



INSTITUTE OF PRIVATE
ENTERPRISE DEVELOPMENT
LIMITED

ANNUAL REPORT 2025



GET GOING.
KEEP GROWING.



Vision

Improved livelihoods by building sustainable micro and small enterprises.



Mission

IPED provides finance and advisory services to micro and small business entrepreneurs enabling them to build sustainable enterprises.



Objectives

- To promote a culture of entrepreneurship and to inspire and empower micro and small business owners to build sustainable enterprises.
- To provide timely and adequate financing, technical assistance and business guidance to micro and small business owners to enhance their production potential and capacity to meet their market demands.
- To promote sustainable environmental practices and technologies to micro and small businesses that will mitigate the risks of harm to our environment.
- To build effective partnerships with organizations providing complementary support services to micro and small businesses.
- To provide a work environment where all employees are treated fairly, are adequately compensated, trained and highly motivated towards the achievement of our vision.

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Notice of Meeting

Notice is hereby given that the fortieth Annual General Meeting of the Institute of Private Enterprise Development Limited will be held on Thursday, March 26, 2026, commencing at 09:00 hours at the Atlantic Ballroom, Pegasus Suites & Corporate Center, Georgetown.

AGENDA

1. Chairman's Review of the Institute for the Year 2025
2. Chief Executive Officer's Report
3. Receive and Consider the Institute's Accounts, Reports of the Directors and Auditors for the Year 2025
4. Re-election of Directors Retiring by Rotation
5. Appointment and Remuneration of Auditors
6. Any Other Business

BY ORDER OF THE BOARD



.....
Sherrie Hewitt-Robin
Company Secretary

Registered Office:
253-254 South Road
Bourda
Georgetown

March 5, 2026

Corporate Information

Directors

Mr. Komal Samaroo
-Chairman
Mr. Ramesh Persaud
Mr. James Morgan
Dr. Ian McDonald
Mrs. Amanda Richards
Mr. Ramsay Ali
Major General
Joseph G Singh (Retired)
Dr. Steve Surujbally
Mr. Floyd Scott
Dr. Natasha Gaskin-Peters
Mr. Vasudeo Singh

Registered Office

IPED Building
253 South Road,
Bourda, Georgetown, Guyana
Tel: 592-226-4675
Fax: 592-223-7834
Email: iped@ipedgy.com
Website: www.ipedgy.com

Bankers

Demerara Bank Ltd.
Republic Bank Ltd.
Guyana Bank for Trade
& Industry Ltd.
Citizens Bank Guyana Ltd.

Auditors

TSD LAL & CO
Chartered Accountants
77 Brickdam, Stabroek
Georgetown, Guyana

Attorneys at Law

Mr. Lachmi N. Dindyal
Essequibo
Ms. Sherrie Hewitt-Robin
Demerara
Berbice



Region 1
Mabaruma
Port Kaituma

Region 2
54 Cotton Field
Essequibo Coast
Tel: 592-771-4298

Lot 110 Charity
Public Rd.
Essequibo Coast
Tel: 592-771-4800

Region 3
Lot 14 Section B
Hydroni, Parika
East Bank Essequibo
Tel: 592-260-4399

Lot 'C' Klein Pouderoyen,
West Bank Demerara
Tel: 592-264-3592

Region 4
IPED Building
253 South Road
Bourda, Georgetown
Tel: 592-226-4675

Lot 161 Lusignan
Public Road
East Coast, Demerara
Tel: 592-220-1251

Region 5
East 1/2, Lot 19 Section 'D'
Bushlot, W.C.B,
Region Five
Tel: 592-232-0499

Region 6
1 Port Mourant
Corentyne
Tel: 592-336-6171

Lot 25 Corriverton
Corentyne, Berbice
Tel: 592-335-3928

Lot 12 Main & Chapel Sts.
New Amsterdam
Tel: 592-333-5673
592-333-4360

Region 9
Lethem
Rupununi
Tel: 592-772-2229

Region 10
Hand-in-Hand Building
Lot 23 Republic
Avenue
Linden
Tel: 592-444-3001

Board of Directors



Mr. Komal Samaroo
A.A, FCCA, ACIS, CCH
Chairman



Mr. Ramesh Persaud
MBA, FCCA



Mr. Ramsay Ali
AA, BSc.



