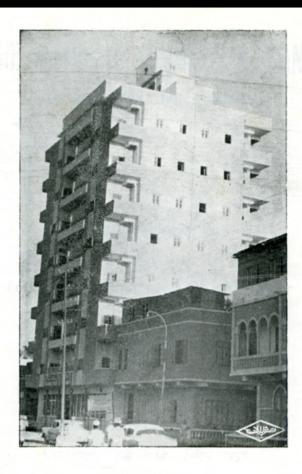


ANNUAL REPORT FOR THE YEAR 1377 (HEGRA) 1957-1958



احدى العمارات السكنية التى يقيمها البنك الأهلى التجارى خلال عام ٧٧ _ ٥٨ _ ٥٩ م وتقع على ٣٠٠٠ متر مربع ، وتقع واجهتها السرقية على شارع الملك عبد العزيز بجدة

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 1378 CORRESP, 1958-59.



منظر لاحدى عمارات البنك الأعلى التجارى الاستثمارية بجده ، ويشغل جانبا منها البنك الأعلى الباكستانى - كما يشغل الجانب الآخر فندق الحرمين وهي من تصميم (مكتب مشاريع البنك الأعلى 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-HARAMEIN 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 30th. ZUL HIJJA 1377

Corresponding 17th. July, 1958

THE NATIONAL COMMERCIAL BANK

Jeddah, Saudi Arabia

FOUNDERS:--

Sheikh Saleh Moussa €1-Kaaki Sheikh Abdel-Aziz Moh. €1-Kaaki Sheikh Salem Ahmed Bin Mah{ouz

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 (Yeman), ADEN.

Branches Under Establishment:-

KHARTOUM, KUWEIT, BAGHDAD, AMMAN

CORRESPONDENTS IN ALL PARTS OF THE WORLD

AUDITORS:

Messrs. ISSA EL AYOUTI & Co.

ACCOUNTANTS & AUDITORS

ANNUAL REPORT OF THE GENERAL MANAGEMENT FOR THE YEAR ENDED 30TH. ZUL HIJJA, 1377 CORRESPONDING TO 17TH JULY, 1958.

The General Manager of the National Commercial Bank, Jeddah, Saudi Arabia, takes pleasure in presenting the Balance Sheet of this Bank, for the year ended 30th Zul Hijja, 1377, corresponding to 17th July, 1958, to his respectful clients, foreign correspondents throughout the world and to those interested.

During the month of Jamadi-Althani 1377 (corresponding to January, 1958), a Royal Decree was issued conferring certain powers upon the Saudi arabian Monetary Agency to discharge the duties of a Central Bank. We welcomed the idea with optimism, for we felt that it goes a long way towards the stabilization of banking in this country, the fixation of the currency value and the development of the country's economy on sound basis.

The Government of His Majesty the King have adopted a discreet policy towards the stabilization of the rates of foreign exchange, to ensure that foreign exchange needed by the country for importing foodstuff, and other essential goods is always available. The effects of this wise policy are apparent in the increase of the volume of the country's foreign trade and other activities during last year and it was an opportunity to this Bank, in turn, to participate to a great extent in the development of foreign trade. A characteristic feature of the expansion of the economic activities in the Kingdom, is the remarkable tendency of the people of Saudi Arabia in establishing major commercial projects and organised banks, as well as the undertaking of Industrial Schemes - a gratifying step, and an evidence of the growth of economic consciousness amongst the people. Our Bank, the first National Bank established in Saudi Arabia, has contributed a great deal towards the welfare of the national economy of the country in every respect.

In realization of the aim of His Majesty's Government to develop and promote productive and constructive activities in the country, our Bank continued to encourage the establishment of productive and industrial projects, either by taking part in its formation or by providing the required finance. Besides, the Bank is carrying out building constructions to cope with the needs of the country for which a separate department has been organized under the name "The Projects Office of the National Commercial Bank".

The new modern Head Office building under construction will be completed in the coming few months. This building is located in the best business centre at King Abdul Aziz Street.

We are continuing our efforts to establish new branches in the neighbouring Arab countries to suit the increased activities of the Bank and we hope our efforts will lead to a complete success in the near future. Necessary measures are being taken to open further local branches in Saudi Arabia to meet the requirements of the country.

The Bank continues to delegate Saudi youths abroad for training in modern banking with a view to improving the standard of the technical knowledge amongst the staff of the Bank.

With this idea in mind, we have decided to establish an institute for training our staff in all aspects of banking business.

The Annual Conference of the Branch Managers was held in the Head Office under the chairmanship of the General Manager. Matters relating to the high policy of the Bank and the centralization of efforts for rendering the best services to our clients were fully discussed on a high level in order to realize the general aims of the Bank.

