



NEW ZEALAND'S EXCHANGE

**geneva**FINANCE

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Results for announcement to the market		
Name of issuer	Geneva Finance Limited	
Reporting Period	12 months to 31 March 2021	
Previous Reporting Period	12 months to 31 March 2020	
Currency	NZD	
	Amount (000s)	Percentage change
Revenue from continuing operations	\$34,843	12%
Total Revenue	\$34,843	12%
Net profit/(loss) from continuing operations	\$6,712	63%
Total net profit/(loss)	\$6,712	63%
Final Dividend (announced 10/05/2021)		
Amount per Quoted Equity Security	\$ 0.02500000	
Imputed amount per Quoted Equity Security	Not Applicable	
Record Date	02 June 2021	
Dividend Payment Date	10 June 2021	
	Current period	Prior comparable period
Net tangible assets per Quoted Equity Security	\$0.37	\$0.33
A brief explanation of any of the figures above necessary to enable the figures to be understood	Refer to attached commentary	
Authority for this announcement		
Name of person authorised to make this announcement	Albert Boy	
Contact person for this announcement	Albert Boy	
Contact phone number	0800 800 132	
Contact email address	investments@genevafinance.co.nz	
Date of release through MAP	31 May 2021	

Unaudited financial statements accompany this announcement.

GENEVA FINANCE LIMITED

CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

	Group	
	Un Audited 2021 \$000's	Audited 2020 \$000's
Interest income	15,279	15,052
Interest expense	(3,975)	(4,383)
<b>Net interest income</b>	<u>11,304</u>	<u>10,669</u>
Net premium revenue	14,708	11,258
Net claims expense	(6,590)	(4,861)
<b>Net premium revenue</b>	<u>8,118</u>	<u>6,397</u>
Other revenue	4,856	4,750
<b>Operating revenue</b> (net of interest expense and claim expense)	<u>24,278</u>	<u>21,816</u>
Operating expenses	(16,595)	(15,860)
<b>Operating profit</b>	<u>7,683</u>	<u>5,956</u>
Impaired asset expense	(825)	(1,854)
<b>Net profit before taxation</b>	<u>6,858</u>	<u>4,102</u>
Taxation (expense) / benefit	(146)	13
<b>Net profit after taxation</b>	<u>6,712</u>	<u>4,115</u>
Profit attributable to:		
Owners of the parent	6,277	3,705
Non-controlling interest	435	410
	<u>6,712</u>	<u>4,115</u>
<b>Profit per share</b>		
Basic profit per share (cents)	8.61	5.08

GENEVA FINANCE LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2021

	Group	
	Un Audited 2021 \$000's	Audited 2020 \$000's
<b>Net profit after taxation</b>	6,712	4,115
<b>Other comprehensive income:</b>		
<b>Items that may be subsequently reclassified to profit or loss</b>		
Movement in financial assets at fair value through other comprehensive income	(914)	65
Exchange differences on translation of foreign operations - Owners of the Parent	(530)	397
Cash flow hedge, net of tax	303	(266)
<b>Other comprehensive income, net of tax</b>	<u>(1,141)</u>	<u>196</u>
<b>Total comprehensive income</b>	<u>5,571</u>	<u>4,311</u>
Total comprehensive income attributable to:		
Owners of the parent	5,136	3,901
Non-controlling interest	435	410
	<u>5,571</u>	<u>4,311</u>

