



गुडविल फाइनेन्स लिमिटेड (वित्तीय संस्था)

GOODWILL FINANCE LIMITED

नेपाल राष्ट्र बैंकबाट "ग" वर्गको इजाजतपत्रप्राप्त राष्ट्रिय स्तरको संस्था

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Branches

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CONDENSED STATEMENT OF FINANCIAL POSITION (QUARTERLY)

As on Quarter ended Ashad, 2076 (Mid July of 2019)

Figures in NPR

Assets	Current Year		Previous Year Corresponding	
	This Quarter Ending	Up to This Quarter (YTD)	This Quarter	Up to This Quarter (YTD)
Cash and cash equivalent	1,187,931,231	1,285,245,733		
Due from Nepal Rastra Bank	286,905,064	263,560,535		
Placement with Bank and Financial Institutions	-	-		
Derivative Financial Instruments	-	-		
Other Trading Assets	-	-		
Loan and advances to B/FIs	-	158,073,339		
Loan and Advances to Customers	5,789,493,581	4,387,436,816		
Investment Securities	900,636,342	538,821,130		
Current Tax Assets	47,938,668	45,855,785		
Investment in Subsidiaries	-	-		
Investment in Associates	-	-		
Investment Property	74,030,783	-		
Property and Equipment	336,136,100.14	329,118,792		
Goodwill and Intangible assets	2,352,394	77,649		
Deferred Tax Assets	-	19,942,665		
Other Assets	92,474,814	32,489,627		
Total Assets	8,717,898,976	7,060,622,071		
Liabilities	Current Year		Previous Year Corresponding	
	This Quarter Ending	Up to This Quarter (YTD)	This Quarter	Up to This Quarter (YTD)
Due to Bank and Financial Institutions	290,000,000	230,000,000		
Due to Nepal Rastra Bank	96,533,873	74,267,009		
Derivative Financial Instruments	-	-		
Deposits from Customers	6,895,613,712	5,426,454,056		
Borrowings	-	-		
Current Tax Liabilities	24,994,799	40,808,002		
Provisions	-	-		
Deferred Tax Liabilities	-	-		
Other Liabilities	150,201,121	183,398,807		
Debt securities issued	-	-		
Subordinated Liabilities	-	-		
Total Liabilities	7,457,343,505	5,954,927,874		
Equity	Current Year		Previous Year Corresponding	
	This Quarter Ending	Up to This Quarter (YTD)	This Quarter	Up to This Quarter (YTD)
Share Capital	800,000,000	800,000,000		
Share Premium	4,525,877	4,525,877		
Retained Earnings	83,474,600.22	56,051,206		
Reserves	372,554,994	245,117,115		
Total equity attributable to equity holders	1,260,555,471	1,105,694,197		
Non-controlling interest	-	-		
Total Equity	1,260,555,471	1,105,694,197		
Total Liabilities and Equity	8,717,898,976	7,060,622,071		

CONDENSED STATEMENT OF PROFIT OR LOSS

For the Quarter ended Ashad 2076

Figures in NPR

Particulars	Current Year		Previous Year Corresponding	
	This Quarter	Up to This Quarter (YTD)	This Quarter	Up to This Quarter (YTD)
Interest Income	282,226,773	900,853,276	226,351,109	667,247,002
Interest expense	(196,600,324)	(651,532,702)	(155,300,064)	(503,730,001)
Net interest income	85,626,449	249,320,574	71,051,046	163,517,001
Fees and Commission Income	93,338,651	95,236,991	67,515,972	69,629,730
Fees and Commission Expense	-	-	-	-
Net fee and commission income	93,338,651	95,236,991	67,515,972	69,629,730
Net interest, fee and commission income	178,965,100	344,557,565	138,567,018	233,146,731
Net trading income	-	-	-	-
Other operating income	(55,205,047)	17,949,878	(48,118,012)	2,964,986
Total operating income	123,760,052	362,507,443	90,449,006	236,111,717
Impairment charge/(reversal) for loans and other losses	(86,320,005)	(8,368,645)	1,211,281	23,460,067
Net operating income	210,080,057	370,876,088	89,237,725	212,651,649
Operating Expenses				
Personnel Expense	(37,808,135)	(91,511,109)	(21,409,173)	(59,962,050)
Other Operating Expense	(34,507,407)	(90,235,142)	(6,426,416)	(53,526,312)
Depreciation and Amortization	(14,674,013)	(14,674,013)	(14,028,151)	(14,028,151)
Operating profit	123,090,501	174,455,825	47,373,985	85,135,137
Non operating Income	2,224,110	2,224,110	-	-
Non operating expense	-	-	-	-
Profit before income tax	125,314,612	176,679,935	47,373,985	85,135,137
Income tax Expenses	-	-	-	-
Current Tax	5,101,836	24,994,799	30,143,599	40,808,002
Deferred Tax	-	-	-	(13,159,358)
Profit/(loss) for the period	120,212,776	151,685,136	17,230,387	57,486,494