Dr. Ian McDonald
AA, MA (Cantab), FRSL



Mr. James Morgan
FLMI, ACS



Major General Joseph G Singh
MSS, MSc, FCMI, FRGS (Ret.)



Dr. Steve Surujbally
A.A., BVSc., MVSc.,
Dr. Med. Vet.



Mrs. Amanda Richards
MS, AICB



Floyd Scott
MSc



Dr. Natasha Gaskin-Peters
BSc., MSc., Ph.D.



Mr. Vasudeo Singh
FCCA, EMBA

Report from the Chairman

For the Year Ended December 31, 2025



“Inclusive financing continues to drive sustainable economic participation nationwide.”

I am pleased to present the 2025 Annual Report of the Institute of Private Enterprise Development Ltd. (IPED). The year was one of consolidation, disciplined growth, and institutional strengthening. In a rapidly evolving economic environment, IPED remained focused on its core mandate of supporting micro and small enterprises, promoting financial inclusion, and contributing to sustainable economic development across Guyana.

Guyana's economy continued to expand in 2025, driven by sustained activity in the oil and gas sector alongside continued growth in construction, agriculture, transportation, manufacturing, and services. The economy is estimated to have grown by 19.3%, while the non-oil economy is estimated to have grown by 14.3%. These developments created new business opportunities, but they also introduced challenges for small enterprises, including rising costs, increased competition, and the need for improved financial management. Against this backdrop, IPED's role in providing affordable, well-structured financing and institutional support remained critical.

During the year, the Board of Directors maintained close oversight of the organisation's strategic direction, governance standards, and financial sustainability. Particular attention was given to portfolio quality, interest rate affordability, risk management, and the continued modernisation of systems and processes to improve efficiency and accountability.

Key Achievements in 2025

The following were among the key achievements for the year:

- **Strong Portfolio Management:** IPED maintained a high-quality loan portfolio, with Portfolio at Risk (PAR) at approximately 3%, reflecting effective credit assessment, monitoring, and collections management.
- **Improved Affordability:** Interest rates on Micro and Small loans were further reduced, reinforcing IPED's commitment to easing the cost of borrowing for entrepreneurs.
- **Expanded Outreach:** New and recommenced lending operations in Soesdyke, Kwakwani, Ituni, and

Aroaima, improved access to financing for hinterland and riverain communities.

- **Product Enhancement:** Loan ceilings were increased across several categories, including Micro, Small, Youth, and the introduction of the Small Plus product, ensuring financing remained aligned with business growth needs.
- **Institutional Readiness for Growth:** All legal and institutional requirements for the IDB Invest financing facility were completed, positioning IPED to access longer-term funding to support future expansion.
- **Operational Efficiency and Sustainability:** Continued digitisation, MIS integration of hinterland branches, and investment in renewable energy at Head Office contributed to improved efficiency and cost management while enhancing customer service.

Governance and Stewardship

The Board remained committed to strong governance, prudent financial management, and preservation of IPED's developmental mandate. Throughout 2025, the organisation continued to strengthen compliance frameworks, internal controls, and reporting systems, ensuring transparency and accountability in the use of resources entrusted to the institution.

Looking Ahead

As IPED moves forward, the Board's priorities will include:

- Expanding access to finance for underserved communities and emerging sectors.
- Strengthening business advisory and capacity-building support alongside lending.
- Advancing digital transformation to enhance productivity and service delivery.
- Supporting environmentally sustainable financing initiatives in line with national priorities.

