for their welfare. This was a radical change from the usual working week in the office, but productivity proved to be excellent and people grew to appreciate the flexibility of the new way of working, which the Society has since adopted permanently.

The pandemic also hastened the demise of the agency network, as agencies closed their doors during lockdown. It accelerated the move of customers online, initially out of necessity, which most of them came to prefer out of convenience. It was crucial to reassure members that they would still receive an efficient and timely service during very challenging times. The Society's traditional personal approach was invaluable in retaining the trust of members. Branch staff helped a lot of members reluctant to move online over the phone. Advisors supported self-employed or furloughed members who were anxious about their mortgages. People in financial difficulties were given the choice of deferring payments for up to six months.

The Society's online presence, and the better savings rates it offered, attracted customers from far beyond its usual geographical boundaries, while the decision to retain and redevelop the branches – and the traditional passbook – catered for older members who placed a premium on personal contact. As a result of these and other initiatives, the Society flourished during the pandemic. The Society recorded its greatest ever self-generated increase in savings and mortgage balances, which rose to £437 million and £409 million respectively by the end of January 2021. This success continued during the subsequent year, with the Society announcing record pre-tax profits for 2021–22, while paying above average savings rates and increasing its mortgage loans by 36 per cent over the previous two years. As Paul Denton observed in the annual report, 'We are now helping more members buy their homes than ever before.'

This was accomplished without any diminution of the Society's traditional values. While Lorraine McLean, who joined as a compliance analyst in 2021, found a Society where change was underway, she quickly imbibed its culture: 'We valued our communities, we valued the people we had around Scotland, with that heritage and that good feel about

The Ceres Highland Games, seen here in 2021, are the oldest free games in the world and are sponsored by the Society.



***'WE VALUED OUR COMMUNITIES'***

## Through the Generations

As in years past, the Society's members are often generations of the same family. Audrey Smith, who began working for the Society in March 2004, is the daughter of Alistair and Olive Kerr, who were agents for the Society in the early 1980s and became members in 1983. Audrey and her husband Norman became members in 1985 and took out their mortgage with the Society in 1988. When their daughters were born in 1993 and 1995 respectively, they too became members. The deposits for their first properties were more than the £17,500 purchase price of Audrey and Norman's first flat.

Pamela and Derek Hamilton have been customers with the Society in Glasgow since obtaining a mortgage to buy a flat in 1985. Pamela's parents also had accounts with the branch and today Pamela and Derek's son Scott and daughter Kirsty both hold savings accounts.

Margaret Carruth opened her account with the Glasgow branch in 1977. Her three adult children, Darlene, Eric and Jeffrey, have savings accounts with the branch. And her five grandchildren all have accounts, several held in trust for them by Margaret.

In Galashiels, three generations of the Oliver family have been members for many years. John and Carolyn Oliver first opened an account in 1996, the same year as their son Alan. Alan and Carol Oliver's children, Rebecca, Emma and Fraser, have held accounts since 2000, 2002 and 2005 respectively.



Many Society members come from successive generations of the same family, like Pamela and Derek Hamilton and their children Kirsty and Scott.



In June 2021, following the decision to close all the Society's agencies in the north-east of Scotland, a new city-centre branch was opened in Aberdeen. The enthusiastic reception this received from members old and new was typical of the positive impact of the changes implemented by the Society. Members valued the experience and knowledge of Aberdeen's three staff, Reena Bell, Angie Jakimow and Mhari Crawford. Like many staff, Reena gains the greatest satisfaction from helping customers. 'I like to listen and understand their needs, knowing I'm able to help them and make their money work harder.' It is this approach

that has helped the Society to be recognised as Building Society of the Year by the Scottish Mortgage Awards in every year since 2019.

