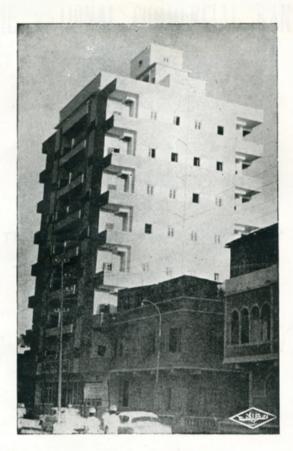


ANNUAL REPORT FOR THE YEAR 1376 (HEGRA) (1956-1957)



A VIEW OF THE BUILDING UNDER CONSTRUCTION, OCCUPYING AN AREA OF ABOUT 3000 SQ. METERS. THIS IS ONE OF THE BUILDINGS TO BE ERECTED BY THE BANK TO PROVIDE RESIDEN-TIAL QUARTERS TO THE PUBLIC. IT IS SUPPOSED THAT THIS BUILDING WILL BE COMPLETED IN THE YEAR 1377 CORRESP, 1957-58.



منظر لاحدى عمارات البنك الاهلى التجارى الاستثمارية بجدة ، ويشغل جانبا منها البنك الاهلى الباكستانى - كما يشغل الجانب الآخر فندق الحرمين وهي من تصميم (مكتب مشاريع البنك الاهلى التجارى العمرانية)

THE FRONT VIEW OF THE BANK'S PROPERTY; A PART THEREOF IS OCCUPIED BY THE NATIONAL BANK OF PAKISTAN, JEDDAH, WHEREAS THE OTHER PART IS OCCUPIED BY THE "AL-HARAMAEIN HOTEL".

THIS BUILDING IS AN ARCHITECTURAL DESIGN, PLANNED AND ERECTED BY THE BANK'S UTILITY SCHEMES OFFICE, IN JEDDAH.

THE NATIONAL COMMERCIAL BANK

JEDDAH SAUDI ARABIA

REPORT

OF

THE GENERAL MANAGEMENT

ON THE YEAR

Ended 29th. ZUL HIJJA 1376

Corresponding 27th. July, 1957.

THE NATIONAL COMMERCIAL BANK

Jeddah, Saudi Arabia

FOUNDERS :-

Sheikh Saleh Mousa El-Kaaki Sheikh Abdel-Aziz Moh. El-Kaaki Sheikh Salem Ahmed Bin Mahfouz

GENERAL MANAGER :-

Sheikh Salem Ahmed Bin Mahfouz

HEAD OFFICE.

JEDDAH (SAUDI ARABIA)

Teleg.— MOWAFFAK

P.O.Box (104)

BRANCHES IN SAUDI ARABIA:-

Mecca, Medina, Riyadh, Tayef, Alkhobar, Dammam, El-Hassa, Ar'ar, Jizan.

BRANCHES IN ARAB COUNTRIES :-

Cairo, (Egypt) (2 Branches), Beirut (Lebanon),

Damascus (Syria), Hodeidah (Yemen), Aden.

BRANCHES UNDER ESTABLISHMENT :-

Khartoum, Kuweit, Baghdad, Amman.

CORRESPONDENTS IN ALL PARTS OF THE WORLD

AUDITORS :-

Messrs. Issa El Ayouti & Co.

Accountants & Auditors,

THE REPORT OF THE GENERAL MANAGEMENT ON THE YEAR ENDED 29th. ZUL HIJJA, 1376, CORRESPONDING 27th. JULY, 1957.

Introductory.

The General Manager of the National Commercial Bank, Jeddah, Saudi Arabia, has the honour to avail of this pleasant opportunity to present the Balance Sheet of this Bank for the financial year ended 29th. Zul Hijja, 1376 corresponding to 27th. July, 1957 to all its honourable clients, foreign correspondents all over the world and to whom it may concern.

It gives us pleasure to notify that the Balance Sheet reflects multifarious activities and progress in exchange transactions and banking services in which this bank has played the major role both financially and economically for the interests of our friends in Saudi Arabia and abroad.

It is mainly due to the benign encouragement of His Majesty the King that this bank could play a major role and achieve such a high rank. His Majesty's Government rendered meritorious services towards the progress of the country financially, economically, culturally and martially, which reflect the industrial development and prosperity of this country. As a result, we are now in a better position to utilise our entire resources to the general uplift of the country by strengthening commercial and economic relations with the neighbouring Arab States in particular, and with foreign countries in General. The Bank has extended all possible facilities at the disposal of its worthy constituents consequent upon the mutual trust.

We pray to the Almighty God to bestow on us. His blessings and guidance under the kind patronage of His Majesty the King.

The Balance Sheet :-

The total assets at 29th. Zul Hijja, 1376 corresponding to 27th. July, 1957 amounted to Saudi Riyals 547,642,229 compared with Saudi Riyals 376,135,095 last year, i.e. an increase of Saudi Riyals 171,507,134. This increase reflects clearly the fair advancement of the Bank in its banking operations.

Cash :-

The cash on hand and at Banks and correspondents amounted to Saudi Riyals 144,868,181 as compared with Saudi Riyals 82,609,018 last year i.e. an increase of Saudi Riyals 62,259,163. The proportion of the cash to deposits has reached this year to 48% approximately against 38% last year reflecting the Management's firm policy for maintaining adequate liquid assets in proportion to the deposits. The increase in cash is attributed to the rushing deposits throughout the year yielding an excess of Saudi Riyals 86,337,530.