Acknowledgement

On behalf of the Board of Directors, I express sincere appreciation to my fellow Directors for their voluntary service, guidance, and commitment throughout the year. I also commend the management team and staff for their professionalism and dedication, and our clients and partners for their continued trust and cooperation. Together, we remain committed to advancing economic empowerment and inclusive development across Guyana.

Komal Samaroo
Chairman

Report from the Chief Executive Officer

For the Year Ended December 31, 2025



Key Financial and Operational Metrics

In 2025, IPED processed 4,957 loans valued at \$5,729M, compared to 5,102 loans valued at \$5,058M in 2024. This reflects a decrease of 145 loans (3%) alongside growth of \$671M (13%) in loan value.

As of December 31, 2025, IPED served 5,050 small and micro enterprises, with gross loans outstanding of \$5,222M. Non-performing loans (NPLs) stood at \$44M (1%), down from \$69M (2%) in 2024, underscoring improved credit risk management.

IPED's total assets at the end of 2025 reached \$6,826M, an increase of \$653M (10.6%) from \$6,173M in 2024. These assets were financed by an accumulated surplus of \$5,239M and liabilities of \$1,753M, compared with a surplus of \$4,763M and liabilities of \$1,410M in 2024.

The year 2025 represented a period of consolidation and continued progress for the Institute of Private Enterprise Development Ltd. (IPED). Amidst operating in a dynamic and evolving economic environment, the company recorded solid operational and financial performance, while strengthening its systems, products, and stakeholder engagement. Our continued focus on financial inclusion and enterprise development has reinforced IPED's role as a key institution supporting micro and small businesses across Guyana.

Key Performance Highlights

As at December 31	2023	2024	2025
Loans Portfolio Data			
Number of Clients	4,631	4,786	5,050
Number of loans Disbursed	4,881	5,102	4,957
Value of Loans Disbursed	4,283	5,058	5,729
Number of Loans	4,750	4,899	5,182
Gross Loan portfolio (\$M)	4,156	4,540	5,222
Value of Par (\$M)	372	173	169
% of PAR	9.0%	3.8%	3.2%
Income Statement Data			
Total Income (\$M)	952	1,045	1,189
Total Expenses(\$M)	711	705	745
Operational Surplus (\$M)	241	340	444
Balance Sheet Data			
Total Assets(\$M)	5,598	6,173	6,826
Equity (\$M)	4,386	4,763	5,239
Liabilities (\$M)	1,213	1,410	1,753
Returned on Assets	4.3%	5.8%	6.7%
Return on Equity	5.6%	7.8%	9.3%

Non-Financial Achievements

1. Business Training and Capacity Building

- Continued delivery of business and financial literacy training programmes for entrepreneurs and small business owners.
- Strengthened staff onboarding and internal capacity through the use of digital training tools and structured learning resources.

2. Strategic Partnerships and Development

- Maintained and expanded collaborations with local, regional, and international partners to support financing, training, and institutional development initiatives.
- Continued engagement with development partners to explore funding and technical assistance opportunities aligned with IPED's mandate.

3. Community Outreach and Market Expansion

- Expanded outreach to underserved and developing communities, improving access to finance for entrepreneurs in both coastal and hinterland regions.
- Introduced and promoted targeted loan products designed to meet the needs of migrant entrepreneurs and technically skilled business owners.

on balancing growth with sustainability, while ensuring that small businesses have access to affordable financing and institutional support.

Looking ahead, the organisation will continue to prioritise:

- Deepening client engagement through training, advisory services, and business support.
- Expanding access to finance for underserved and emerging business segments.
- Strengthening digital systems to enhance efficiency, transparency, and service delivery.
- Advancing green financing initiatives to support environmentally sustainable business practices.

I extend my sincere appreciation to the Board of Directors for their guidance and oversight, to the management team and staff for their dedication and professionalism, and to our clients and partners for their continued trust and cooperation. I am confident that IPED will continue to grow and make a meaningful contribution to entrepreneurship and economic development across Guyana.