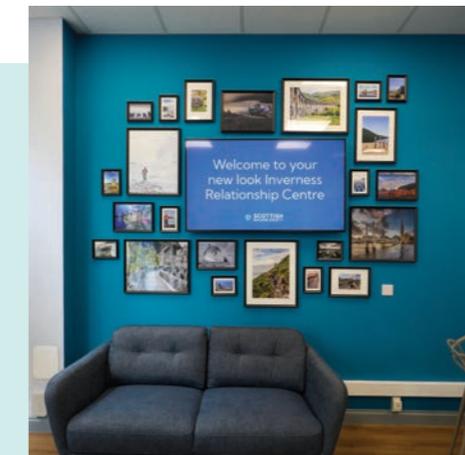
The Aberdeen branch was opened as a customer relationship centre, commencing a programme covering all the Society's branches, reflecting the fact that customers rarely visited branches any more to make transactions, more usually to open accounts or seek advice. Counters were removed and comfortable areas created where customers could

it, and we were proud that we were doing a really good job for our members, it wasn't all about profit, you were supporting members with their mortgages and their savings, and putting something back into the community.' As the crisis of the pandemic was replaced by the cost of living crisis, placing many members under further stress, this support has continued, summed up by one employee, Hayley Doole: 'We work very, very hard to support our members during difficult times. The Society genuinely keeps members at the heart of all our decisions.'

In 2020–21, this approach earned the Society an overall rating from an independent financial services review website, Smart Money People, of more than 93 per cent for customer service, a rating which rose to nearly 96 per cent in 2021–22. Moreover, the Banking Standards Board employee engagement survey for 2020 rated the Society's employees first out of 29 organisations for their understanding of operating ethically. In the following year, the employee survey carried out by the Financial Services Culture Board found that the Society was rated more highly in areas such as resilience, responsiveness, shared purpose, customer focus and leadership than any other surveyed organisation.



Reena Bell serves a member in the new branch in Aberdeen, opened in 2021 (top).



The Inverness Relationship Centre reopened in 2022 after refurbishment.



The Troon Relationship Centre was reopened in 2022 after refurbishment. Seen here are (left to right) Neil Easson, Stacey Kerr, Amy Fairbairn, Jennifer Inch and Paul Denton.

chat privately with branch staff. 'The personal approach', said Paul Denton, 'is hugely important to us.' Special launch events were held at the new centre, where members were able to come along and meet the senior leadership team.

In March 2023, the Galashiels branch was the last of the branches to be refitted, while a new centre will open in central Edinburgh in the summer of 2023. As well as enabling centre staff to spend time answering online and telephone queries, this change makes it possible to spread the administrative workload of the Society across all the relationship centres. This not only keeps head-office costs to a minimum, it has also strengthened the relationship between head office and the centres. They will host regular events for members and give senior management and board members the chance to meet some of the people for whom the Society exists.

Alongside these changes, the Society invests continuously in improving the service it gives members, from upgraded telephone systems enabling members to contact Society staff more easily to improving the security of personal information by transferring it to storage in the 'Cloud'. This was reinforced when Ian Wilson succeeded Raymond Abbott as chair in 2022. His success in financial services as well as fintech has helped to bolster the ambitious growth strategy led by Paul Denton and his team.

The Society is also helping members to tackle the challenge of climate change. The Society welcomes requests for loans to help home-owners improve the energy efficiency of their properties by investing, for example, in solar panels, heat pumps and thermal insulation. In line with this objective, the Society has supported the pioneering conservation work of Trees for Life in the Scottish Highlands for several years.

As a result of these initiatives, Paul Denton was able to tell members in 2023 that 'We know you like to engage with us in different ways, so whether you love your passbook or prefer the convenience of going online, we can accommodate your choice of relationship.'



**Top:** Paul Denton at the 2022 AGM.



**Above:** Trees for Life is among the good causes supported by the Society.

In that year, as the Society celebrated its 175th anniversary, it was able to declare record pre-tax profits of £3.3 million, with mortgage and savings balances of £496 million and £418 million respectively.