Deposits and Current Accounts :-

As we have already mentioned our total deposits have increased this year by Saudi Riyals 86,337,530 as compared with last year figure, the total deposits amounted Saudi Riyals 303,207,753 against Saudi Riyals 216,870,223 last year i.e. the increase in deposits reached 40% approximately. This figure for deposits is a clear indication and a true picture of the great confidence gained by the Bank in view of the wise policy followed by the directors which resulted in a vast extention of the banking operations.

Loans :-

Loans to customers amounted to Saudi Riyals 190,683,895 at the end of this year against Saudi Riyals 160,096,609 last year i.e. an increase of Saudi Riyals 30,587,286. This increase in loans is a clear evidence of the bank's activities in granting facilities to its clients in support of refinancing, productive and constructive projetcs in Saudi Arabia and throughout the Arab World.

Bills discounted amounted to Saudi Riyals 5,253,527 whereas they amounted Saudi Riyals 3,123,563 last year i.e. an increase of Saudi Riyals 2,129,964.

Land, Premises & Constructions in Progress.

The figure for the above as quoted in the Balance Sheet amounted to Saudi Riyals 31,462,354 against Saudi Riyals 25,611,027 last year, i.e. an increase of Saudi Riyals 5,851,327. It gives us pleasure to state that buildings are being constructed by the Bank to provide the people of this country with suitable residential quarters and also to act as a perfect token of reliance and solid security towards the depositors and clients for the protection of their deposits.

Capital and Reserves :-

The Management of the Bank has always been so keen for the increase of confidence and proper guarantee for the clients of the Bank. To achieve this end, the Bank decided to increase the general reserve by Saudi Riyals 3,500,000 thus making a total of Saudi Riyals 21,271,000, and to raise a special reserve of Saudi Riyals 4,300,000, thus raising a grand total of reserves to Saudi Riyals 25,571,000.

Branches of the Bank :-

Consequent on the extension of the Banking operations, this Management is contemplating to establish new branches in the neighbouring Arab countries. During last year, a branch has been opened in Al Azhar in the City of Cairo (Egypt). Similarly it is being contemplated on the same lines to open new branch at Alexandria (Egypt). Branches at Abha, Yenbo and Tabouk in Saudi Arabia will be opened in the near future.

Deputations to Foreign Countries for Technical Training Courses:—

It is the standing policy of the Management to send abroad Saudi young men every year for practical training in the field of modern banking system. Some of them have returned after their completion of the period of their training abroad and have taken over charge of their duties in the Head Office.

Managers' Conference :-

In order to organize and unify the internal and external policy of the Bank and to maintain its solidarity, the annual conference of the branch managers was held in Jeddah as usual under the auspicious of the General Manager on 1st Zul Hijja 1376. Various views were exchanged relating to the policy matters of this institution for rendering good services to our friends.

Correspondents :-

Consequent upon the expansion of the Banking transactions and establishment of Banking relations, the number of foreign correspondents has increased accordingly.

In order to strengthen the ties of mutual relations, goodwill and co-operation with the correspondents, the founders of this institution have decided to proceed on a World Tour to pay official visit to their clients and correspondents abroad. By the grace of God, these visits will naturally reflect and strengthen the existing good relations.

Conclusion :-

The General Management takes this pleasant opportunity to express their fervent gratitude and thanks to the Saudi Arabian Government presided by His Majesty the King as well as to the Saudi Arabia people; and to all Governments and People of Arabian countries and all the correspondents and clients who placed full confidence on us. We also take this opportunity to offer our sincere gratitude towards our Managers and all the staff of the Bank at Head Office and Branches for their loyal services rendered in the best interests of the Bank and its constituents and friends.

General Manager

Sub. General Manager

Salem Ahmad Bin Mahfouz Mohammed Ahmad Bagabas

THE NATIONAL COMMERCIAL BANK

Jeddah — SAUDI ARABIAH

BALANCE SHEET

S. Riyal	are an expectate and are true, as insumal and grown at the least	Riyal S. Ri ₁₃₇₅	S.	Riyal S. Riyal
-3/3	LIABILITIES	3/3	ASSETS	رجمريال ارا
30.225.133			Cash in Hand, At Banks and with	
17.771.000	Capital	30.225	Correspondents;	
_		21.271	In hand 44	145.063
216.870.223	Special Fund	4.300 561.354	At banks and with correspondents 100	423.118
18.010.720	Banks & Correspondents	303.20/609.018	The state of the s	144.868.18
3.622.230	Bills Payable	4.54736.991	The state of the s	14.147.89
2.364.265	Sundry Credit Balances	3.24296.609	Advances and Current Accounts	190.683.89
74.121.005	Documentary Credits & Guarantees — Per Contra	104.45(23.563	Bills Discounted	5.253.52
13.150.519	Endorsers of Bills for Collection — Per Contra	54.07¢90.016	Sundry Debit Balances	1.338.03
		571.059	Materials in Stock	436.41
		111.027	Land, Buildings and Constructions in	430.44
			Progress	31.462.35
	James JONALIA	125.288	Furniture and Cars — less depreciation	922.13
		21.005	Customers Liability for Documentary	
			Credits and Guarantees — per contra	104.450.50
		50.519	Bills for Collection — per contra	54.079.29
i toman v				
	Mohamed Ahmed Salem Ahmad Bin Bagabas Mahfouz	-		-032-604
376.135.095	Sub. General Manager. General Manager	547.64:35.095		547.642.2

AUDITOPORT

We have examined the above Balance Sheet with the books and documents of the and with the final recturns of the branches, and certify it to be in accordance therewith.

In our opinion, the Balance Sheet, set above, is properly drawn up so as to exhad fair vicew of the state of the Bank's affairs as at 29th Zul Hija 1376 (July 1957) according to the best of our information and explanations given to us, and as shown by the books of the Bank.