**GENEVA FINANCE LIMITED****CONSOLIDATED STATEMENT OF FINANCIAL POSITION****AS AT 31 MARCH 2021**

	<b>Group</b>	
	<b>Un Audited</b>	<b>Audited</b>
	2021	2020
	\$'000's	\$'000's
<b>Assets</b>		
Cash and cash equivalents	27,802	20,625
Trade and other receivables, and prepayments	9,139	5,884
Taxation receivable	8	12
Finance receivables	92,152	82,868
Deferred insurance contract acquisition costs	5,226	4,102
Deferred taxation	4,910	4,712
Financial assets at fair value through comprehensive income	203	3,684
Plant and equipment	857	1,217
Intangible assets	2,202	2,371
<b>Total assets</b>	<b>142,499</b>	<b>125,475</b>
<b>Liabilities</b>		
Accounts payable and accruals	5,297	4,351
Outstanding claims liability	1,657	962
Employee entitlements	563	435
Unearned premium liability	19,008	12,706
Derivative financial instruments	248	551
Bank facilities	66,985	60,598
Other borrowings	13,942	13,684
Leased liabilities	581	839
<b>Total liabilities</b>	<b>108,281</b>	<b>94,126</b>
<b>Equity</b>		
Share capital	52,779	52,779
Shares held by Geneva	(342)	-
Reserves	(2,317)	(1,176)
Retained earnings	(17,454)	(21,725)
Non-controlling interest	1,552	1,471
<b>Total equity</b>	<b>34,218</b>	<b>31,349</b>
<b>Total equity and liabilities</b>	<b>142,499</b>	<b>125,475</b>
<b>Net tangible assets per share</b>	<b>0.37</b>	<b>0.33</b>

GENEVA FINANCE LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2021

	Equity attributable to the equity holders of the parent					Non Controlling Interest	Total equity
	Share Capital	Shares held by Geneva	Reserves	Retained earnings	Attributable to owners of the parent		
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
<b>Balance at 31 March 2019</b>	<b>52,779</b>	-	<b>(1,372)</b>	<b>(22,877)</b>	<b>28,530</b>	<b>1,061</b>	<b>29,591</b>
Net profit for the period	-	-	-	3,705	<b>3,705</b>	410	<b>4,115</b>
<b>Other comprehensive income</b>							
Increase in financial assets at FVTOCI	-	-	65	-	<b>65</b>	-	<b>65</b>
Exchange differences on translation of foreign operations	-	-	397	-	<b>397</b>	-	<b>397</b>
Change in cash flow hedge reserve, net of tax	-	-	(266)	-	<b>(266)</b>	-	<b>(266)</b>
<b>Total other comprehensive income</b>	-	-	<b>196</b>	-	<b>196</b>	-	<b>196</b>
<b>Total comprehensive income</b>	-	-	<b>196</b>	<b>3,705</b>	<b>3,900</b>	<b>410</b>	<b>4,310</b>
<b>Transaction with owners</b>							
Dividends paid	-	-	-	(2,553)	<b>(2,553)</b>	-	<b>(2,553)</b>
<b>Total transactions with owners</b>	-	-	-	<b>(2,553)</b>	<b>(2,553)</b>	-	<b>(2,553)</b>
<b>Balance at 31 March 2020</b>	<b>52,779</b>	-	<b>(1,176)</b>	<b>(21,725)</b>	<b>29,878</b>	<b>1,471</b>	<b>31,349</b>
Net profit for the period	-	-	-	6,277	<b>6,277</b>	435	<b>6,712</b>
<b>Other comprehensive income</b>							
Decrease in financial assets at FVTOCI	-	-	(914)	-	<b>(914)</b>	-	<b>(914)</b>
Exchange differences on translation of foreign operations	-	-	(530)	-	<b>(530)</b>	-	<b>(530)</b>
Change in cash flow hedge reserve, net of tax	-	-	303	-	<b>303</b>	-	<b>303</b>
<b>Total other comprehensive income</b>	-	-	<b>(1,141)</b>	-	<b>(1,141)</b>	-	<b>(1,141)</b>
<b>Total comprehensive income</b>	-	-	<b>(1,141)</b>	<b>6,277</b>	<b>5,136</b>	<b>435</b>	<b>5,571</b>
<b>Transaction with owners</b>							
Shares repurchased	-	(342)	-	-	<b>(342)</b>	-	<b>(342)</b>
Dividend paid	-	-	-	(2,006)	<b>(2,006)</b>	(354)	<b>(2,360)</b>
<b>Total transactions with owners</b>	-	<b>(342)</b>	-	<b>(2,006)</b>	<b>(2,348)</b>	<b>(354)</b>	<b>(2,702)</b>
<b>Balance at 31 March 2021</b>	<b>52,779</b>	<b>(342)</b>	<b>(2,317)</b>	<b>(17,454)</b>	<b>32,666</b>	<b>1,552</b>	<b>34,218</b>

