



गुडविल फाइनान्स लिमिटेड (वित्तीय संस्था)

GOODWILL FINANCE LIMITED

नेपाल राष्ट्र बैंकबाट "ग" वर्गको इजाजतपत्रप्राप्त राष्ट्रिय स्तरको संस्था

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Branches

Dillibazar 4422290	Indrachowk 4229554	Taumadhi, Bhaktapur 6620067	Kumaripati, Lalitpur 5008690	Tripureshwor 4231533	Itahari, Sunsari 025-587051	Birtamod 023-540548	Nepalgunj 081-528056	Ghorai, Dang 082–563350	Ilam 027-520949	Phidim 024-521068	Butwal 071–547282	Bardibas 044–550102	Dhangadi Tel 091-417357
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CONDENSED STATEMENT OF FINANCIAL POSITION (QUARTERLY)

As on Quarter ended Ashwin, 2076 (Mid October of 2019)

Figures in NPR

Assets	This Quarter Ending	Immediate Previous Year Ending
Cash and cash equivalent	1,294,662,797	1,195,728,930
Due from Nepal Rastra Bank	295,314,246	241,785,395
Placement with Bank and Financial Institutions	-	-
Derivative Financial Instruments	-	-
Other Trading Assets	-	-
Loan and advances to B/FIs	200,745,511	184,771,989
Loan and Advances to Customers	5,767,934,861	4,762,687,479
Investment Securities	847,522,427	594,561,049
Current Tax Assets	-	-
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investment Property	63,901,251	80,202,273
Property and Equipment	333,780,073.16	207,628,841
Goodwill and Intangible assets	2,352,394	1,533,144
Deferred Tax Assets	-	-
Other Assets	155,023,128	213,406,591
Total Assets	8,961,236,688	7,482,305,691
Liabilities	This Quarter Ending	Immediate Previous Year Ending
Due to Bank and Financial Institutions	-	280,000,000
Due to Nepal Rastra Bank	92,497,250	98,971,081
Derivative Financial Instruments	-	-
Deposits from Customers	7,391,666,322	5,609,830,694
Borrowings	-	-
Current Tax Liabilities	4,998,523	42,581,648
Provisions	43,051,778.16	-
Deferred Tax Liabilities	-	-
Other Liabilities	163,039,873	466,125,930
Debt securities issued	-	-
Subordinated Liabilities	-	-
Total Liabilities	7,695,253,747	6,497,509,353
Equity	This Quarter Ending	Immediate Previous Year Ending
Share Capital	800,000,000	800,000,000
Share Premium	4,525,877	4,525,877
Retained Earnings	132,423,408.91	68,054,864
Reserves	329,033,655	112,215,597
Total equity attributable to equity holders	1,265,982,941	984,796,338
Non-controlling interest	-	-
Total Equity	1,265,982,941	984,796,338
Total Liabilities and Equity	8,961,236,688	7,482,305,691

CONDENSED STATEMENT OF PROFIT OR LOSS

For the Quarter ended Ashwin 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	255,741,276	255,741,276	194,949,417	194,949,417
Interest expense	(181,208,250)	(181,208,250)	(136,397,488)	(136,397,488)
Net interest income	74,533,026	74,533,026	58,551,929	58,551,929
Fees and Commission Income	692,168	692,168	548,373	548,373
Fees and Commission Expense	-	-	-	-
Net fee and commission income	692,168	692,168	548,373	548,373
Net interest,fee and commission income	75,225,194	75,225,194	59,100,302	59,100,302
Net trading income	-	-	-	-
Other operating income	26,616,900	26,616,900	23,524,618	23,524,618
Total operating income	101,842,094	101,842,094	82,624,920	82,624,920
Impairment charge/(reversal) for loans and other losses	11,294,314	11,294,314	30,633,232	30,633,232
Net operating income	90,547,781	90,547,781	51,991,687	51,991,687
Operating Expenses				
Personnel Expense	(22,647,170)	(22,647,170)	(19,829,959)	(19,829,959)
Other Operating Expense	(46,721,332)	(46,721,332)	(12,736,273)	(12,736,273)
Depreciation and Amortization	(4,200,000)	(4,200,000)	(4,500,000)	(4,500,000)
Operating profit	16,979,279	16,979,279	14,925,456	14,925,456
Non operating Income	208,600	208,600	32,000	32,000
Non operating expense	-	-	-	-
Profit before Income tax	17,187,879	17,187,879	14,957,456	14,957,456
Income tax Expenses				
Current Tax	4,998,523	4,998,523	4,493,364	4,493,364
Deferred Tax				
Profit/(loss) for the period	12,189,356	12,189,356	10,464,092	10,464,092

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	12,189,356	12,189,356	10,464,092	10,464,092
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	12,189,356	12,189,356	10,464,092	10,464,092
Basic earning per share	6.09			
Diluted earning per share	6.09			
Profit attributable to:				
Equity holders of the Bank	12,189,356	12,189,356	10,464,092	10,464,092
Non-controlling interests	-	-	-	-
Total	12,189,356	12,189,356	10,464,092	10,464,092

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		13.49%		16.35%
Non-Performing Loan (NPL) to total loan		1.24%		0.80%
Total Loan Loss provision to Total NPL		187.71%		224.02%
Cost of Funds		9.75%		10.35%
Credit to Deposit Ratio		68.94%		77.13%
Base Rate		11.98%		13.46%
Interest Rate Spread		4.66%		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.
- Interest on staff loan provided at nominal rate has been calculated for the FY 2076.77 and divided equally among four quarters.
- The detailed interim report has been published in the bank's website <https://www.goodwillfinance.com.np>

घितोपत्र दर्ता निष्काशन नियमावली २०६५ को अनुसुची १४

(नियम २२ को उप नियम (२) सँग सम्बन्धित)

आ. व. २०७६/७७ का प्रथम त्रैमासिक प्रतिवेदन

1. Financial Statements Highlights

- Ratios as on first Quarter ending 2076/77

Particulars	This Quarter Ending	Previous Quarter Ending
Liquidity (CRR)	28.84%	29.21%
Value of per share on total assets	Rs.1121.13	Rs.1089.05
Number of equity shares	8000000	8000000
Earnings per share (Annualized)	Rs.6.09	Rs.18.96
Net worth per share	Rs.158.25	Rs.157.56
Price earnings ratio	21.66.	14.36

2. Management's analysis of performance

- As per NFRS reporting,during this quarter, company's profitability increased by 16.49% as compare to 1st quarter of previous year 2074-2075 . However, deposit and loans & advances is increased by 31.76% and 28.11% respectively as compare to 1st quarter of previous Yr.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 1st quarter of FY 2076/77, total volume of 100222 no. of shares were transacted in 426 transactions .And share price was of NPR 144/-at the highest, Rs.129 was the lowest and NPR132/- was the closing price at the end of the 1st 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.