Condensed Statement of Comprehensive Income

Particulars	Current Year		Previous Year Corresponding	
	This Quarter	Up to This Quarter (YTD)	This Quarter	Up to This Quarter (YTD)
Profit/(loss) for the period	120,212,776	151,685,136	17,230,387	57,486,494
Other Comprehensive Income	-	12,511,700	-	-
Total Comprehensive Income	120,212,776	164,196,836	17,230,387	57,486,494
Basic earning per share		18.96		7.19
Diluted earning per share		18.96		7.19
Profit attributable to:				
Equity holders of the Bank	120,212,776	164,196,836	17,230,387	57,486,494
Non-controlling interests	-	-	-	-
Total	120,212,776	164,196,836	17,230,387	57,486,494

Particulars	Banking		Treasury		All Other		Total	
	Current Quarter	Corresponding Previous year Quarter	Current Quarter	Corresponding Previous year Quarter	Current Quarter	Corresponding Previous year Quarter	Current Quarter	Corresponding Previous year Quarter
Revenues from external customers	882,371,839	652,971,206	19,447,482	17,214,652	112,220,824	69,655,859	1,014,040,145	739,841,717
Intersegment revenues	-	-	-	-	-	-	-	-
Segment Profit / (Loss) before tax	49,092,887	35,752,844	19,447,482	17,214,652	58,404,242	(5,593,511)	126,944,611	47,373,985
Segment Assets	7,264,329,876	5,936,243,084	900,636,342	538,821,130	552,932,759	585,557,858	8,717,898,976	7,060,622,071
Segment liabilities	7,282,147,585	5,730,721,065	-	-	172,565,099	224,206,809	7,454,712,684	5,954,927,874

	Current Quarter	Corresponding Previous year Quarter
Total profit before tax for reportable segments	68,540,369	52,967,496
Profit before tax for other Segments	58,404,242	(5,593,511)
Elimination of inter-segment profit	-	-
Elimination of discontinued operation	-	-
Unallocated amounts:	-	-
- Other Corporate expenses	-	-

Ratios as per NRB Directives

Particulars	Current Year		Previous Year Corresponding	
	This Quarter	Up to This Quarter (YTD)	This Quarter	Up to This Quarter (YTD)
Capital fund to RWA		13.81%		17.60%
Non-Performing Loan (NPL) to total loan		1.23%		2.10%
Total Loan Loss provision to Total NPL		179.32%		110.95%
Cost of Funds		10.05%		10.31%
Credit to Deposit Ratio		74.44%		75.00%
Base Rate		12.57%		13.51%
Interest Rate Spread		4.50%		3.83%

Notes to Financial Statement

- Above Financial Statements are prepared in accordance with the Nepal Financial Reporting Standards (NFRS) and certain carve-outs as issued by ICAN.
- These figures may vary with the audited figures at the instance of external auditor and regulator.
- Figures have been regrouped and rearranged wherever necessary.
- Loans and advances consist of accrued interest receivable net of interest suspense and have been presented in net of any impairment charges. Impairment charge on loans and advances have been taken as calculated as per NRB directives using carve out no. 5 issued by Institute of Chartered Accountants of Nepal (ICAN) being higher of impairment charge calculated as per NAS 39.
- Loans and advances to customers include loan to customers and Loan to Employees which have been measured at amortised cost.
- Personnel expenses include employee bonus provision and amortization of the Deferred employee benefits of subsidized loans provided as per Employees byelaws of the bank.
- NFRS adjustments which are subject to regulatory adjustments as per NRB directives have been shown as regulatory adjustments.
- Other Comprehensive income includes the fair value changes of Investment.
- The detailed interim report has been published in the bank's website <https://www.goodwillfinance.com.np>**

