

ROYAL MEDICAL AND CHIRURGICAL SOCIETY.

REPORT OF THE BUILDING COMMITTEE,
AS AMENDED AND ADOPTED BY THE COUNCIL,
FEBRUARY 5TH, 1891.

GENTLEMEN—

As the building operations are now nearly completed, and the new lease from the City can almost immediately be granted, the time is approaching when the security for the Debenture Loan may be completed and the Debentures issued.

The Building Committee therefore beg leave to lay before the Council the following report of their proceedings, and to suggest to the Council to call a meeting of the Society for the purpose of confirming their action and obtaining authority for raising the extra funds required to pay the outstanding debts of the Society for building and other expenses.

The first idea of acquiring the present premises arose about February, 1889, when it was found that the house in Hanover Square might be purchased from two gentlemen who had just acquired it as a building speculation. This idea was developed by the Council in a report issued to the Fellows of the Society on February 27th, 1889. A reference to that report will show that the scheme then proposed was much less ambitious than the one now completed. The expenditure was estimated at only £4,300 beyond the purchase-money (£23,000); no provision was made for any new building, except that of a meeting-room, at a cost of £1,500; no enlargement of the old house was contemplated, nor any new building on the leasehold ground. The details of estimated expenditure in that report were merely conjectural; but of the general principle of the desirability of the purchase the Society was fully convinced, and they affirmed it at a Special General Meeting on March 4th, 1889, in the following resolutions, which were confirmed on March 11th.

I.—That the recommendation of the Council to purchase the house, No. 20, Hanover Square, be and is hereby approved by the Fellows of the Royal Medical and Chirurgical Society of London in Special General Meeting assembled; and that steps be immediately taken to carry this recommendation into effect.

II.—That the Council of the Royal Medical and Chirurgical Society of London be and is hereby authorised to do one or all or several of the following acts for and on behalf of the Society, namely:

- (1) To acquire the freehold and leasehold property, in the premises at No. 20, Hanover Square, by purchase, for a sum not exceeding £23,000: such property to be vested in the Trustees of the Society.
- (2) To lease, sell, or mortgage the leasehold premises now occupied by the Society at No. 53, Berners Street.
- (3) To raise such funds as may be required for the acquisition of the premises in Hanover Square; and for such additions and alterations as may be required.
 - (a) By mortgage of the Society's leasehold and of the property to be acquired.
 - (b) Or by the issue of Bonds among the Fellows of the Society.

(c) Or by such other means as may seem to the Council most advantageous to the interests of the Society.

(4) To do all such acts and employ such persons as are necessary or advisable for the carrying out of these purposes.

III.—That the Council of the Royal Medical and Chirurgical Society of London be and is hereby authorised to instruct the Trustees of the Society to sell out the securities now vested in their names, and to pay the proceeds of such sale to the Treasurers.

IV.—That the Council of the Royal Medical and Chirurgical Society of London be and is hereby authorised to appoint a Building Committee to complete the purchase of the new premises, and under the direction of the Council to carry out such alterations and repairs as are required therein, and that such Committee consist of the following gentlemen:—Dr. Cheadle, Dr. Gee, Dr. Hare, Dr. Isambard Owen, Mr. Timothy Holmes, Mr. Alfred Willett, Mr. R. W. Parker, and Mr. Warrington Haward; and that the Council have power to add to the number of the Committee if they think it necessary.

The Building Committee so constituted lost no time in commencing operations, and on the very day of its legal constitution issued a circular to the Fellows inviting immediate subscriptions to a proposed Debenture Loan, with a view of paying £10,000 of the purchase-money, in order to secure immediate possession of the premises. Subscriptions were forthcoming immediately, and £7,500 was called up at once, in order (with £3,016 realised by the sale of the Society's investments) to make up the sum required. Immediate possession of the premises was obtained, and the plans for the necessary alterations were at once taken in hand.

The power conferred on the Council by the last of the above resolutions was exercised later on by adding Mr. Clinton Dent to the Committee.

It was soon found that it would be greatly to the advantage of the Society to enlarge the original scheme in three important particulars.

