



गुडविल फाइनान्स लिमिटेड (वित्तीय संस्था)

GOODWILL FINANCE LIMITED

नेपाल राष्ट्र बैकबाट "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	Tripureshwar 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 Poush, 2077 (Mid Jan of 2021)

Figures in NPR

Assets	This Quarter Ending	Immediate Previous Year Ending
Cash and cash equivalent	1,497,732,348	2,113,998,654
Due from Nepal Rastra Bank	320,986,117	300,891,983
Placement with Bank and Financial Institutions	-	
Derivative Financial Instruments	-	
Other Trading Assets	-	
Loan and advances to B/FIs	200,000,000	244,781,172
Loan and Advances to Customers	7,083,531,256	6,027,480,363
Investment Securities	2,710,221,326	813,952,783
Current Tax Assets	-	
Investment in Subsidiaries	-	
Investment in Associates	-	
Investment Property	51,572,816	63,901,251
Property and Equipment	339,030,748	338,713,026
Goodwill and Intangible assets	635,006	793,757
Deferred Tax Assets	-	-
Other Assets	332,265,809	201,849,878
Total Assets	12,535,975,425	10,106,362,866
Liabilities	This Quarter Ending	Immediate Previous Year Ending
Due to Bank and Financial Institutions	925,544,939	508,024,484
Due to Nepal Rastra Bank	50,910,060	89,019,583
Derivative Financial Instruments		
Deposits from Customers	8,306,667,851	7,925,363,844
Borrowings	1,330,000,000	
Current Tax Liabilities	23,413,421	26,325,288
Provisions	-	42,802,653
Deferred Tax Liabilities	-	
Other Liabilities	315,891,683	215,675,631
Debt securities issued	247,449,233	
Subordinated Liabilities	-	
Total Liabilities	11,199,877,186	8,807,211,484
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	54,302,908	145,429,910
Reserves	412,119,783	351,245,923
Total equity attributable to equity holders	1,336,098,238	1,299,151,381
Non-controlling interest	-	-
Total Equity	1,336,098,238	1,299,151,381
Total Liabilities and Equity	12,535,975,425	10,106,362,866

CONDENSED STATEMENT OF PROFIT OR LOSS

For the Quarter ended Poush 2077

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	201,621,688	455,545,721	242,242,934	497,984,210
Interest expense	(181,727,607)	(373,503,280)	(201,358,233)	(382,566,483)
Net interest income	19,894,081	82,042,441	40,884,701	115,417,727
Fees and Commission Income	33,551,574	51,936,730	821,260	1,513,428
Fees and Commission Expense	-		-	
Net fee and commission income	33,551,574	51,936,730	821,260	1,513,428
Net interest,fee and commission income	133,979,171	133,979,171	41,705,961	116,931,155
Net trading income				
Other operating income	32,703,972	58,501,173	35,266,972	61,883,872
Total operating income	86,149,627	192,480,344	76,972,933	178,815,027
Impairment charge/(reversal) for loans and other losses	6,817,126	33,642,416	(7,846,077)	3,448,237
Net operating income	79,332,500	158,837,928	84,819,009	175,366,790
Operating Expenses				
Personnel Expense	(23,051,873)	(44,280,600)	(23,760,114)	(46,407,284)
Other Operating Expense	(14,838,631)	(27,539,545)	(21,967,596)	(35,072,703)
Depreciation and Amortization	(4,275,000)	(8,550,000)	(4,200,000)	(8,400,000)
Operating profit	37,166,996	78,467,783	34,891,299	85,486,803
Non operating Income	381,000	437,000	743,517	952,117
Non operating expense			-	-
Profit before Income tax	37,547,996	78,904,783	35,634,815	86,438,919
Income tax Expenses				
Current Tax	(11,216,537)	(23,413,421)	(11,084,057)	(26,325,288)
Deferred Tax				
Profit/(loss) for the period	26,331,459	55,491,362	24,550,758	60,113,631

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 curve 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>