To mark the anniversary, the Society launched a charitable foundation, the Scottish Building Society Foundation, with an initial donation of £175,000. This will allow the Society to extend its support for the wider community in difficult times, helping to make it easier to obtain grants for worthwhile community causes. It is the continuation of the Society's long-established practice of supporting the communities it serves.

The Scottish Building Society stands apart from other financial institutions through its mutual status and personal approach. Although the Society has never lost its sense of purpose, sometimes it has been difficult to translate that purpose into results. Over the last three years, the Scottish Building Society has regained its energy and found a relevance within the sector. It is succeeding at attracting new members by offering the people of Scotland and beyond savings and mortgage products. It has engaged with the third-party intermediaries who now control the mortgage market. Growth and profitability allow the Society to distribute part of its profits back to the communities it serves, which goes to the heart of its mutual status. Those who work for it characterise today's Society as purposeful, kind and ambitious. And, as Paul Denton reported to members in 2021, 'one of the strongest pillars of a trusted brand is its history and heritage ... in challenging times, brands that are trusted and can repay that trust are the ones that last.' As it celebrates its 175th anniversary, the world's oldest surviving building society has shown that mutuality, based on collaboration, cooperation and integrity, provides a pathway to sustainable growth and remains as relevant for members today as it did on 16 March 1848.

Scottish Building Society rugby mascot Hamish being lifted by Edinburgh Rugby players Pierre Schoeman (left) and Grant Gilchrist (right).



## Edinburgh Rugby

The Society's profile was boosted by its sponsorship of Edinburgh Rugby, which began in 2020 and was expanded in 2021 when the Society became Edinburgh Rugby's main club partner. As well as the media exposure this has created, the sponsorship has been used by the Society to strengthen links with brokers and the wider community. As part of the relationship, the Society takes part in the club's community programmes, including Tackle Maths, aimed at improving numeracy in schoolchildren, and its inclusive rugby team.

## Timeline

<b>1848</b>	Edinburgh Friendly Property Investment Company established on 16 March	<b>1953</b>	Troon agency established
<b>1856</b>	Second Edinburgh Friendly Property Investment Company established	<b>1954</b>	Agencies established in Essex and North London, Glasgow, Stranraer and Inverness
<b>1860</b>	Scottish Friendly Property Investment Company established	<b>1960</b>	659 mortgaged properties
<b>1869</b>	Fourth Friendly Property Investment Company established	<b>1962</b>	Glasgow Building Society taken over
<b>1874</b>	New Scottish Friendly Property Investment Company becomes a permanent building society	<b>1962</b>	Helensburgh & Gareloch and Dundee & Angus Building Societies taken over
<b>1909</b>	Society changes its name to Scottish Friendly Property Investment Company	<b>1963</b>	1267 mortgaged properties
<b>1913</b>	122 mortgaged properties	<b>1969</b>	Bo'ness & Carriden Savings Investment & Building Society and Galashiels Provident Building Society taken over
<b>1922</b>	Average Society mortgage loan £400	<b>1982</b>	Strathclyde Building Society taken over
<b>1922</b>	85 mortgaged properties	<b>1984</b>	Scottish Permanent Building Society and Banffshire Building Society taken over
<b>1926</b>	110 mortgaged properties	<b>1985</b>	Huntly Building Society taken over
<b>1929</b>	Society changes its name to Scottish Building Society	<b>1985</b>	Six branches (Edinburgh, Glasgow (2), Keith, Galashiels, Troon) and 29 agencies
<b>1930</b>	52 mortgage applications approved	<b>1998</b>	150th anniversary celebrated at the Scottish National Portrait Gallery
<b>1931</b>	226 mortgaged properties	<b>2013</b>	Century Building Society taken over
<b>1934</b>	335 mortgaged properties	<b>2017</b>	Society sponsors Scottish Women's Premier League
<b>1937</b>	414 mortgaged properties	<b>2019</b>	Scottish Building Society named Building Society of the Year for first time
<b>1939</b>	Average Society mortgage loan £340	<b>2020</b>	Society remains open for business during the pandemic. SBS Online launched
<b>1946</b>	353 mortgaged properties	<b>2020</b>	Society sponsors Edinburgh Rugby
<b>1946</b>	Scottish Progressive Building Society taken over	<b>2021</b>	Aberdeen Relationship Centre opened
<b>1948</b>	Centenary dinner held at the North British Hotel, Edinburgh	<b>2023</b>	175th anniversary celebrated. Charitable Foundation established. New relationship centre opened in Edinburgh
<b>1950</b>	390 mortgaged properties		
<b>1952</b>	First agencies established in Hawick, Galashiels and Selkirk		

