

**QATAR NATIONAL BANK**

( Societe Anonyme )

**4th**  
**ANNUAL REPORT**  
**1968**

# **QATAR NATIONAL BANK**

**( Societe Anonyme )**

## **4th ANNUAL REPORT 1968**



# REPORT

of the **Board of Directors**  
of the  
**QATAR NATIONAL BANK**  
( Societe Anonyme )

*On the activities of the Bank  
during its fourth year of operation  
which ended on 31st December, 1968.*

The Board of Directors of the Qatar National Bank has pleasure in presenting to you its fourth annual report, together with the Balance Sheet and Profit and Loss Account for the year.

Your Bank has had a very prosperous year as the figures below show. This was a reflection of the over-all business activity which was noticeable during the year 1968.

Development in Qatar has continued at greater pace.

1. Work on Doha's new Port's four-berth quay for ocean-going freighters is in the final stages and expected to become operational by the end of the first quarter of 1969. The Government plans to assist vessels to off-load priority cargoes alongside the quay while surfacing, scheduled for completion by the end of 1969, and installation of lighting, storage sheds and port buildings on land reclaimed from the sea, continues by local contractors. The new quay,

reached from Doha's waterfront by a causeway, has been built on a basin frontage of 2,400 feet. It consists of a massive wall formed from 20-ton concrete blocks backed with crushed rock rubble.

2. Installation work at the Qatar National Cement Plant at Umm Bab on the West Coast is now virtually complete. Trial runs of individual machines have been carried out. The Plant will produce both portland and sulphate-resistant cements from local raw materials.
3. The Qatar National Fishing Co., is now exporting processed shrimp to United States and Japan.
4. Work on Doha-Salwa road is proceeding on schedule. This highway which will link Qatar with Saudi Arabia is expected to be open for traffic in early 1970. It will also provide Qatar with a fast, all-weather land outlet to the Arab countries and the Mediterranean coast.
5. The most important development yet in the Government's policy of diversification is the prospective Qatar Fertiliser Project. A final decision to proceed with this Project is expected in the very near future. The Plant is expected to be on-stream, at Umm Said on the east coast of the Peninsula, by mid-1972. The design capacity of this Plant is 330,000 metric tons of urea and 100,000 tons of ammonia annually.
6. The second major extension of Doha's main Ras Abu Aboud electric power station is being started with completion scheduled for mid-1970. The exten-

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# **QATAR NATIONAL BANK**

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## **BOARD OF DIRECTORS**

His Highness Sheikh Khalifeh Ben Hamad Al-Thani (Deputy Ruler and Minister of Finance)	Chairman
Es-Sayyed Ahmad M. Suwaidi	Member
Es-Sayyed Abdullah Abdulghani	”
Es-Sayyed Yosuf Jasem Darweesh	”
Es-Sayyed Ahmad Mannai	”
Es-Sayyed Mohammad I. Jaidah	”
Es-Sayyed Marzook Shamlan	”
Es-Sayyed Haidar S. Lari	”
Es-Sayyed Abdulkadir A. Qadi	”

AUDITORS

**MESSRS SABA & Co.**





# REPORT

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6. The second major extension of Doha's main Ras Abu Aboud electric power station is being started with completion scheduled for mid-1970. The exten-

sion involves a further generator, of 15 megawatts capacity. The rural electrification programme continues. Three eastern villages are being connected to the Khor sub-station by an 11,000 volt overhead line. Materials are on order for a power station to be built at Ruwais in the extreme north.

7. The two plants for distilling sea-water have been commissioned, producing one million gallons each, per day.

8. Work on Doha's Sewerage & Sewage Scheme is progressing on schedule.

9. The value of notes and coins in circulation in both Qatar and Dubai on 31st Dec. 68 was QDR. 146,547,259 compared with QDR. 130,632,973 on the same date the previous year.

## BALANCE SHEET

The grand Total of the Bank's Assets and Liabilities as at 31st December, 1968, was QDR. 140,331,388 an increase 23.9% over the December, 1967, figure of QDR. 113,264,915.

Comparative increase of Assets and Liabilities, and of Profit and Loss items are as follows :

### **Cash on hand and at Local and Foreign Banks.**

At QDR. 64,993,129 - up by QDR. 14,126,815

This balance includes fixed deposits at Banks amounting to QDR. 37,132,562.

### **Bills Discounted.**

At QDR. 2,488,860 - up by QDR. 1,312,008

### **Loans to Customers and other assets.**

At QDR. 28,471,389 - up by QDR. 5,755,697

### **Guarantees and Credits (per contra)**

At QDR. 42,778,283 - up by QDR. 5,721,511

### **Deposits and other liabilities.**

At QDR. 72,404,149 - up by QDR. 16,920,755

### **Profit and Loss Accounts.**

Expenditure for Salaries, interest, stationery, depreciation and other expenditures :-

At QDR. 7,230,697 - up by QDR. 1,105,751

### **Income for the year 1968.**

At QDR. 12,726,312 - up by QDR. 3,572,605

Net profit, before deducting allocation for Statutory Reserve, payment of dividend etc., amounted to QDR. 5,495,615 by comparison with QDR. 3,028,761 in the preceding year.

The Bank has operated for the fourth year in succession without payment of Income Taxes under Government of Qatar Decree by which exemption was granted for a period of five years.