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 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									55,491,362		55,491,362
Other comprehensive income, net of tax											-
Gains / (Losses) from investment in equity instruments measured at fair value							70,315,120				70,315,120
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	-	-	-	-	-	-	70,315,120	-	55,491,362	-	125,806,483
Transfer to reserve during the year			11,098,272		19,135,276				(30,788,462)	554,914	-
Transfer from reserve during the year										-	-
Other Adjustments					-				15,917,475	(191,523)	15,725,952
Total Adjustments	-	-	11,098,272	-	19,135,276	-	-	-	(14,870,987)	363,391	15,725,952
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	178,228,751	-	104,569,750	-	43,005,180	85,349,593	54,302,908	966,508	1,336,098,238

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	26,331,459	55,491,362	24,550,758	60,113,631
Other Comprehensive Income	42,450,708	70,315,120	17,136,782	(16,479,444)
Gains/(losses) from investments in equity instruments measured at fair value	42,450,708	70,315,120	17,136,782	(16,479,444)
Total Comprehensive Income	68,782,167	125,806,483	41,687,540	43,634,187
Basic earning per share	3.04	6.40	3.07	7.51
Annualized Basic earning per share	6.07	12.80	12.28	15.03
Diluted earning per share	6.07	12.80	3.07	7.51
Profit attributable to:				
Equity holders of the Bank	68,782,167	125,806,483	41,687,540	43,634,187
Non-controlling interests	-	-	-	-
Total	68,782,167	125,806,483	41,687,540	43,634,187

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		17.03%		17.72%
Total Loan Loss provision to Total NPL		184.08%		183.81%
Non-Performing Loan (NPL) to Total Loan		1.38%		1.25%
Cost of Funds		7.48%		9.57%
Credit to Deposit Ratio		72.53%		70.26%
Base Rate		9.60%		11.83%
Interest Rate Spread		4.99%		4.83%

STATEMENT OF DISTRIBUTABLE PROFIT OR LOSS

For the Quarter Ended Poush, 2077

Figures in NPR

Particulars	Amount (Rs)
Opening Retained Earnings as on year ended 2076.77	29,600,007.76
Net Profit for the quarter ended Poush 2077	55,491,362.29
1. Appropriations	
1.1 Profit required to be appropriated to statutory reserve	(11,653,186.08)
a. General Reserve	(11,098,272.46)
b. Capital Redemption Reserve	
c. Exchange Fluctuation Fund	
d. Corporate Social Responsibility Fund	(554,913.62)
e. Employees Training Fund	-
f. Other	
1.2 Profit required to be transfer to Regulatory Reserve	(19,135,276.16)
a. Transfer to Regulatory Reserve	(19,135,276.16)
b. Transfer from Regulatory Reserve	-
Net Profit for quarter ended Poush 2077 available for distribution	24,702,900.05
Closing retained Earnings as on Poush end 2077	54,302,907.80

धितोपत्र दर्ता निष्काशन नियमावली २०६५ को अनुसूची १४

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

1. Financial Statements Highlights

- Ratios as on Second Quarter ending 2077/78

Particulars	This Quarter Ending	Previous Quarter Ending
Liquidity (CRR)	44.98%	51.66%
Value of per share on total assets	Rs.1445.57	Rs.1504.94
Number of equity shares	8672000	8000000
Earnings per share (Annualized)	Rs.12.80	Rs.14.58
Net worth per share (Annualized)	Rs.154.07	Rs.161.03
Price earnings ratio	17.50	13.03

2. Management's analysis of performance

- As per NFRS reporting, during this quarter, company's profitability decreased by (7.69%)as compare to 2nd quarter of previous year 2076-2077 . Likewise, deposit and loans & advances are increased by 9.47% and 16.12% respectively as compare to 2nd 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 second quarter of FY 2077/78, total volume of 684543 no. of shares were transacted in 2777 transactions. And share price was of NPR 237/- at the highest, Rs. 186 was the lowest and NPR 224/- was the closing price at the end of the second 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.