## Acknowledgements

This short history could not have been prepared without the help of many people.

I would like to thank the staffs of the National Records of Scotland, the National Library of Scotland and the Edinburgh Central Library.

I am particularly grateful to all those people who agreed to be interviewed and would like to thank the following: Raymond Abbot, Reena Bell, John Boyd, Kath Brown, Peter Brown, Paul Denton, Hayley Doole, Lorraine McLean, Andrew Moses, Douglas Sharpe, Christine Smart, Audrey Smith, Linda Taylor, Lorraine Thomson and Ian Wilson.

Finally, I would like to thank Suzanne Williamson, whose interest and enthusiasm in the Society's heritage sparked off the project, and Emily Harrower, whose invaluable support included tracking down people and documents.

For many reasons, this has been not only a fascinating project but also a very enjoyable one, thanks to the warm welcome I have received from everyone who has taken part.

Nigel Watson

## A Short Note on Sources

The early records of the Society were destroyed during the late 1940s. The Society's records were surveyed in 1995 for the National Register of Archives in Scotland. The Society continues to hold most of these records which covered its history for a large part of the 20th century. The Society also holds an intermittent run of annual reports from 1994 onwards. Professor Charles Munby prepared historical notes for the Society's 170th anniversary.

The evidence for the early history of the Society came from external sources, including the following: British Newspaper Archive; National Library of Scotland (miscellaneous annual reports and trades directories); Edinburgh Central Library – Edinburgh and Scottish Collection; National Records of Scotland (Society Rules and Reports, 1856–81).

The following secondary works were among those consulted: *The Transformation of Edinburgh: Land, Property and Trust in the Nineteenth Century*, Richard Roger, Cambridge, 2001; *Old Edinburgh*, Isabella Bird, Edinburgh, 1869; *Happy Homes for Working Men and How to Get Them*, James Begg, Edinburgh, 1873; *Building Societies, Their Origin and History*, Seymour J Price, London, 1958.

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An invaluable contribution came from interviewees, whose help is acknowledged separately.

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...what we may venture to
is Christianity—
ALL MEN
...we consider, as suggested
is, that the respectful regards
be confined "to the brother-
to unbelieving men,
which, from civil or natural
of endowments or moral dis-
on them.

...an man with distinguished
of acquirement, extensive
vision, or with manifesta-
in spirit, patriotism, benevo-
or heroisms, he was not
ut the admission that such
excellence did exist, nor his
of respect and honor which
d to weaken, because they
in the Christian community,
e far as the display of moral
of, they were, we believe,
of the primitive or Christian
s, and "render honour to
" In yielding honour to
to the natural and civil
y did honour to Him who
s and in yielding honour
to their intellectual and
y did honour to Him who

...we been illustrating is of
of the precept grounded in
the. Christian of the pre-
boured, with those of the
our all men" in the sense in
and these words. The cir-
cle, who, from their natural
to their intellectual or moral
in respect, are not Christian
of the term, though neces-
sary a different character
turally assuming if they were
folk by true Christians as a
It is particularly careful in
" They should not be in
to Christian view by the
in their conduct in their
, that readiness to acknow-
be honoured wherever it is
to remove prejudice, and
ity to a favourable consid-
the word, "those to whom
nortunity of presenting the
re presented to them, would