1. The house had a good second floor, but only attics above this, so that the Resident Librarian would have to be lodged on the second floor. By raising the house another storey, and converting the old attic floor into good substantial rooms, an excellent residence has been pro-

vided for the Resident Librarian, and the whole of the second floor has been set free for letting purposes. The cost of this alteration was about £1,400, while the rent of the rooms on the second floor, let to Mr. Belcher and to the Royal Microscopical Society, is £310.

2. It became at once obvious that much more library room must be provided, unless the books were to be kept in the meeting-room, an arrangement which would be very injurious to the pecuniary interests of the Society, as well as very inconvenient, in view of the use expected to be made of the meeting-room for the accommodation of other Societies both during the day and at night. Moreover the use of the meeting-room for library purposes was strongly condemned in a communication from the Council to the Building Committee, April 17th, 1889. Consequently the new library was planned, and thus the greater part of the garden was covered. These various works raised the contract for the new building to £6,840; and even after this contract had been made and the building had been put in hand, the Pathological and Clinical Societies pointed out, with unanswerable force, that their operations could not be carried on without a separate room, in which patients, microscopes, &c., could be exhibited. Hence the north room had to be built, and this again increased the sum payable to the contractor, Mr. Nightingale, which, with all extras and alterations, has amounted to £8,339. The whole of this has been paid with the exception of £39, against which, it is believed, a set-off can be shown.

3. This provision for the library made it necessary to build the meeting-room at the foot of the garden, a small portion of which, and the land behind, occupied by the stables, belongs to the City of London, and was held on a ground-lease, of which thirty-seven and a half years were unexpired, at a rent of £5 10s. As it would not have been prudent to erect the meeting-room (which trenches on the leasehold part) on land held for so short a term, the Corporation were approached with the view

of obtaining a longer lease, and, if possible, on more favorable terms than those which they had offered to the Society's predecessors in title, on the ground that the Royal Medical and Chirurgical Society is a scientific body, while they were merely engaged in a commercial venture. The result was that the Corporation most kindly and liberally offered a renewed lease for eighty years at a rent of £30. The formal completion of this lease has been delayed until the new building on the leasehold ground should be finished, but it can be granted almost immediately on the Society authorising its acceptance; and when this is done the Society will have a complete title to the whole property, and the issue of the Debentures for the money borrowed can be proceeded with.

It was soon found that the immediate proximity to the new meeting-room of the old stables (which were in bad repair, and would consequently be a source of expense) would be an inconvenience and annoyance, and the committee consider themselves most fortunate in having been able at once to get rid of a nuisance, and make a most profitable investment for the Society. An agreement has been entered into with Mr. Webb Miles, the owner of adjoining property in Brook Street, by which he undertook to accept a long lease of suitable workshops to be erected for him on the site of the old stables. This improvement has been carried out at a cost not exceeding £1,500, and for the new building Mr. Webb Miles pays us £350 a year, while the old stables only produced a rent of £100. Nor is this the only advantage gained by the change, for it was found possible to reserve a portion of the old stable site, and turn it to most valuable account as an accumulator room.

The enlarged premises which the Society has thus acquired have been found capable of receiving numerous tenants, whose rents will, it is believed, place the Society on a secure financial basis. The following is a list of the present tenants of the Society and their yearly rents :

Messrs. Phipps & Dawson, 53, Berners Street	. £450
Mr. Webb Miles	. 350
Royal Society of Literature	. 230
Obstetrical Society	. 200
Mr. J. Belcher, F.R.I.B.A.	. 180
Royal Microscopical Society	. 130
Gynæcological Society	. 126
Mr. Ashdown	. 120
Clinical Society	. 105
Pathological Society	. 105
Royal Historical Society	. 95
Quekett Club	. 55
Widows and Orphans Society	. 50
Library Association	. 40
British Nurses' Association	. 25
Lantern Society	. 25
Royal Agricultural Society	. 10
Mr. Clinton T. Dent	. 10
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	£2306

The rents received in Berners Street were :

Clinical Society	. £75
Pathological Society	. 75
Widows and Orphans Society	. 50
Obstetrical Society	. 42
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	£242

The Royal Medical and Chirurgical Society now occupies only the ground floor of the house, the front room on the first floor (which was used at first as the Council room) being let to the Royal Society of Literature, who, however, very kindly allow the Society to use the room for evening Councils and Committees, when necessary. The building of the north room, besides providing a Council room for the Society enables them to receive as tenants the Royal Historical Society, the Royal Society of Literature, the Library Association, the Quekett Club, the

British Nurses' Association, and the Lantern Society, the aggregate rents of which amount to £470.