While giving brief account of the Balance Sheet, we pray to the almighty, that our efforts be crowned with success, for the service and welfare of our country, under the patronage of His Majesty the King.

BALANCE SHEET

Total assets as at 30th Zul Hijja, 1377, corresponding to 17th July, 1958, amounted to Saudi Riyals 583,583,801 against S.R. 547,642,229 last year and the increase of S.R. 35,941,229 reflects the activity and progress of the Bank.

Cash and Deposits.

Cash in hand and at Banks amounted to S.R. 85,659,232 against S.R. 144,868,181 last year. Deposits show a figure of S.R. 260,785,408 against S.R. 303,207,153 last year. This temporary deficiency in cash and deposits was generally due to the abnormal conditions which prevailed in Arab countries last year, and the tendency towards importing larger quantities of essential goods for the purpose of hearding against the needs of the country, on account of the unrest which dominated the Middle East at the end of last Hijra year.

In spite of this, the Bank faced this situation steadily and discreetly and managed to render its services and facilities in the usual manner without affecting the cash reserve.

The ratio of the cash reserve at the close of the year was 31% of the total deposits and correspondents' accounts.

Taking into consideration the circumstances referred to above we feel that we have achieved a good result.

Conditions in general show a remarkable progress and we are optimistic that things will be restored to normalcy in the near future.

Loans and Current Accounts.

Loans and current accounts amounted to S.R. 199,253,761 against S.R. 190,683,895 in the year 1376. This is due to our unceasing effort to extend help and facilities to our clients and participate in financing productive and constructive projects of social use in Saudi arabia and arab countries.

Bills discounted amounted to S.R. 4,574,425 against S.R. 5,253,527 last year.

Bank Premises, LANDS and Properties.

This amounted to S.R. 34,130,193 against S.R. 31,462,354 i.e. an increase of S.R. 2,667,839. This increase is the result of the continued efforts of the Bank to provide proper and hygienic dwelling quarters to the people — a step towards constructional development in the country. By erecting such buildings, the Bank also aims at securing the confidence and trust of the depositors and clients.

Capital and Reserves

As a further step tending to strengthen the confidence and trust of our depositors and clients, the reserve funds have been raised by S.R. 4,400,000, thus bringing the capital and Reserves to S.R. 60,196,133 against S.R. 55,796,133 last year.

Conclusion.

The Management records its gratitude to His Majesty's the King and his Government the people of Saudi Arabia, the Governments of sister Arab countries and their people and to all our friends and customers, for their confidence in this institution. The Management takes this opportunity to express its sincere appreciation to the Managers and Staff of the Bank for the faithful performance of their duties and their loyalty towards this Bank and its customers.

THE NATIONAL COMMERCIAL BANK

Jeddah — SAUDI ARABIAH

BALANCE SHEET

BALANCE SHEET T AS AT IJA 1377 (17th. July 1958)

1376 S. Riyal		s. Riy _{iyal}		S. Riyal
	LIABILITIES		ASSETS	
30.225.133 21.271.000 4.300.000 303.207.753 22.320.585 4.543.309 3.244.642 104.450.509 54.079.298	Capital General Reserve Special Reserve Deposits and Current Accounts Banks and Correspondents Bills Payable Sundry Credit Balances Documentary Credits and Guarantees — per contra Endorsers of Bills for collection — per contra	30.22,68.181 25.67,53.527 4.3047.891 260.78,3.895 13.32,4.444 1.23,92.354 15.96,22.130 175.5160.509 56.563 9.298	Cash in Hand, at Banks and with Correspondents Bills Discounted Investments at Purchase Price Advances and Current Accounts Sundry Debit Balances Bank Premises, Land & Buildings Furniture and Cars — Less Depreciation Customers Liability for Documentary Credits and Guarantees — per contra Bills for Collection — per contra	85.659.232 4.574.425 15.562.011 199.253.761 11.011.604 34.130.193 1.312.716 175.516.093 56.563.766
	Mohamed Ahmed Bagabas Sub. General Manager		Salem Ahmed Bin Mahfouz General Manager	
547.642.229		583.5832.229		583.583.801

AUDITOROR'S REPORT

We have examined the above Balance Sheet with the books and documenuments of the land with the final returns 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 exhibit a view of the state of the Bank's affairs as at 30th Zul Hija 1377 (17th July, 1958) according to the best of our information and explanations given to us, and as shown by the books of the B

14th Rabie awal, 1378 Jeddah 28th September, 1958 Issa El-Ayouty and Co.
Accountants and Auditors