...dared the cause of genuine
a bigoted blindness on the
to the unpardonable
two kinds, which some men
for themselves as well as
ed or refused the evidence of
his. Such men are ready to
e many cases, greatly to be
to they blameless, but still
fully if perjured in, might
in honouring them for that
or attainments, or character,
conceivable. Those men who
the thought, that in despising
owing their enlightened and
ready mistakes. They are
arbitrary, bigoted, and
regulated temper. Their
blindness." In the name of
they are gratifying low and
h, if they are true Christians,
see, "I know not what spirit

...the claim for honour to all
consist in their moral state as
show that, in a rightly con-
sidered, the sentiment of
not unmingled with contempt,
most of its wickedness, moral
folly, both of which are
it lies in their possession of a
possible, immortal nature,
from the very constitution of
importance and dignity, than
ultimate matter, or even of
ings. Every human being
resembling truth and its evi-
dence what is evil; every man
ing, loving, training, serving,
very man is destined to an
An eternity of ever-growing
and happiness, or of ever-
and degradation, and misery
kind of our race. "There
the nobility of every human
and feel, and act, towards
possessed of this nobility, is
to perform the duty enjoined
ly to despise the possessor of
the gain of the whole world
however humble his rank,
of his civilisation, however
ay, however depraved his
moralisation and immoral
wants should excite in their
outside and foes. The tri-
e in others, that of scien-

...allowing comprises, though
y of the exception proving
what we have mentioned
using an abundant store of
ing, and not being exhausted
to use it. He knows and

...Contract of JOHN WILLIAM WALLACE, merchant
taller, &c., Dumfries, will receive a dividend, 10th June, at
Dumfries & Simpson, office there.
Contract of JOHN DUBBAY, lace merchant, Glasgow,
will receive a dividend, 9th June, from John Macintosh
there, Dundee.
Contract of the Most Noble GEORGE MARQUIS OF
DUNNLOCH, will receive a dividend, 10th June, from Donald
Hendry, Edinburgh, Dundee.
APPLICATIONS FOR CERTIFICATES.—
JOHN BLANE, rag and cotton ware dealer, Glasgow,
sole partner of the firm of Thomas Fothergill & Co., whose
liabilities, Glasgow—to be examined in Sheriff's Office there,
25th May, at twelve o'clock.
GARY DUNLOP, fisherman, Rosneath—to be examined
in Sheriff's Office, Aberdeen, 25th May, at twelve o'clock.
ALEXANDER THOMSON, cooper, Forresburgh—to be
examined in Sheriff's Office, Aberdeen, 25th May, at twelve
o'clock.

RAILWAY TRAFFIC RETURNS. NORTH BRITISH RAILWAY. Main Line and Branches opened. Week ending April 22. Number of passengers, 3,436—receipts for passengers, fares, cartages, charge for mails, &c. Goods, parcels, cattle, &c. Total, including the Wither and Collieston, now in charge of a Charter. Corresponding week in 1899.

EDINBURGH, PERTH, AND DUNDEE RAILWAY. Week ending April 22. Number of passengers, 21,245—receipts for passengers, fares, cartages, &c. Goods, parcels, &c. Total (exclusive of Dundee & Tantalum Branch). Corresponding week in 1899.

SCOTTISH CENTRAL RAILWAY. Week ending April 22. Number of passengers, 2,000—receipts for passengers, fares, cartages, &c. Goods, parcels, &c. Total. Corresponding week in 1899.

SOUTHERN SCOTLAND RAILWAY. Week ending April 22. Miles open—Main Line, Branches. Number of passengers, 6,764—receipts for passengers and mails. Goods and parcels. Total. Corresponding week in 1899 for 58 miles.

ABERDEEN RAILWAY. Week ending April 22. Miles open—Main Line, Branches. Number of passengers, 6,764—receipts for passengers and mails. Goods and parcels. Total. Corresponding week in 1899 for 58 miles.