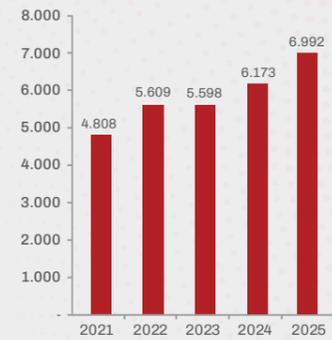
Jagdish Haripershad
Chief Executive Officer

Conclusion & Future Outlook for 2026

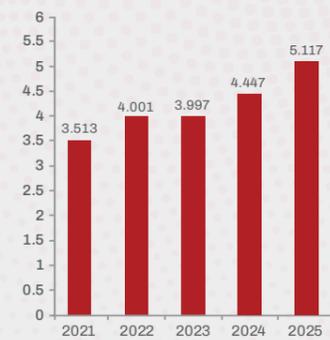
IPED's performance in 2025 reflects the organisation's resilience, disciplined management, and commitment to continuous improvement. As the economic landscape continues to evolve, IPED remains focused

Financial Summary

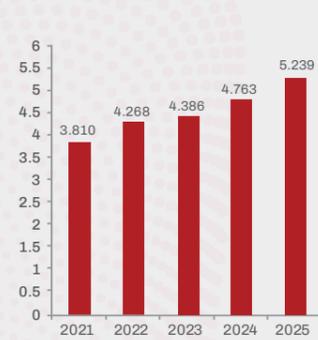
TOTAL ASSETS (\$BILLIONS)



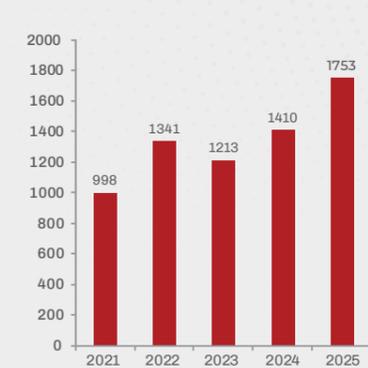
NET LOANS VALUE (\$BILLIONS)



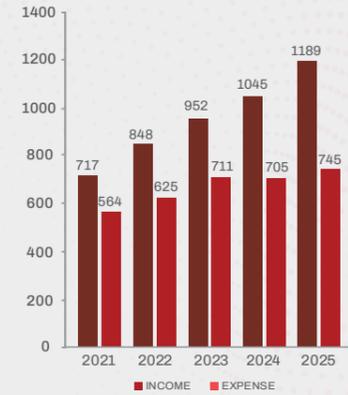
EQUITY (\$BILLIONS)



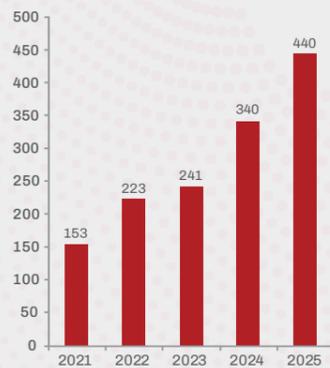
TOTAL LIABILITIES (\$MILLIONS)



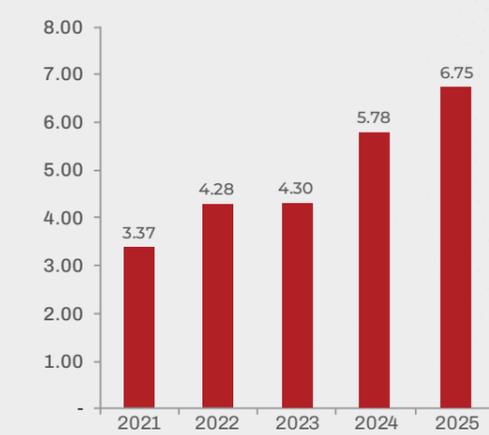
INCOME/ EXPENSE (\$MILLIONS)