Another source of extra expenditure is the electric lighting. Before the Society moved it had been quite decided that the electric light should be adopted, but it had not been settled whether the current should be generated by a private installation or obtained from a supply company. A private installation involves a much heavier expense at the outset, but the annual cost is less, while its great superiority consists in the possibility of storage by means of an accumulator, and the consequent freedom from any risk of sudden stoppage or diminution of light. Up to the present time the Committee have every reason to be satisfied with the installation which has been put in by Messrs. Phipps and Dawson, the Society's tenants in Berners Street. The sum of £1,400 has been paid them, leaving a balance still owing of about £150, and a contract has been entered into, by which they undertake for £125 a year to maintain the installation and guarantee an adequate supply of light. To this annual payment, however, something like £45 a year may have to be added hereafter for keeping the accumulator in repair.

It may be mentioned that the cost of the light, if obtained from a supply company would have exceeded £200 a year, exclusive of the cost of maintaining the fittings, lamps, &c.

The question of electric lighting was brought by the Building Committee under the notice of the Council on October 15th, 1889, and the committee were authorised to settle the matter according to their best judgment.

At the same meeting the Council expressed to the Building Committee their opinion that it would be very desirable to add a portico to the house. The committee postponed the question until they had completed the letting of the premises, and a good deal of delay was caused by the London County Council, whose sanction had to be obtained; but the portico is now in course of erection.

The Committee have, in the foregoing statement, endeavoured to give a succinct account of their chief operations down to the present time.

The financial position of the Society is now as follows :— There has been expended, down to the end of the year 1890, £37,008. Of this sum £3,058 was provided by selling the Society's investments, and by interest on deposits at the bank. £30,000 has been received from subscribers to the Debenture Loan at 4 per cent., £1,500 has been temporarily advanced by the President and Treasurers individually at the same interest, and the balance £2,450 is advanced by the Society's bankers on the personal security of Dr. Hare, also at the same rate of interest.

The further liabilities of the Society in respect of the new premises are estimated as follows :

Mr. Nightingale, principal contractor . . .	£39
Mr. Robertson (portico, book-cases, extras in Dering Yard, &c.) . . .	406
Messrs. Lake, Beaumont, and Lake, solicitors . . .	500
Sundry other accounts, not likely to exceed . . .	800
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	£1,745

It will thus be seen that a sum of about £5,700 will have to be raised in addition to the £30,000 covered by the original loan. The Committee therefore propose that a general meeting shall be summoned, and that powers shall be sought to raise an additional £6,000 on Debenture Loan, those powers only to be used to the extent needed to discharge the debts of the Society.

The Society's income and expenditure for 1891 may be thus estimated :

<i>Income.</i>	
Subscriptions, fees, &c. (say) . . .	£1,700 ¹
Rents	2,306
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	£4,006

¹ The receipts of the year 1889 were £1,481; those of the year 1890 were £1,642.

There will also be an additional income from occasional lettings of the two meeting-rooms.

Ordinary Expenditure.

Rent of leaseholds (Hanover Square and Berners Street)	.	.	£44	
Rates and taxes	.	.	188	
Electric lighting	.	.	170	
Water	.	.	50	
Insurance	.	.	30	
Coals and gas	.	.	70	
Furniture and repairs	.	.	40	
Meeting expenses	.	.	40	
<i>Transactions and Proceedings</i>	.	.	350	
Printing and stationery	.	.	80	
Salaries and wages	.	.	670	
Library	.	.	300	
Miscellaneous incidental expenses	.		100	2,132

Extraordinary Expenditure.