ESTABLISHED STORE OF MESSRS GIBSON & CO. OF THE TOWN OF ABERDEEN.—The Span of Aberdeen Marine Dock in Leith, on Thursday last. The coast, among other things, took up the appeal of the Rev. Mr Simpson, minister of Leith, which arose out of the following charge by the Presbytery of Aberdeen, viz., "That, on the 15th day of May, being Sabbath day, he did drink whisky or other intoxicating liquors, to the scandal of religion and disgrace of his profession; and on the forenoon of Sabbath day, when under the influence of whisky or other spirituous liquors, was unable to conduct divine service in a decent manner—namely in the afternoon—and other charges of wilful falsehood, aggravated by previous conviction." The case consisted of seventeen appeals, arising from proceedings of the Presbytery of Aberdeen, against Mr Simpson. Some of the appeals were sustained, but most of them were dismissed, against which Mr Simpson protested.

THE ABERDEEN TOWN COUNCIL AND THE "PAPAL AGGRESSION."—At a meeting of the Town Council of Aberdeen on Thursday last, and after disposing of some business of only local importance, the Provost submitted certain communications with reference to the Papal aggression, from Mr George Lyon, W.S., the proposer of silly ideas of young ladies being forcibly dragged from beds, and immured within the marble walls of manasteries. In doing so the Provost remarked that he thought too much had been made of the Papal aggression. Although the communication was headed "urgent and immediate," and dated in March, it had only reached him in April. (A laugh.) Mr Langmuir thought the Papal aggression a matter with which the Council had nothing whatever to do. Mr Lyon (not George the W.S.)—"Oh! send the question to a masonary." (Laughter.) Mr D. Johnston thought the papers should be sent for perusal to each of the members of Council. Mr Gibson—"You need not send them to me." (A laugh.) Mr Ansdon said that, seeing the system pursued by Depery in this country at present, the Council should pronounce an opinion upon the question. The matter was then dropped—the communications of the new numeral and indefinable Mr George Lyon never having been so

...Performed by SIGNOR ANELLI. ARIA, "Il servo e' lui cattivo." Prefet. National. SONG, "Il Re's Address." Reading from the Tragedy of ANTONY AND CLEOPATRA! MISS GILPIN. BALLAD, "Be Wretched and Beware," Glycer. CAVATINA, "Non lo sagra," Verdi. PROGRAMME OF THE SECOND ENTERTAINMENT. SATURDAY EVENING, May 3, 1891. OVERTURE, "L'Italiana," Rowell. Reading from Shakespeare's KING JOHN, MISS GILPIN. SONG, "Do not mope." Ballad. SOLO-GUITAR, "Flash Barbare," Anelli. Performed by SIGNOR ANELLI. BALLAD, "The Old Chimney Corner," J. G. SONG, Reading from Shakespeare's KING JOHN, MISS GILPIN. CAVATINA, "O luce di quest'anima," Bonatti. BALLATA, "I legnate per esser felice," Donati.

EDINBURGH FRIENDLY PROPERTY INVESTMENT COMPANY. Sanctioned by Act of Parliament, 0 and 7 18th 17, cap. 32. Chairman, Mr Robert Shand, 41 Dundas Street. Vice-Chairman, Mr Robert Ranage, 37 Howe Street. Directors, Mr Robert Tod, 35 Dundas Street. Mr Walter Hogg, 30 Dundas Street. Mr Robert Millan, 1 Hanover Street. Mr William Gray, 38 York Place. Mr John Smart, 1 Queen Street. Mr Mathew Carstairs, 71 Northumberland Street. Mr George Alston, 40 Hanover Street. Mr Robert Wright, 31 Dundas Street. Mr James Stevenson, 10 Cumberland Street. Mr William Carmichael, 23 Dublin Street. Mr John Hamilton, 6 Montgomery Street. Mr William Mann, 1 Hanover Street. Secretary and Treasurer, Mr John Maben, 8 South St David Street. Law Agent, Mr John Gardiner, S.S.C., 27 York Place.