SURPLUS (\$MILLIONS)

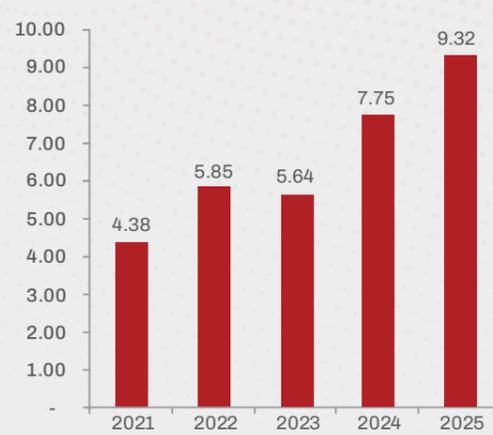


RETURN ON ASSETS (%)



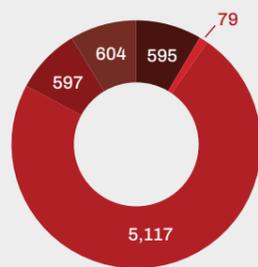
Return on Assets = Surplus/Total Assets

RETURN ON EQUITY (%)

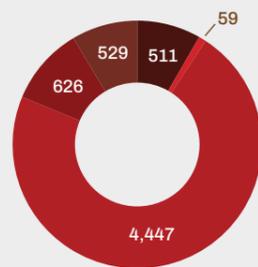


Return on Assets = Surplus/Total Assets

TOTAL ASSETS (\$MILLIONS) 2025

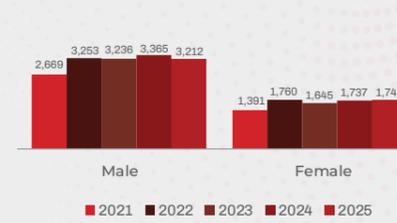


TOTAL ASSETS (\$MILLIONS) 2024

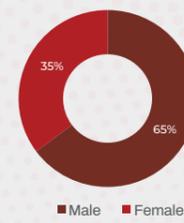


- SHORT TERM INVESTMENT
- CASH AT BANK
- LOANS RECEIVABLE
- OTHER
- PROPERTY, PLANT AND EQUIPMENT

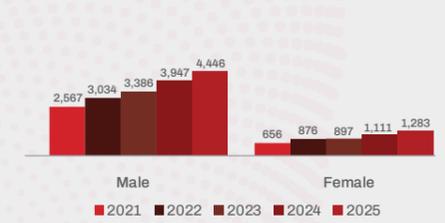
NUMBER OF LOANS BY GENDER



2025



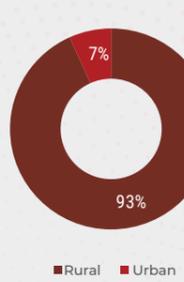
VALUE OF LOANS BY GENDER (\$MILLIONS)



NUMBER OF LOANS BY GEOGRAPHICAL AREA



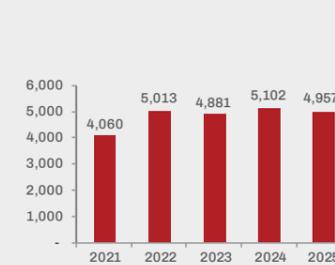
2024



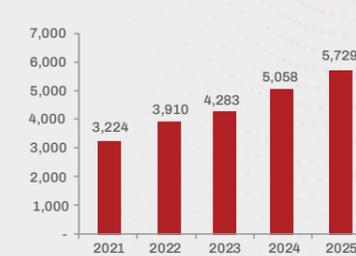
VALUE OF LOANS BY GEOGRAPHICAL AREA (\$MILLIONS)



