



गुडविल फाइनान्स लिमिटेड (वित्तीय संस्था)

GOODWILL FINANCE LIMITED

नेपाल राष्ट्र बैकबाट "ग" वर्गको इजाजतप्राप्त राष्ट्रियस्तरको संस्था

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CONDENSED STATEMENT OF FINANCIAL POSITION (QUARTERLY)

As on Quarter ended Ashadh, 2079 (Mid July of 2022)

Figures in NPR

Assets	This Quarter Ending	Immediate Previous Year Ending
Cash and cash equivalent	801,466,833	1,076,700,635
Due from Nepal Rastra Bank	420,692,025	394,564,448
Placement with Bank and Financial Institutions	-	-
Derivative Financial Instruments	-	-
Other Trading Assets	-	-
Loan and advances to B/FIs	635,000,000	266,490,000
Loan and Advances to Customers	8,602,993,524	7,432,605,272
Investment Securities	3,283,031,128	3,562,430,632
Current Tax Assets	-	61,742,061
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investment Property	106,214,525	51,572,816
Property and Equipment	456,738,220	335,634,400
Goodwill and Intangible assets	7,705,204	508,005
Deferred Tax Assets	-	-
Other Assets	952,051,530	112,159,452
Total Assets	15,265,892,988	13,294,407,721
Liabilities	This Quarter Ending	Immediate Previous Year Ending
Due to Bank and Financial Institutions	582,659,440	713,022,699
Due to Nepal Rastra Bank	1,458,500,000	50,910,060
Derivative Financial Instruments	-	-
Deposits from Customers	10,402,245,528	10,080,962,298
Borrowings	-	-
Current Tax Liabilities	79,758,265	-
Provisions	-	-
Deferred Tax Liabilities	202,749,732	202,749,732
Other Liabilities	340,809,336	226,946,518
Debt securities issued	247,754,951	247,715,037
Subordinated Liabilities	-	-
Total Liabilities	13,314,477,252	11,522,306,344
Equity	This Quarter Ending	Immediate Previous Year Ending
Share Capital	946,115,200	867,200,000
Share Premium	2,475,548	2,475,548
Retained Earnings	85,031,326	126,545,947
Reserves	917,793,663	775,879,882
Total equity attributable to equity holders	1,951,415,736	1,772,101,377
Non-controlling interest	-	-
Total Equity	1,951,415,736	1,772,101,377
Total Liabilities and Equity	15,265,892,988	13,294,407,721

CONDENSED STATEMENT OF PROFIT OR LOSS

For the Quarter ended Ashadh 2079

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	389,964,115	1,319,967,409	272,288,538	1,027,838,847
Interest expense	(297,336,661)	(972,833,503)	(206,925,552)	(762,289,280)
Net interest income	92,627,453	347,133,906	65,362,985	265,549,567
Fees and Commission Income	14,692,829	65,907,802	3,106,346	61,106,780
Fees and Commission Expense	-	-	-	-
Net fee and commission income	14,692,829	65,907,802	3,106,346	61,106,780
Net interest,fee and commission income	413,041,708	413,041,708	326,656,347	326,656,347
Net trading income				
Other operating income	15,164,115	48,946,916	14,821,242	68,060,057
Total operating income	122,484,397	461,988,624	83,290,574	394,716,405
Impairment charge/(reversal) for loans and other losses	(68,999,398)	(41,646,234)	18,012,087	140,511,035
Net operating income	191,483,794	503,634,858	65,278,487	254,205,370
Operating Expenses				
Personnel Expense	(36,066,228)	(127,069,433)	(23,644,759)	(100,947,952)
Other Operating Expense	(30,208,438)	(93,886,710.63)	(22,732,482)	(69,378,484)
Depreciation and Amortization	(1,238,276)	(19,238,276)	(4,128,806)	(16,953,806)
Operating profit	123,970,853	263,440,439	14,772,440	66,925,128
Non operating Income	(83,667)	4,873,450	32,478,231	194,029,276
Non operating expense				
Profit before Income tax	123,887,186	268,313,889	47,250,671	260,954,403
Income tax Expenses				
Current Tax	(37,162,283)	(79,758,265)	(14,150,719)	(77,761,864)
Deferred Tax				
Profit/(loss) for the period	86,724,904	188,555,624	33,099,953	183,192,539

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	86,724,904	188,555,624	33,099,953	183,192,539
Other Comprehensive Income	(40,508,150)	24,579,535	480,609,120	572,680,662
Gains/(losses) from investments in equity instruments measured at fair value	(40,508,150)	24,579,535	480,609,120	572,680,662
Total Comprehensive Income	46,216,753	213,135,159	513,709,073	755,873,202
Basic earning per share	9.17	19.93	3.82	21.12
Annualized Basic earning per share	9.17	19.93	3.82	21.12
Diluted earning per share	9.17	19.93	3.82	21.12
Profit attributable to:				
Equity holders of the Bank	46,216,753	213,135,159	513,709,073	755,873,202
Non-controlling interests	-	-	-	-
Total	46,216,753	213,135,159	513,709,073	755,873,202

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		15.57%		16.12%
Total NPL to total loan		2.30%		3.21%
Total Loan Loss provision to Total NPL		132.40%		116.46%
Cost of Funds		9.91%		7.39%
Credit to Deposit Ratio		85.63%		69.42%
Base Rate		11.92%		8.81%
Interest Rate Spread		3.93%		4.99%

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 2078.79 .
- 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 Ashadh, 2079

Particulars	Amount (Rs)
Opening Retained Earnings as on year ended 2077.78	14,065,420.05
Net Profit for the quarter ended Ashadh 2079	188,555,623.59
1. Appropriations	
1.1 Profit required to be appropriated to statutory reserve	(89,596,680.95)
a. General Reserve	(37,711,124.72)
b. Capital Redemption Reserve	(50,000,000.00)
c. Exchange Fluctuation Fund	
d. Corporate Social Responsibility Fund	(1,885,556.24)
e. Employees Training Fund	
f. Other	
1.2 Profit required to be transfer to Regulatory Reserve	(27,993,036.98)
a. Transfer to Regulatory Reserve	(27,993,036.98)
b. Transfer from Regulatory Reserve	-
Net Profit for quarter ended Ashadh 2079 available for distribution	70,965,905.66
Closing retained Earnings as on Ashadh end 2079	85,031,325.71

धितोपत्र दर्ता निष्काशन नियमावली २०६५ को अनुसूची १४

(नियम २२ को उप नियम (२) सँग सम्बन्धित)
आ. ब. २०७८/७८ को चौथो त्रैमासिक प्रतिवेदन

1. Financial Statements Highlights

- Ratios as on fourth Quarter ending 2078/79

Particulars	This Quarter Ending	Previous Quarter Ending
Liquidity (CRR)	24.66%	23%
Value of per share on total assets	Rs.1613.53	Rs.1574.83
Number of equity shares	9461152	9461152
Earnings per share (Annualized)	Rs.19.93	Rs.15.62
Net worth per share	Rs.206.26	Rs.202.32
Price earnings ratio	25.04	33.42

2. Management's analysis of performance

- As per NFRS reporting, during this fourth quarter for the year 2078-79, company's profitability slightly increased by 2.93% as compare to 4th quarter of previous year 2077-2078 . Likewise, loans & advances are increased by 19.99% and deposit also increased by 1.77% respectively as compare to 4th quarter of previous Yr.2077-078

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 third quarter of FY 2078/79, total volume of 586429 no. of shares were transacted in 5358 transactions .And share price was of NPR 525/-at the highest, Rs.358 was the lowest and NPR499/- 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.

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.