Three years have now elapsed since the establishment of this Company, and it has been more prosperous and successful than the most sanguine could at first have anticipated. The Directors have long felt, however, that from the heavy arrears of back payments required to be made by new members, its benefits were likely to be confined to those who had joined it at an early period, unless some means were devised for making these payable by easy instalments, spread over a considerable period. This they now propose to do, and they have accordingly matured a plan, which has met with the unanimous approbation of the Society, by which the arrears will be wiped off in eight years, at the rate of Sixpence per Shilling per fortnight; after which, and till the end of the Company, old and new members will pay equally. Should even an average measure of success continue to attend the Society, it is confidently hoped that it may terminate in little more than NINE YEARS from the present time, thus affording a great inducement to parties to join it, as the properties they may now purchase and at once possess rent free, with the assistance of the Company, will by that time be their own, free and unincumbered.

New Members will be enrolled on the evening of Monday the 15th May, between 7 and 9 o'clock, and every alternate Monday thereafter. Meanwhile, the fullest information will be afforded by any of the Office-bearers. Copies of the Rules may be had for Sixpence, or sent by Post for Eight Stamps. 6 YORK PLACE, Edinburgh, 25th April 1891.

IT is a common complaint, that while excellent Coffee may be purchased occasionally from particular dealers, at other times, it is very inferior; and the quality of the article depending, in a great measure, on the length of time it has been exposed to the air after being roasted. WHITE FAIRCHILD & COMPANY'S PATENT TURKEY COFFEE, Being packed in Tin Containers, perfectly air-tight (for which an extra charge is made), is not subject to any atmospheric influence, but preserves the Aroma in all its original freshness and strength for any length of time. It is, therefore, highly suitable TO CAPTAINS OF MERCHANT VESSELS, Particularly those going long voyages. In all climates of Good Coffee, it cannot fail to be peculiarly acceptable; while in Families and the Public generally, its unusual strength will prove, on the score of economy alone, a very high recommendation in its favour; it being now a well-known fact, that no other Coffee will produce near the same amount of the rich and delicious Beverage. The large and increasing demand for it is sufficient evidence that, both for Strength and Richness of Flavour, it stands unrivalled. Sold in One and Two Pound Containers, and Half-Pound Tin Packages.

SALE OF A STOCK OF UPWARDS OF 100 HESLIN DE LAINE, PRINTED CAMBRIC, and MURIN DRESSES, FRENCH MERINOES, GINGHAMS, QUILTING, COUNTERPANES, SUPERFINE LINENS, HIGH SILKS, SATINETTES, and SILK VELVETS, Home-made LINEN SHEETING, FLANNELS, PARASOLS, FURNITURE OILS, DAMASK TABLE-CLOTHS and NAPKINS, BRUSSELS CARPETS and RUGS, TOWELLING, SPUN SILK, HARBOR SHAWLS and PLAIDS, BELL PULLS, TAIORANS, and various Effects. On view on Tuesday next, and Catalogue had.

MESSRS D. WALKER & SON are directed by the above on Monday the 5th May, at Twelve, in their AGENCY OFFICE, opposite the College. May be viewed on Saturday next between Twelve and Two.

SALE OF HOUSEHOLD FURNITURE. DALGLEISH & FORREST will Sell by Auction, on Thursday, 1st May, the Whole FURNITURE in that Large Self-contained House, 10 AINSLIE PLACE, consisting of Dining-room, Parlour, Drawing-room, Bed-chamber, and Kitchen Articles, comprising Set of Dining Table, Side

...In one vol., fcap. 8vo. (By SIR JOHN FRANKLIN) THE ARCTIC REGIONS, the Various Expeditions in North-West Passage, the particulars of the various Voyages under his command, and the discovery of the North Pole, with many years editor of the "Standard" London; Gen. R. Edinburgh; J. Maxwell.

