



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 Ashoj, 2080 (Mid October of 2023)

Figures in NPR

Assets	This Quarter Ending	Immediate Previous Year Ending
Cash and cash equivalent	412,609,870	764,910,002
Due from Nepal Rastra Bank	535,109,678	626,358,263
Placement with Bank and Financial Institutions	-	-
Derivative Financial Instruments	-	-
Other Trading Assets	-	-
Loan and advances to B/FIs	300,000,000	405,000,000
Loan and Advances to Customers	9,125,867,769	9,064,481,774
Investment Securities	3,413,000,009	3,730,274,303
Current Tax Assets	125,152,444	83,844,888
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investment Property	94,613,999	88,137,482
Property and Equipment	511,336,352	517,032,864
Goodwill and Intangible assets	-	-
Deferred Tax Assets	-	-
Other Assets	420,547,098	362,348,170
Total Assets	14,938,237,219	15,642,387,746
Liabilities	This Quarter Ending	Immediate Previous Year Ending
Due to Bank and Financial Institutions	86,569,340	107,116,960
Due to Nepal Rastra Bank	-	-
Derivative Financial Instruments	-	-
Deposits from Customers	11,787,258,741	11,472,254,603
Borrowings	-	950,000,000
Current Tax Liabilities	-	-
Provisions	-	-
Deferred Tax Liabilities	103,065,620	126,415,036
Other Liabilities	382,579,562	353,010,973
Debt securities issued	248,014,336	248,358,580
Subordinated Liabilities	-	-
Total Liabilities	12,607,487,599	13,257,156,153
Equity	This Quarter Ending	Immediate Previous Year Ending
Share Capital	946,115,200	946,115,200
Share Premium	2,475,548	2,475,548
Retained Earnings	(31,090,087)	(27,119,877)
Reserves	1,413,248,960	1,463,760,723
Total equity attributable to equity holders	2,330,749,620	2,385,231,593
Non-controlling interest	-	-
Total Equity	2,330,749,620	2,385,231,593
Total Liabilities and Equity	14,938,237,219	15,642,387,746

CONDENSED STATEMENT OF PROFIT OR LOSS

For the Quarter ended Ashoj 2080

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	397,655,853	397,655,853	477,438,659	477,438,659
Interest expense	(325,751,788)	(325,751,788)	(327,165,998)	(327,165,998)
Net interest income	71,904,065	71,904,065	150,272,660	150,272,660
Fees and Commission Income	10,146,811	10,146,811	8,303,063	8,303,063
Fees and Commission Expense	-	-	-	-
Net fee and commission income	10,146,811	10,146,811	8,303,063	8,303,063
Net interest,fee and commission income	82,050,877	82,050,877	158,575,723	158,575,723
Net trading income				
Other operating income	6,399,205	6,399,205	5,108,485	5,108,485
Total operating income	88,450,081	88,450,081	163,684,208	163,684,208
Impairment charge/(reversal) for loans and other losses	81,273,285	81,273,285	47,070,829	47,070,829
Net operating income	7,176,796	7,176,796	116,613,379	116,613,379
Operating Expenses				
Personnel Expense	(31,809,546)	(31,809,546)	(36,952,593)	(36,952,593)
Other Operating Expense	(19,303,257)	(19,303,257)	(18,998,912)	(18,998,912)
Depreciation and Amortization	(6,300,000)	(6,300,000)	(6,000,000)	(6,000,000)
Operating profit	(50,236,007)	(50,236,007)	54,661,874	54,661,874
Non operating Income	211,000	211,000	126,000	126,000
Non operating expense				
Profit before Income tax	(50,025,007)	(50,025,007)	54,787,874	54,787,874
Income tax Expenses				
Current Tax	-	-	(16,364,403)	(16,364,403)
Deferred Tax	15,007,502	15,007,502		
Profit/(loss) for the period	(35,017,505)	(35,017,505)	38,423,471	38,423,471

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	(35,017,505)	(35,017,505)	38,423,471	38,423,471
Other Comprehensive Income	(19,464,468)	(19,464,468)	(397,459,913)	(397,459,913)
Gains/(losses) from investments in equity instruments measured at fair value	(19,464,468)	(19,464,468)	(397,459,913)	(397,459,913)
Total Comprehensive Income	(54,481,973)	(54,481,973)	(359,036,443)	(359,036,443)
Basic earning per share	(3.70)	(3.70)	4.06	4.06
Annualized Basic earning per share	(14.80)	(14.80)	16.24	16.24
Diluted earning per share	(14.80)	(14.80)	16.24	16.24
Profit attributable to:				
Equity holders of the Bank	(54,481,973)	(54,481,973)	(359,036,443)	(359,036,443)
Non-controlling interests	-	-	-	-
Total	(54,481,973)	(54,481,973)	(359,036,443)	(359,036,443)

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		13.85%		14.34%
Total Loan Loss provision to Total NPL		102.77%		154.18%
Total Non performing loan(NPL) to total loan		3.97%		2.15%
Cost of Funds		10.58%		10.83%
Credit to Deposit Ratio		78.41%		83.15%
Base Rate		12.76%		12.57%
Interest Rate Spread		4.60%		4.73%

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 2080-81 and divided equally among four quarters.
- Reclassification has been done wherever necessary.
- 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 Ashoj, 2080

Figures in NPR

Particulars	Amount (Rs)
Opening Retained Earnings as on year ended 2079.80	(27,021,736)
Net Profit For the Quarter ended Ashoj 2080	(35,017,505)
1. Appropriations	
1.1 Profit required to be appropriated to statutory reserve	-
a. General Reserve	-
b. Capital Redemption Reserve	
c. Exchange Fluctuation Fund	
d. Corporate Social Responsibility Fund	-
e. Employees Training Fund	
f. Other	
1.2 Profit required to be transfer to Regulatory Reserve	30,949,154
a. Transfer to Regulatory Reserve	(42,254,232)
b. Transfer from Regulatory Reserve	73,203,386
Net Profit for quarter ended Ashoj 2080 available for distribution	(4,068,351)
Closing retained Earnings as on Ashoj end 2080	(31,090,087)

धितोपत्र दर्ता निष्काशन नियमावली २०६५ को अनुसूची १४

(नियम २२ को उप नियम (२) सँग सम्बन्धित)
आ. ब. २०८०/८१ को प्रथम त्रैमासिक प्रतिवेदन

1. Financial Statements Highlights

- Ratios as on first Quarter ending 2080/81

Particulars	This Quarter Ending	Previous Quarter Ending
Liquidity (CRR)	29.05%	25.46%
Value of per share on total assets	Rs. 1578.90	Rs. 1653.33
Number of equity shares	9461152	9461152
Earnings per share (1st Quarter)	Rs. (3.7)	Rs. 4.06
Net worth per share	Rs. 246.35	Rs. 252.11
Price earnings ratio (annualized)	(27.83)	27.40

2. Management's analysis of performance

- As per NFRS reporting, during this first quarter for the year 2080-81, company's profitability decreased by (191.14)% as compare to 1st quarter of previous year 2079-2080 . Likewise, loans & advances are decreased by (5.82)% and deposit a increased by 2.54% respectively as compare to 1st quarter of previous Yr. 2079-080

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 first quarter of FY 2080/81, total volume of 737346 no. of shares were transacted in 4112 transactions. And share price was of NPR 530/- at the highest, Rs. 390 was the lowest and NPR 412/- 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.
- 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.

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.