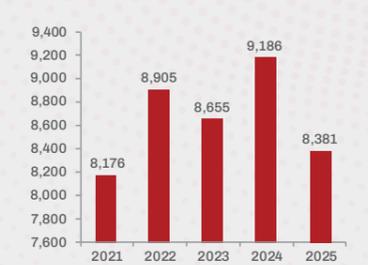
NUMBER OF LOANS GRANTED



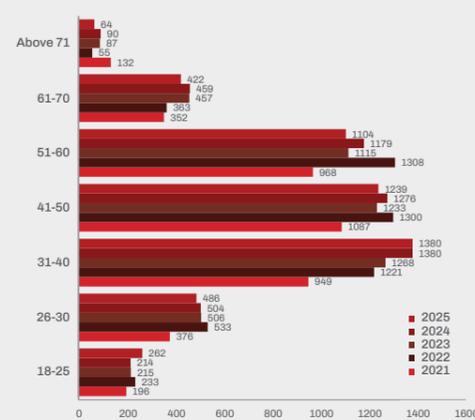
VALUE OF LOANS DISBURSED (\$MILLIONS)



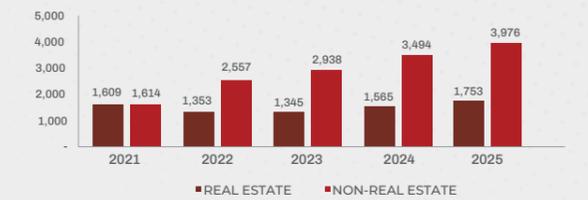
NUMBER OF JOBS CREATED/SUSTAINED



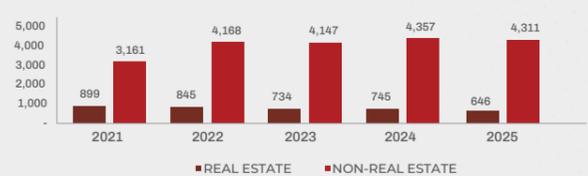
NUMBER OF LOANS BY AGE



VALUE OF LOANS BY COLLATERAL TYPE (\$MILLIONS)



NUMBER OF LOANS BY COLLATERAL TYPE



Staff Awards

		DATE OF EMPLOYMENT
5 -YEARS-	Annasha Baldbad	13 th January, 2020
	Lalita Badley	1 st October, 2020
	Rabina Kayum	15 th January, 2020
10 -YEARS-	Danika Waddell	10 th August, 2015
15 -YEARS-	Althea King	8 th July, 2010
	Elizabeth Bankay	15 th November, 2010
	Ryan Ramsaroop	8 th March, 2010
	Ragunandan Pancham	8 th November, 2010
20 -YEARS-	Brindaban Ramasar	15 th September, 2005
25 -YEARS-	Rosell Forde	20 th January, 2000
30 -YEARS-	Shaun Persaud	9 th October, 1995



“ Starting and running a business is as much about the **innovation, drive, and determination of the people who do it**, as it is about the product that they sell. ”

