



गुडविल फाइनान्स लिमिटेड (वित्तीय संस्था)

GOODWILL FINANCE LIMITED

नेपाल राष्ट्र बैकबाट "ग" वर्गको इजाजतप्राप्त राष्ट्रियस्तरको संस्था

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Branches

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CONDENSED STATEMENT OF FINANCIAL POSITION (QUARTERLY)

As on Quarter ended Ashadh, 2078 (Mid July of 2021)

Figures in NPR

Assets	This Quarter Ending	Immediate Previous Year Ending
Cash and cash equivalent	1,032,057,483	1,262,761,591
Due from Nepal Rastra Bank	394,564,448	294,630,303
Placement with Bank and Financial Institutions	-	
Derivative Financial Instruments	-	
Other Trading Assets	-	
Loan and advances to B/FIs	270,000,000	284,805,457
Loan and Advances to Customers	7,377,952,253	6,451,382,457
Investment Securities	3,583,098,912	2,003,306,307
Current Tax Assets	-	
Investment in Subsidiaries	-	
Investment in Associates	-	
Investment Property	51,572,816	51,572,816
Property and Equipment	335,507,399	346,324,987
Goodwill and Intangible assets	635,006	793,757
Deferred Tax Assets	-	
Other Assets	371,707,576	205,104,010
Total Assets	13,417,095,892	10,900,681,685
Liabilities	This Quarter Ending	Immediate Previous Year Ending
Due to Bank and Financial Institutions	13,022,699	119,151,127
Due to Nepal Rastra Bank	50,910,060	41,815,239
Derivative Financial Instruments		
Deposits from Customers	10,080,962,298	8,374,847,591
Borrowings	700,000,000	599,000,000
Current Tax Liabilities	77,761,864	44,460,611
Provisions	-	0.00
Deferred Tax Liabilities	28,501,975	
Other Liabilities	219,385,596	243,530,568
Debt securities issued	247,449,233	247,370,331
Subordinated Liabilities	-	
Total Liabilities	11,417,993,725	9,670,175,466
Equity	This Quarter Ending	Immediate Previous Year Ending
Share Capital	867,200,000	800,000,000
Share Premium	2,475,548	2,475,548
Retained Earnings	137,232,963	54,122,887
Reserves	992,193,656	373,907,784
Total equity attributable to equity holders	1,999,102,167	1,230,506,219
Non-controlling interest	-	-
Total Equity	1,999,102,167	1,230,506,219
Total Liabilities and Equity	13,417,095,892	10,900,681,685

CONDENSED STATEMENT OF PROFIT OR LOSS

For the Quarter ended Ashadh 2078

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	272,288,538	1,027,838,847	197,993,787	1,040,937,853
Interest expense	(206,925,552)	(762,289,280)	(197,511,516)	(769,695,296)
Net interest income	65,362,985	265,549,567	482,271	271,242,557
Fees and Commission Income	3,106,346	61,106,780	92,172,268	94,017,395
Fees and Commission Expense	-			
Net fee and commission income	3,106,346	61,106,780	92,172,268	94,017,395
Net interest,fee and commission income	326,656,347	326,656,347	92,654,538	365,259,952
Net trading income				
Other operating income	14,821,242	68,060,057	(68,694,681)	15,178,247
Total operating income	83,290,574	394,716,405	23,959,858	380,438,199
Impairment charge/(reversal) for loans and other losses	18,012,087	140,511,035	(19,039,676)	36,336,858
Net operating income	65,278,487	254,205,370	42,999,534	344,101,341
Operating Expenses				
Personnel Expense	(23,644,759)	(100,947,952)	(20,709,091)	(91,959,455)
Other Operating Expense	(22,732,482)	(69,378,484.42)	(21,755,346)	(83,527,188)
Depreciation and Amortization	(4,128,806)	(16,953,806)	(5,654,601)	(18,254,601)
Operating profit	14,772,440	66,925,128	(5,119,530)	150,360,097
Non operating Income	32,478,231	194,029,276	694,330	1,951,516
Non operating expense				
Profit before Income tax	47,250,671	260,954,403	(4,425,174)	152,311,613
Income tax Expenses				
Current Tax	(14,150,719)	(77,761,864)		(44,460,611)
Deferred Tax				
Profit/(loss) for the period	33,099,953	183,192,539	(4,425,174)	107,851,002

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 2077.78 and divided equally among four quarters.
- The detailed interim report has been published in the bank's website https://www.goodwillfinance.com.np

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	33,099,953	183,192,539	(4,425,174)	107,851,002
Other Comprehensive Income	480,609,120	572,680,662	22,570,656	6,091,212
Gains/(losses) from investments in equity instruments measured at fair value	480,609,120	572,680,662	22,570,656	6,091,212
Total Comprehensive Income	513,709,073	755,873,202	18,145,482	113,942,214
Basic earning per share	3.82	21.12	-0.55	13.48
Annualized Basic earning per share	3.82	21.12	-2.21	13.48
Diluted earning per share	3.82	21.12	-0.55	13.48
Profit attributable to:				
Equity holders of the Bank	513,709,073	755,873,202	18,145,482	113,942,214
Non-controlling interests	-	-	-	-
Total	513,709,073	755,873,202	18,145,482	113,942,214