STATEMENT OF DISTRIBUTABLE PROFIT OR LOSS

For the Quarter Ended Ashad 2076

Figures in NPR

Particulars	Amount (Rs)
Net Profit for the quarter ended Ashad 2076	151,685,136
1. Appropriations	
1.1 Profit required to be appropriated to statutory reserve	33,652,740
a. General Reserve	30,337,027
b. Capital Redemption Reserve	-
c. Exchange Fluctuation Fund	-
d. Corporate Social Responsibility Fund	1,516,851
e. Employees Training Fund	1,798,861
f. Other	-
1.2 Profit required to be transfer to Regulatory Reserve	70,626,324
a. Transfer to Regulatory Reserve	70,626,324
b. Transfer from Regulatory Reserve	-
Net Profit for quarter end Ashad 2076 available for distribution	47,406,072

धितोपत्र दर्ता निष्काशन नियमावली २०६५ को अनुसूची १४

(नियम २२ को उप नियम (२) सँग सम्बन्धित)
आ. ब-२०७५/७६ का चौथो त्रैमासिक प्रतिवेदन

1. Financial Statements Highlights

- Ratios as on fourth Quarter ending 2075/76

Particulars	This Quarter Ending	Previous Quarter Ending
Liquidity (CRR)	29.21%	31.62%
Value of per share on total assets	Rs.1089.05	Rs.1088.36
Number of equity shares	8000000	8000000
Earnings per share (Annualized)	Rs.18.96	Rs.5.25
Net worth per share	Rs.157.56	Rs.119.51
Price earnings ratio	Rs. 7.12	Rs. 23.26

2. Management's analysis of performance

- As per NFRS reporting, during this quarter, company's profitability increased by 163.86% as compare to 4th quarter of previous year 2074-2075. However, deposit and loans & advances is increased by 27.07% and 31.95% respectively as compare to 4th quarter of previous year 2074-075

3. Legal proceedings

- No law suit has been filed by or against the company in the last quarter.
- No such information has been received of law suit filed by or against the promoters or directors of the company involving violation of statutory regulation or criminal offences.
- No such information has been received of law suit filed against any promoters or directors of the company for economic offences.

4. Analysis of stock performance

- During the 4th quarter of FY 2075/76, total volume of 76550 no. of shares were transacted in 325 transactions. And share price was of NPR 141/- at the highest, Rs.117 was the lowest and NPR135/- was the closing price at the end of the 4th quarter.

5. Problems and challenges

A. Internal Problems:

- Challenges of retaining & maintaining skilled man power.
- Building adequate leadership capabilities.

B. External Problems:

- Scarcity of skilled & competent man power.
- Growing excess rate of interest on deposits.
- Very limited investment opportunities.
- Demand for quality loan in decreasing trend

C. Strategy:

- Closely monitoring the internal and external environmental changes and adopting proactive approach.
- Undertaking various initiatives to engage employees for better performance and retention.
- Introducing new products for better serving the market.
- Achieving excellence in service for delighting the customers.
- Emphasizing on quality rather than quantity.

6. Corporate Governance

That we deal with other people's money and we have to be a role model in management of custodial capital is made clear to everyone at Goodwill, from the members of the Board to entry level staff. The decisions at the company are taken after adequate and open deliberation by committees at different level depending on the decisions.

- The Board of Directors meets regularly to formulate and review the strategies and policies, and monitor the performance
- The Audit Committee, headed by a non-executive director, meets minimum every quarter to review the performance of the company and continually suggest measures to enhance compliance and control mechanisms.
- The Management Committee, chaired by the CEO, meets regularly to review performance and make business decisions.

7. Declaration by CEO on the truthfulness of information

To the best of my knowledge and belief, I, the Chief Executive Officer, declare that the information disclosed in this report are true reflection of the company's position and performance and I have not purposefully concealed any relevant data or information that in my assessment would adversely affect the investment decision of any depositor/investor.