– Elon Musk

Management Team



Mr Jagdesh Haripershad
Chief Executive Officer



Mr Dhanpall Birbal
Credit Manager



Ms Sherrie Hewitt - Robin
Company Secretary
Legal Manager



Mr Robert Williams
Business Development &
Marketing Manager



Mr Ganeshram Misir
Chief Internal Auditor



**Ms Tshanna Betton -
Haynes Dainty**
Finance Manager



Mr Maheepa Ramballie
Branch Manager
Cotton Field, Essequibo



Mr Barry Singh
Branch Manager
Charity / Port Kaituma /
Mabaruma



Mr Devendra Lakhram
Branch Manager
Parika / Vreed en Hoop /
Bartica



Ms Amanda Gonsalves
Assistant Business
Development & Marketing
Manager

Management Team



Mr Kareem Rodney
Branch Manager
Bush Lot , West Coast
Berbice



Ms Kenesha Smith
Branch Manager
East Bank Branch



Ms Tricia Berkley
Audit Supervisor



Ms Juanita Critchlow
Assistant Legal Manager/
Assistant Company Secretary



Ms Vaneta Ramalho
Branch Manager
East Berbice



Ms Dinesha Jones
Officer-in-Charge
Human Resources



Mr Avinash Ramkirath
Project Manager/Assistant
Finance Manager



Mr Kaimlall Chattergoon
Assistant Credit Manager



Mr Ragunandan Pancham
Officer-in-Charge
Corriverton



Mr Brindaban Ramasar
Senior Business Counsellor
Vreed-en-Hoop



Mr Alanzo DeCambra
Manager
East Coast/Lusignan Branch

Client Awards 2025



BEST MICRO ENTERPRISE:

Nandkrishna Persaud
North Section Canal #2, West Bank Demerara
Cash Crops



BEST SMALL ENTERPRISE:

Vashney Ferreira
Moruca, Region #1
Variety & Haberdshery



BEST WOMAN ENTREPRENEUR:

Heather Cush
Pln. Profit, West Coast Berbice
Poultry Broilers



BEST YOUTH ENTERPRISE:

Roland Grant
Peters Street, Parika, East Bank Essequibo
Crops



BEST AGRICULTURAL ENTERPRISE:

Stanley Macaulay Singh
Johanna South, Black Bush Polder
Rice Cultivation

Loan Statistics

LOAN STATISTICS							
ECONOMIC SECTOR	2025	2024	2023	2022	2021	2020	2019
Fishing	40	62	36	53	54	45	35
Hospitality Food Beverage	134	163	145	193	151	140	229
Livestock	180	181	139	141	115	79	99
Logging And Lumber	26	25	20	18	16	19	24
Manufacturing	217	202	171	151	123	112	133
Other Crops	407	413	385	401	349	226	283
Others	105	168	126	156	115	91	94
Poultry	464	543	588	539	342	242	243
Retail Trade	1,346	1,368	1,181	1,346	1,171	879	1,187
Rice	1,236	1,379	1,429	1,389	1,144	828	1,252
Services	306	197	294	327	223	195	281
Transportation	496	401	367	299	257	198	269
TOTAL	4,957	5,102	4,881	5,013	4,060	3,054	4,129

CLASSIFICATION OF LOAN RECEIPTS							
CUMMULATIVE	2025	2024	2023	2022	2021	2020	2019
Men	3,212	3,365	3,236	3,253	2,669	2,685	2,763
Women	1,745	1,737	1,645	1,760	1,391	1,444	1,328
Joint - Men & Women	-	-	-	-	-	-	-
TOTAL	4,957	5,102	4,881	5,013	4,060	4,129	4,091

ADMINISTRATIVE ANALYSIS							
SUMMARY OF RESULT OF ACTIVITIES	2025	2024	2023	2022	2021	2020	2019
No. of Loans Granted	4,957	5,102	4,881	5,013	4,060	4,129	4,091
Value of Loans Approved	5,729,011	5,058,248	4,283,075	3,909,979	3,223,541	2,968,451	2,663,138
No. of Jobs Created/Sustained	8,381	9,186	8,655	8,905	8,176	8,617	8,627
Average Loan Size	1,156	991	877	780	794	719.0	651.0
Administrative Cost Per Loan	135,340	121,432	117,455	107,825	126,094	116,096	109,144
Average No. of Jobs Per Loan	2	2	2	2	2	2.0	2.1
Loan Value Per Job	684	551	495	439	394	344	309

Report of the Directors

The Directors have pleasure in submitting this Report and Audited Financial Statements for the year ended December 31, 2025.