## **RECOMMENDATIONS OF THE BOARD OF DIRECTORS.**

The Board of Directors recommends the following :

1. That QDR. 1,099,123 be transferred to the Statutory Reserve Fund.
2. That QDR. 7,000,000 be transferred to a Special Reserve.
3. That the Directors take their remuneration for the year 1968, as provided under article 46 of the Memorandum and Articles of Association.
4. That a dividend at the rate of 7% in respect of the year 1968 amounting to QDR. 980,000 should be distributed to the shareholders, the accumulated sum of unappropriated profit QDR. 61,696 to be carried forward into the next financial year.

The Board wishes once again to express its thanks to the Government and Public of Qatar for their continued support given to your Bank, and to the employees of the Bank for their loyal and hard work during the year in the carrying out of their duties.

**BALANCE SHEET**  
**as at 31st December, 1968**  
**&**  
**STATEMENT OF PROFIT & LOSS**  
**for the year ending 31st December,**  
**1968.**  
**together with**  
**THE AUDITOR'S REPORT.**



## AUDITORS' REPORT

The Shareholders

Qatar National Bank, S. A. Q.

Doha - Qatar.

We have examined the Balance Sheet of QATAR NATIONAL BANK, S. A. Q. DOHA - QATAR as at December, 31, 1968 and the related Statement of Profit and Loss for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

We have obtained all the information and explanations which were necessary for the purpose of the audit. The Balance Sheet and the Statement of Profit and Loss are in agreement with the books and give the information required by the companies' Law and Articles of Association. In our opinion proper books of account have been kept by the Bank and the statements exhibited in the report of the Board of directors are in agreement with the Bank's books. In our opinion, and to the best of our knowledge and belief and from the information and the explanations given to us there were no contraventions to the Companies' Law and articles of Association during the fiscal year, which materially affect the position of the Bank or its operations. In our opinion the Balance Sheet and the Statement of Profit and Loss present fairly the position of Qatar National Bank, S.A.Q. as at December, 31, 1968 and the results of its operations for the year then ended, and were prepared in conformity with generally accepted accounting principles applied on a consistent basis.

**Doha - Qatar**  
27th January, 1969.

**SABA & Co.**  
Associated Accountants.

# QATAR NATIONAL

DOHA

## BALANCE SHEET AS AT

( The nearest to QD. Riyal.) One QD. Riyal

<b>ASSETS</b>	<b>1968</b> <b><u>QD Riyal</u></b>	<b>1967</b> <b><u>QD Riyal</u></b>
Cash on hand and in Banks	64,993,129	50,866,314
Bills Discounted	2,488,860	1,176,852
Interest receivable and prepaid expenses	1,484,030	1,293,222
Loans, overdrafts and other assets (after deducting provision for bad and doubtful debts)	28,471,389	22,715,692
Fixed assets (less depreciation )	115,697	156,063
Customers liability on guarantees and credits (per contra)	42,778,283	37,056,772
<b>TOTAL ASSETS</b>	<b><u>140,331,388</u></b>	<b><u>113,264,915</u></b>

ABDULLAH ABDULGHANI

DIRECTOR

# BANK, S. A. Q.

— QATAR

31st DECEMBER, 1968.

(= One Shilling Nine Pence Sterling.)

<b>SHAREHOLDERS' EQUITY AND LIABILITIES.</b>	<b>1968 <u>QD Riyal</u></b>	<b>1967 <u>QD Riyal</u></b>
Authorized and paid up capital (140,000 ordinary shares of QDR. 100 each)	14,000,000	14,000,000
Statutory reserve	2,474,444	1,375,321
Special reserve	7,000,000	—
Unappropriated profit	61,696	3,830,029
<b>Total Shareholders' equity</b>	<b>23,536,140</b>	<b>19,205,350</b>
Provisions and accrued charges	632,816	679,399
Dividends payable	980,000	840,000
Fixed deposits	20,529,168	18,811,900
Other deposits	49,306,144	33,671,524
Other liabilities	2,568,337	2,999,970
Guarantees and credits (per contra)	42,778,283	37,056,772
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES.</b>	<b>140,331,388</b>	<b>113,264,915</b>

**KHALIFEH BEN HAMAD AL-THANI**  
CHAIRMAN, BOARD OF DIRECTORS.

# QATAR NATIONAL

DOHA —

## STATEMENT OF PROFIT AND LOSS FOR

	<u>1968</u> <u>QD Riyal</u>	<u>1967</u> <u>QD Riyal</u>
Salaries, interest paid, printed matter and stationery, travelling expenses, depreciation, provisions, and other expenses	7,230,697	6,124,946
Net Profit for the year carried down	5,495,615	3,028,761
	<u>12,726,312</u>	<u>9,153,707</u>
Statutory reserve	1,099,123	605,752
Special reserve	7,000,000	—
Dividends payable	980,000	840,000
Board's Remuneration	184,825	86,150
Unappropriated profit per Balance Sheet	61,696	3,830,029
	<u>9,325,644</u>	<u>5,361,931</u>

ABDULLAH ABDULGHANI

DIRECTOR

# BANK, S. A. Q.

## QATAR

THE YEAR ENDED 31st DECEMBER, 1968.

	<u>1968</u> <u>QD Riyal</u>	<u>1967</u> <u>QD Riyal</u>
Income for the year	12,726,312	9,153,707
	<u>12,726,312</u>	<u>9,153,707</u>
Profit carried forward from last year	3,830,029	2,333,170
Net profit for the year as above	5,495,615	3,028,761
	<u>9,325,644</u>	<u>5,361,931</u>

**KHALIFEH BEN HAMAD AL-THANI**

CHAIRMAN, BOARD OF DIRECTORS.