



गुडविल फाइनान्स लिमिटेड (वित्तीय संस्था)



GOODWILL FINANCE LIMITED

नेपाल राष्ट्र बैंकबाट "ग" वर्गको इजाजतपत्रप्राप्त राष्ट्रिय स्तरको संस्था

Corporate Office  
Hattisar, Kathmandu  
Tel 4444039 • Fax 4443414  
Email info@goodwill.net.np

Branches

Dillibazar 4422290	Indrachowk 5329554	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	Nawalpur Tel 046-570060
-----------------------	-----------------------	--------------------------------	---------------------------------	-------------------------	--------------------------------	------------------------	-------------------------	----------------------------	--------------------	----------------------	----------------------	------------------------	----------------------------	----------------------------

CONDENSED STATEMENT OF FINANCIAL POSITION (QUARTERLY)

As on Quarter ended Ashadh, 2077 (Mid July of 2020)

Figures in NPR

Assets	This Quarter Ending	Immediate Previous Year Ending
Cash and cash equivalent	1,262,761,591	1,187,931,231
Due from Nepal Rastra Bank	294,630,303	286,905,064
Placement with Bank and Financial Institutions		-
Derivative Financial Instruments		-
Other Trading Assets		-
Loan and advances to B/FIs	284,805,457	246,095,360
Loan and Advances to Customers	6,451,382,457	5,543,398,220
Investment Securities	2,003,306,307	900,636,342
Current Tax Assets		47,938,668
Investment in Subsidiaries		-
Investment in Associates		-
Investment Property	51,572,816	74,030,783
Property and Equipment	346,324,987.43	336,136,100
Goodwill and Intangible assets	793,757	2,352,394
Deferred Tax Assets		-
Other Assets	205,104,010	92,474,814
Total Assets	10,900,681,685	8,717,898,976
Liabilities	This Quarter Ending	Immediate Previous Year Ending
Due to Bank and Financial Institutions	1,040,735,840	187,888,287
Due to Nepal Rastra Bank	41,815,239	96,533,873
Derivative Financial Instruments		-
Deposits from Customers	7,453,262,878	6,707,725,425
Borrowings	599,000,000	290,000,000
Current Tax Liabilities	44,460,611	24,994,799
Provisions	0.00	-
Deferred Tax Liabilities		-
Other Liabilities	243,530,568	150,201,121
Debt securities issued	247,370,331	-
Subordinated Liabilities		-
Total Liabilities	9,670,175,466	7,457,343,505
Equity	This Quarter Ending	Immediate Previous Year Ending
Share Capital	800,000,000	800,000,000
Share Premium	2,475,548	4,525,877
Retained Earnings	54,122,887	83,474,600
Reserves	373,907,784	372,554,994
Total equity attributable to equity holders	1,230,506,219	1,260,555,471
Non-controlling interest	-	-
Total Equity	1,230,506,219	1,260,555,471
Total Liabilities and Equity	10,900,681,685	8,717,898,976

CONDENSED STATEMENT OF PROFIT OR LOSS

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	197,993,787	1,040,937,853	282226773.22	900,853,276
Interest expense	(197,511,516)	(769,695,296)	-196600324.13	(651,532,702)
Net interest income	482,271	271,242,557	85626449.09	249,320,574
Fees and Commission Income	92,172,268	94,017,395	93338650.57	95,236,991
Fees and Commission Expense			0.00	-
Net fee and commission income	92,172,268	94,017,395	93338650.57	95,236,991
Net interest,fee and commission income	92,654,538	365,259,952	178965099.66	344,557,565
Net trading income				
Other operating income	(68,694,681)	15,178,247	-55205047.44	17,949,878
Total operating income	23,959,858	380,438,199	123760052.22	362,507,443
Impairment charge/(reversal) for loans and other losses	(19,039,676)	36,336,858	-86320005.02	(8,368,645)
Net operating income	42,999,534	344,101,341	210080057.24	370,876,088
Operating Expenses				
Personnel Expense	(20,709,091)	(91,959,455)	-37808135.15	(91,511,109)
Other Operating Expense	(21,755,346)	(83,527,188)	-34507407.43	(90,235,142)
Depreciation and Amortization	(5,654,601)	(18,254,601)	-14674013.22	(14,674,013)
Operating profit	(5,119,504)	150,360,097	123090501.44	174,455,825
Non operating Income	694,330	1,951,516	2224110.38	2,224,110
Non operating expense			0.00	-
Profit before Income tax	(4,425,174)	152,311,613	125314611.82	176,679,935
Income tax Expenses				
Current Tax		(44,460,611)	-5101835.71	(24,994,799)
Deferred Tax			0.00	-
Profit/(loss) for the period	(4,425,174)	107,851,002	120212776.11	151,685,136