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		16.12%		18.77%
Total Loan Loss provision to Total NPL		116.46%		198.92%
Total NPL to Total Loan		3.21%		1.32%
Cost of Funds		7.39%		8.68%
Credit to Deposit Ratio		69.42%		70.41%
Base Rate		8.81%		10.85%
Interest Rate Spread		4.99%		4.92%

STATEMENT OF DISTRIBUTABLE PROFIT OR LOSS

For the Quarter Ended Ashadh, 2078

Figures in NPR

Particulars	Amount (Rs)
Opening Retained Earnings as on year ended 2076.77	63,629,539.14
Net Profit for the quarter ended Ashadh 2078	183,192,539.41
1. Appropriations	
1.1 Profit required to be appropriated to statutory reserve	(88,470,433.28)
a. General Reserve	(36,638,507.88)
b. Capital Redemption Reserve	(50,000,000.00)
c. Exchange Fluctuation Fund	
d. Corporate Social Responsibility Fund	(1,831,925.39)
e. Employees Training Fund	
f. Other	
1.2 Profit required to be transfer to Regulatory Reserve	(21,118,682.03)
a. Transfer to Regulatory Reserve	(21,118,682.03)
b. Transfer from Regulatory Reserve	-
Net Profit for quarter ended Ashadh 2078 available for distribution	73,603,424.10
Closing retained Earnings as on Ashadh end 2078	137,232,963.24

धितोपत्र दर्ता निष्काशन नियमावली २०६५ को अनुसूची १४

(नियम २२ को उप नियम (२) सँग सम्बन्धित)
आ. ब. २०७७/७८ को चौथो त्रैमासिक प्रतिवेदन

1. Financial Statements Highlights

- Ratios as on fourth Quarter ending 2077/78

Particulars	This Quarter Ending	Previous Quarter Ending
Liquidity (CRR)	41.23%	40.17%
Value of per share on total assets	Rs.1547.17	Rs.1475.21
Number of equity shares	8672000	8672000
Earnings per share (Annualized)	Rs. 21.12	Rs. 23.08
Net worth per share (Annualized)	Rs. 230.52	Rs.171.29
Price earnings ratio	32.28	11.66

2. Management's analysis of performance

- As per NFRS reporting, during this quarter, company's profitability significantly increased by 69.86% as compare to 4th quarter of previous year 2076-2077. Likewise, deposit and loans & advances are increased by 18.84% and 13.54% respectively as compare to 4th quarter of previous Yr. 2076-077

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 fourth quarter of FY 2077/78, total volume of 4684368 no. of shares were transacted in 24928 transactions. And share price was of NPR 803/- at the highest, Rs. 249 was the lowest and NPR 682/- was the closing price at the end of the third 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.
- Global pandemic of corona virus.
- 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.
- 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.

Attributable to equity holders of the Bank												
Particulars	Share Capital	Share premium	General reserve	Exchange equalisation reserve	Regulatory reserve	Investment adjustment reserve	Fair value reserve	Revaluation Reserve	Debenture redemption Reserve	Retained earning	Other reserve	Total
Balance at 1 Shrawan 2077	800,000,000	2,475,548	167,130,478	-	85,434,474	-	(27,309,940)	85,349,593		109,682,533	603,117	1,223,365,803
Opening Difference				-		-						
Adjusted Balance at 1 Shrawan 2077	800,000,000	2,475,548	167,130,478	-	85,434,474	-	(27,309,940)	85,349,593		109,682,533	603,117	1,223,365,803
Comprehensive income for the period												
Profit for the period										183,192,539		183,192,539
Other comprehensive income, net of tax												-
Gains / (Losses) from investment in equity instruments measured at fair value							572,680,662					572,680,662
Gains / (Losses) on revaluation												-
Actuarial Gains / (Losses) on defined benefit plans												-
Gains / (Losses) on Cash Flow Hedge												-
Exchange gains / (Losses) arising from translating financial assets of foreign operation												-
Total Comprehensive income for the period	-	-	-	-	-	-	572,680,662	-		183,192,539	-	755,873,202
Transfer to reserve during the year			36,638,508		21,118,682				50,000,000	(109,589,115.31)	1,831,925	-
Transfer from reserve during the year											-	-
Other Adjustments					-					49,947,006	(1,283,844)	48,663,162
Total Adjustments	-	-	36,638,508	-	21,118,682	-	-	-	50,000,000	(59,642,109)	548,081	48,663,162
Transactions with owners, directly recognised in equity												-
Right share issued												-
Share based payment												-
Dividends to equity holders												-
Bonus shares issued	67,200,000									(67,200,000)		-
Cash dividend paid										(28,800,000)		(28,800,000)
Total contributions by and distributions to owners	67,200,000		-	-	-	-	-	-		(96,000,000)	-	(28,800,000)
Balance at 29 Poush 2077	867,200,000	2,475,548	203,768,986	-	106,553,156	-	545,370,722	85,349,593	50,000,000	137,232,963	1,151,199	1,999,102,167