**GENEVA FINANCE LIMITED**

**CONSOLIDATED STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 MARCH 2021**

	<b>Group</b>	
	<b>Un Audited</b>	<b>Audited</b>
	2021	2020
	\$000's	\$000's
<b>Cash flow from operating activities:</b>		
Cash was provided from:		
Interest received	11,362	11,474
Dividends Received	667	340
Receipts from insurance policy sales, collections activities and other	25,873	18,406
Covid-19 wages subsidy	351	-
	<b>38,253</b>	<b>30,220</b>
Cash was applied to:		
Net movement in finance receivables	(4,675)	3,264
Interest paid	(3,975)	(4,383)
Payments to suppliers and employees	(28,725)	(22,721)
	<b>(37,375)</b>	<b>(23,840)</b>
<b>Net cash outflow from operating activities</b>	<b>878</b>	<b>6,380</b>
<b>Cash flows from investing activities:</b>		
Cash was provided from:		
AMPL Investment distributions	2,834	-
Sale of plant and equipment	7	-
	<b>2,841</b>	<b>-</b>
Cash was applied to:		
Purchase of plant and equipment	-	(243)
Purchase of intangible assets	(209)	(380)
Purchase of third-party debt ledger	-	(1,850)
	<b>(209)</b>	<b>(2,473)</b>
<b>Net cash outflow from investing activities</b>	<b>2,632</b>	<b>(2,473)</b>
<b>Cash flows from financing activities:</b>		
Cash was provided from:		
Net movement of term facilities: Westpac	6,387	907
Net movement of other borrowings	258	366
	<b>6,645</b>	<b>1,273</b>
Cash was applied to:		
Net movement of other borrowings	(342)	-
Principle elements of lease payments	(276)	(255)
Dividends paid to company shareholders	(2,006)	(2,553)
Dividends paid to NCI	(354)	-
	<b>(2,978)</b>	<b>(2,808)</b>
<b>Net cash inflow from financing activities</b>	<b>3,667</b>	<b>(1,535)</b>
<b>Net increase in cash and cash equivalents held</b>	<b>7,177</b>	<b>2,372</b>
<i>Add: Opening cash and cash equivalents balance at the beginning of the year</i>	20,625	18,253
<b>Cash and cash equivalents at the end of the year</b>	<b>27,802</b>	<b>20,625</b>
<b>Represented by:</b>		
Cash at bank	27,802	20,625
<b>Cash and cash equivalents at the end of the year</b>	<b>27,802</b>	<b>20,625</b>

## Segment analysis

### a) By operating segment

The Group's reportable operating segments are as follows:

- Corporate: The operations of this segment include the raising of debt and the advancing loans to other operating segments within the Group.
- New Business: The operations of this segment include the lending of money to individuals, companies and other entities and have a wholesale funding arrangement with Westpac New Zealand Limited (Westpac) under which it securitised loan receivables.
- Insurance: The operations of this segment include the issuing of temporary insurance contracts covering death, disablement and redundancy risks and short term motor vehicle contracts covering comprehensive, third party, mechanical breakdown risk and guaranteed asset protection.
- Old Business: The operations of this segment include the collection and management of money lent to individuals, companies and other entities originally originated by the Group and external debt collection.
- Invoice Factoring: This segments was purchased on 1 April 2018. The operations of this segments include providing debtor finance to companies and collection and management of trade receivables factored.
- Overseas: This segment was acquired on 1 April 2018. The operation of this segments include lending, collection and management of money to individuals, companies and other entities originally originated in Tonga.

Each Group operating segment is operated as a discrete business unit and transactions between segments are on normal commercial terms and conditions. The eliminations arise from transactions between the Group segments and are predominantly interest, commission/brokerage, marketing subsidy, debt collection and rent/lease charges.

None of the Group's operating segments place any reliance on a single major customer amounting to 10% or more of the applicable segments revenue.