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

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	(4,425,174)	107,851,002	120212776.11	151,685,136
Other Comprehensive Income	22,570,655.71	6,091,212	0.00	12,511,700
Gains/(losses) from investments in equity instruments measured at fair value	22,570,656	6,091,212	0.00	-
Total Comprehensive Income	18,145,482	113,942,214	120212776.11	164,196,836
Basic earning per share	(0.55)	13.48	15.03	18.96
Annualized Basic earning per share	(2.21)	13.48	60.11	18.96
Diluted earning per share	(0.55)	13.48	15.03	18.96
Profit attributable to:				
Equity holders of the Bank	18,145,482	113,942,214	120212776.11	164,196,836
Non-controlling interests	-	-	0.00	-
Total	18,145,482	113,942,214	120212776.11	164,196,836

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		18.77%		13.81%
Non-Performing Loan(NPL)to Total Loans (As per NRB Directive)		1.32%		1.23%
Total Loan Loss provision to Total NPL		198.92%		179.32%
Cost of Funds		8.68%		10.05%
Credit to Deposit Ratio		70.41%		74.44%
Base Rate		10.85%		12.57%
Interest Rate Spread		4.92%		4.50%

STATEMENT OF DISTRIBUTABLE PROFIT OR LOSS

Particulars	Amount (Rs)
Opening Retained Earnings as on year ended 2075.76	5,682,233.42
Net Profit for the quarter ended Ashadh 2077	107,851,002.02
1. Appropriations	
1.1 Profit required to be appropriated to statutory reserve	(22,648,710.42)
a. General Reserve	(21,570,200.40)
b. Capital Redemption Reserve	
c. Exchange Fluctuation Fund	
d. Corporate Social Responsibility Fund	(1,078,510.02)
e. Employees Training Fund	-
f. Other	
1.2 Profit required to be transfer to Regulatory Reserve	(36,761,638.27)
a. Transfer to Regulatory Reserve	(49,777,589.97)
b. Transfer from Regulatory Reserve	13,015,951.70
Net Profit for quarter ended Ashadh 2077 available for distribution	48,440,653.33
Closing retained Earnings as on Ashadh end 2077	54,122,886.75

धितोपत्र दर्ता निष्काशन नियमावली २०६५ को अनुसूची १४

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

आ. ब. २०७६/७७ को चौथो त्रैमासिक प्रतिवेदन

1. Financial Statements Highlights

- Ratios as on Fourth Quarter ending 2076/77

Particulars	This Quarter Ending	Previous Quarter Ending
Liquidity (CRR)	37.88%	32.15%
Value of per share on total assets	Rs.1362.59	Rs.1277.46
Number of equity shares	8000000	8000000
Earnings per share (Annualized)	Rs.13.48	Rs.18.48
Net worth per share (Annualized)	Rs.153.81	Rs.156.84
Price earnings ratio	9.79	7.36

2. Management's analysis of performance

- As per NFRS reporting, during this quarter, company's profitability decreased by 28.9% as compare to 4th quarter of previous year 2075-2076. However, deposit and loans & advances are increased by 23.18% and 16.35% respectively as compare to 4<sup>th</sup> quarter of previous Yr. 2075-076

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 4<sup>th</sup> quarter of FY 2076/77, total volume of 30974 no. of shares were transacted in 130 transactions. And share price was of NPR 158/-at the highest, Rs.132 was the lowest and NPR 145/- was the closing price at the end of the 4<sup>th</sup> 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.
- Nationwide lockdown due to 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.

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	Retained earning	Other reserve	Total
Balance at 1 Shrawan 2076	800,000,000.00	2,475,547.66	144,397,992.82	-	96,977,441.72	-	(13,691,193.42)	85,349,593.00	85,682,233.42	(3,340,727.67)	1,197,850,887.52
Comprehensive income for the period											-
Profit for the period									107,851,002.02		107,851,002.02
Other comprehensive income, net of tax											-
Gains / (Losses) from investment in equity instruments measured at fair value							6,091,211.95				6,091,211.95
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										(1,286,882.84)	(1,286,882.84)
Total Comprehensive income for the period	-	-	-	-	-	-	6,091,211.95	-	107,851,002.02	(1,286,882.84)	112,655,331.13
Transfer to reserve during the year			21,570,200.40		49,777,589.97				(72,426,300.39)	1,078,510.02	(0.00)
Transfer from reserve during the year											-
Other Adjustments					(13,015,951.70)				13,015,951.70		-
Total Adjustments	-	-	21,570,200.40	-	36,761,638.27	-	-	-	(59,410,348.69)	1,078,510.02	(0.00)
Transactions with owners, directly recognised in equity											-
Right share issued											-
Share based payment											-
Dividends to equity holders											-
Bonus shares issued											-
Cash dividend paid									(80,000,000.00)		(80,000,000.00)
Total contributions by and distributions to owners	-	-	-	-	-	-	-	-	(80,000,000.00)	-	(80,000,000.00)
Balance at 31 Ashadh 2077	800,000,000.00	2,475,547.66	165,968,193.22	-	133,739,079.99	-	(7,599,981.47)	85,349,593.00	54,122,886.75	(3,549,100.50)	1,230,506,218.66