...LONDON LODGINGS, 20 PEEL STREET, KENSINGTON, NEAR THE CRYSTAL PALACE. THOMAS COCKBURN begs to inform intending Visitors to London during the Exhibition, that he has fitted up the above Establishment for their accommodation, where they can have separate Beds, and be supplied with Breakfast, Lunch, &c. &c., of the best description, on the following terms for each person:— Bed, 5s. per Night for not less than 7 Nights. Breakfast, with Meat, &c. &c., 1s. 6d. Lunch, 1s. 6d.; Tea, 1s. to 1s. 6d. These Charges include Bed-cleaning and attendance. THERE ARE NO EXTRA, and parties do not require to Board in the house unless they choose. Tickets can be had in Edinburgh which will secure to the holders good Beds, on presentation on the dates for which they are issued (with the option of remaining for a longer period if there are beds disengaged), thus saving the anxiety, loss of time, and probable extra expenses of those who do not avail themselves of this arrangement. Those who do not take Tickets in Edinburgh will be received at Peel Street, if there is accommodation vacant, but holders of Tickets are seated against any disappointment. Mr COCKBURN is allowed to refer to the following Gentlemen in Edinburgh, who will show Prospectuses, and give further information:— Mr Air, 31 Prince's Street; Mr Graham, 179 High Street; Mr Kirkhope, 1 Melville Place; Mr Mordaunt, 79 Queen Street; Mr Robt, 6 Frederick Street; Mr Buchanan, 63 George Street. Copies of the Prospectus will be forwarded to the Country in reply to prepaid letters enclosing Two Stamps to the Proprietor's Agent, E. COCKBURN, 6 MORNINGTON STREET, or 315 CANNON STREET, Edinburgh, who will issue Tickets, and conclude arrangements.

A SPECIAL GENERAL MEETING OF THE NORTH BRITISH RAILWAY COMPANY, held in GRAY'S Royal Hotel, Princes Street, Edinburgh, on 25th April 1891.— JOHN LEARMONTH, Esquire, Chairman of the Company, in the Chair. It was resolved:— That the Bill now before Parliament, intitled, "A Bill for enabling the North British Railway Company to enlarge their Station at Edinburgh," and to make certain short Railways there, and at Dalkeith, and to make alterations in the Leith Branch, and for other purposes," submitted to the Meeting, be and the same is hereby approved by the Meeting, and that the Seal of the Company be affixed thereto, in token of such approval. JOHN LEARMONTH, Chairman.

TAILOR AND CLOTHIER'S STOCK. MESSRS D. WALKER & SON are directed by the above, on Wednesday the 30th April, in their AGENCY OFFICE, opposite the College at Twelve, upwards of 100 BLACK DRESSES, PROCK, and WALKING COATS, VESTS, TROUSERS, SUPERFINE WEST OF ENGLAND BROAD and NARROW CLOTHS, and GASSIMERE, LININGS, SATIN HATS, SILK HANDBURCHES, and numerous other articles connected with the Trade. On view on Tuesday next, and Catalogue had.

SALE OF A STOCK OF UPWARDS OF 100 HESLIN DE LAINE, PRINTED CAMBRIC, and MURIN DRESSES, FRENCH MERINOES, GINGHAMS, QUILTING, COUNTERPANES, SUPERFINE LINENS, HIGH SILKS, SATINETTES, and SILK VELVETS, Home-made LINEN SHEETING, FLANNELS, PARASOLS, FURNITURE OILS, DAMASK TABLE-CLOTHS and NAPKINS, BRUSSELS CARPETS and RUGS, TOWELLING, SPUN SILK, HARBOR SHAWLS and PLAIDS, BELL PULLS, TAIORANS, and various Effects. On view on Tuesday next, and Catalogue had.

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THE NATIONAL... D A R R L I... THE BEST MEDICINE... Nature, it is said, has given every ill, and certainly, it is of Old Time, this sentiment, by a close, careful, and scientific properties of certain long-lived and celebrated which would answer every activity in the blood.

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