### **Group summary revenues and results for the year 31 March 2021**

\$'000	Corporate	New Business	Insurance	Old Business	Invoice Factoring	Overseas	Eliminations	Group
External revenues	23	13,910	15,785	1,408	1,813	1,904	-	34,843
Revenue - other segments	2,528	1,306	29	158	-	-	(4,021)	-
<b>Total</b>	<b>2,551</b>	<b>15,216</b>	<b>15,814</b>	<b>1,566</b>	<b>1,813</b>	<b>1,904</b>	<b>(4,021)</b>	<b>34,843</b>
Segment profit/(loss)	(2,362)	4,777	3,208	339	101	1,432	(637)	6,858
Taxation expense	790	-	(591)	-	-	(345)	-	(146)
Non controlling interest profit	-	-	-	-	-	(435)	-	(435)
<b>Net profit/(loss) after taxation</b>	<b>(1,572)</b>	<b>4,777</b>	<b>2,617</b>	<b>339</b>	<b>101</b>	<b>652</b>	<b>(637)</b>	<b>6,277</b>
Interest income	1,892	13,514	173	242	1,280	1,562	(3,384)	15,279
Interest expense	2,713	3,652	-	173	820	1	(3,384)	3,975
Depreciation	287	28	22	10	6	18	-	371
Amortisation	-	180	70	101	27	-	-	378
Other material non-cash items:	-	-	-	-	-	-	-	-
Impaired assets expense	(637)	1,380	-	(709)	59	95	637	825

### **Group summary assets and liabilities as at 31 March 2021**

\$'000	Corporate	New Business	Insurance	Old Business	Invoice Factoring	Overseas	Eliminations	Group
Segment assets								
<b>Total assets</b>	<b>34,970</b>	<b>91,932</b>	<b>30,632</b>	<b>9,380</b>	<b>14,300</b>	<b>4,434</b>	<b>(43,149)</b>	<b>142,499</b>
Additions to non current assets	(7)	191	16	7	-	2	-	209
Segment liabilities								
<b>Total liabilities</b>	<b>12,724</b>	<b>71,203</b>	<b>22,343</b>	<b>3,777</b>	<b>12,423</b>	<b>559</b>	<b>(14,748)</b>	<b>108,281</b>

**Segment analysis (continued)****a) By operating segment (continued)****Group summary revenues and results for the year 31 March 2020**

\$'000	Corporate	New Business	Insurance	Old Business	Invoice Factoring	Overseas	Eliminations	Group
External revenues	(184)	13,981	11,765	2,007	1,674	1,817	-	31,060
Revenue - other segments	1,103	1,038	70	167	-	-	(2,378)	-
Total	919	15,019	11,835	2,174	1,674		(2,378)	31,060
Segment profit/(loss)	(3,733)	4,201	1,700	109	(609)	1,413	1,021	4,102
Taxation expense	401	-	-	-	-	(388)	-	13
Non controlling interest profit	-	-	-	-	-	(410)	-	(410)
Net profit/(loss) after taxation	(3,332)	4,201	1,700	109	(609)	615	1,021	3,705
Interest income	2,125	13,182	237	309	1,179	1,419	(3,399)	15,052
Interest expense	2,505	3,954	-	231	1,079	13	(3,399)	4,383
Depreciation	277	37	17	1	5	21	-	358
Amortisation	-	215	47	96	25	-	-	383
Other material non-cash items:	-	-	-	-	-	-	-	-
Impaired assets expense	1,021	2,497	-	(669)	21	5	(1,021)	1,854

**Group summary assets and liabilities as at 31 March 2020**

\$'000	Corporate	New Business	Insurance	Old Business	Invoice Factoring	Overseas	Eliminations	Group
Segment assets								
Total assets	30,988	89,681	27,235	9,060	7,309	4,606	(43,404)	125,475
Additions to non current assets	(95)	384	38	181	23	70	22	623
Segment liabilities	-	-	-	-	-	-	-	-
Total liabilities	16,895	68,035	14,650	3,795	8,533	534	(18,316)	94,126

**b) By geographical segment**

The Group operated predominantly in New Zealand. Revenues are derived from New Zealand with the exception of Federal Pacific Finance Ltd (Tonga) which operates in Tonga.