Annual sum to be devoted to payment of Interest and Extinction of Debt (calculated by the Society's Account- ants to pay off the whole of the Debentures in forty-eight years)	.	¹ 1,700
Balance available for contingencies	.	174
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		£4,006

A probable balance of £174 is thus left over at the end of the year 1891, but it is necessary to bear in mind that the annual expenditure is likely to increase in future years because of a larger outlay for repairs. The Council, however, is of opinion that the receipts of the Society will probably increase at an equal or an even larger rate

¹ At end of first year the interest will be £1,440, and £260 will be paid to the Trustees of Debenture-holders—in succeeding years the amount of interest will fall, as that of the repayment rises.

by increase in the number of Fellows, and the more frequent letting of the meeting rooms.

It must not be forgotten, however, that the Society will lose £435 a year on the termination (fourteen years hence) of the Berners Street lease ; so that it would be right to apply during the interval as much as possible of the profit rental obtained from the Berners Street premises to leave the Society in as good a position on the termination of the Berners Street lease in 1904 as it is at present.

The capital expenditure having been thus increased beyond what was originally contemplated, there remains the question how to provide the funds.

There are only two courses open : (1) to raise the sum on Debentures, or (2) to treat it as a floating debt, and discharge it gradually out of the Society's surplus income. The second course involves the payment of a larger interest, for bankers are not likely to lend at so low a rate as 4 per cent. for an unlimited time. This would diminish for a considerable period the amount annually applicable to the extinction of the debt. In all respects, therefore, it seems better to authorise an addition, within the limit of £6,000, to the amount of the original Debenture Loan, nor does there seem any difficulty in the way. The present limit of £30,000 was fixed by the committee of the subscribers to the loan on April 16th, 1889, at a time when much less expensive building operations were contemplated,¹ and when the security for the loan was therefore much less than at present, but the committee under the authority of the Council felt justified in incurring a larger expenditure on the grounds previously stated, and it has therefore been decided under the advice of the Society's solicitors, to ask the Council to summon a General Meeting of the Society : (1) To approve and accept the lease from the Corporation of the City of

¹ A resolution stands on the minutes of the Building Committee, April 5th, 1889, limiting the amount to be spent on building to £4,500, and the total expenses to £6,000.

London, and (2) to sanction the proposed extension of the loan ; to be followed (after passing the second of these resolutions) by a meeting of subscribers to the loan for the same purpose.

All the members of the committee appointed at the meeting of subscribers to the Debenture Loan held on 16th April, 1889 (for the purpose of settling and approving on behalf of the intended Debenture holders the form of Debenture and Trust Deed) have, at a meeting between themselves and the President and Treasurers of the Society held on 11th April, 1890, expressed their individual assent to an extension of the total amount of the Debenture Loan to £36,000, although (having regard to what has been said in previous circulars and at previous meetings of subscribers to that Loan) they prefer, notwithstanding the powers conferred on them at the meeting of 16th April, 1889, to have the assent of a further meeting of their constituent body to the proposed extension.

The Resident Librarian has already received applications for additional Debentures in excess of the sum required.

† As soon as the limit of the loan has thus been definitely fixed, and the new lease from the City granted, the Deed of Security for the benefit of the Debenture-holders can be completed and the Debentures issued. The forms of both of these have been long ready.

When the few remaining additions to the building are completed, and the accounts are settled, the functions of the Building Committee will have ceased. Their labours have not been light, for down to the end of the year 1890 seventy-seven meetings have been held, but they have been most interesting, and, the Committee hope, have resulted in lasting advantage to the Society.

The complicated transactions confided to the committee could not have been successfully conducted without efficient professional assistance ; and it would be an unpardonable negligence not to record the deep debt of gratitude which

the Society owes to Mr. William Flockhart, the architect, under whose advice the buildings have been completed, and to Mr. Thomas Beaumont, the solicitor, by whom the numerous, and in some cases difficult, legal questions involved have been settled to the best advantage of the Society. The Council is already aware that in every detail of the Committee's work, from the least to the greatest, the zeal, energy, and ability of Mr. MacAlister, the Resident Librarian, have rendered services which are simply invaluable.

Signed for the Committee,

TIMOTHY HOLMES,
Chairman.