PRINCIPAL ACTIVITIES

The Institute of Small Enterprise Development was incorporated on October 2, 1985, as a company limited by guarantee under the Companies Act Cap 89:01 and continued under the Companies Act 1991. It is a non-profit and tax-exempt organisation, formed to promote and encourage the development and growth of industry through the provision of business guidance, technical assistance, non-traditional credit facilities, among other services, to micro and small business entrepreneurs or to groups, as well as to generally promote and encourage the development and growth of all other economic activities designed to improve the social and economic welfare of the people of Guyana. The entity's name was changed to the Institute of Private Enterprise Development with effect from September 10, 1991.

On August 14, 1986, the Institute was prescribed as an Organisation of National Character in Guyana under section 35(1) of the Income Tax Act Cap 81:01.

PERFORMANCE FOR THE YEAR

The year 2025 saw the achievement of significant milestones and unprecedented success in the overall performance of the Institute, as renewed focus was placed on superb customer service, efficiency of operations and intensified efforts to engage all micro and small entrepreneurs who would have expressed interest in the Institute's services. The expansion of a robust social

media and radio marketing campaign through the Business Development & Marketing Department helped the Institute to build new momentum and reach more potential clients than ever before.

In the year 2025, the Institute disbursed a total of 4,957 Loans valued at \$5.729 billion compared to 5,102 loans valued at \$5.058 billion in 2024. The loans created/sustained 8,381 jobs.

Income totalled \$1.189 billion and expenditure \$745 million resulting in an operating surplus of \$444 million for the year 2025, compared to \$340 million in the year 2024.

APPLICATION OF SURPLUS

Net surplus for the year 2025 of \$471 million was transferred to the accumulated surplus which totalled \$5.239 billion at the end of 2025.

CREDIT PROGRAMMES

In the year 2025, the Institute operated five Loan Windows:

1. Youth Loan Facility: to meet the needs of young entrepreneurs between the ages of 18 and 25 years.
2. Micro Loan Window: to meet the needs of micro business entrepreneurs.
3. Small Loan Window: to meet the needs of small business entrepreneurs.
4. Medium Loan Window: to meet the needs of existing medium business entrepreneurs but is being phased out.
5. Technical Skills-Based Window: to meet the needs of entrepreneurs with technical skills certification.

ENTREPRENEURIAL DEVELOPMENT

The Business Development and Marketing Department of the Institute continued its work in 2025. The Department facilitated training, and development opportunities in collaboration with National Agriculture & Extension Institute (NAREI), Guyana Livestock Development Agency (GLDA), National Insurance Scheme (NIS), Guyana Revenue Authority (GRA), Small Business Bureau (SBB) and the newly launched World Trade Centre Georgetown (WTCG), which were intended to build client capacity, provide networking opportunities and enhance their chances of success. The Department also continued their efforts in marketing and enhancing the public image of the Institute, networking and youth engagement through the secondary and technical schools. The Department also continued the expansion of the Institute's virtual training library with the completion of training videos for clients which are shown on televisions installed at all branches. It has also launched marketing campaigns for the new finance products including the Invoice Financing Loan and Revitalisation Loan, which aim to provide services to tier three contractors servicing the oil and gas industry and micro and small entrepreneurs with viable projects which require a fresh injection of capital to be successful. The Department engaged in enhanced networking and signed Memoranda of Understanding with key institutions such as the Women's Innovation and Investment Network (WIIN), New Amsterdam Technical Institute (NATI) and the Carnegie School of Home Economics for future collaboration.

BOARD OF DIRECTORS

In 2025 there were 11 Directors on the Board, namely:

1. Mr Komal Samaroo
2. Dr Ian McDonald
3. Mr James Morgan
4. Mrs Amanda Richards
5. Mr Ramsay Ali
6. Major General (Retired) Joseph G. Singh
7. Dr Steve Surujbally
8. Mr Ramesh Persaud
9. Mr Floyd Scott
10. Dr Natasha Gaskin-Peters
11. Mr Vasudeo Singh

Pursuant to the Institute's By-laws, the following Directors retire by rotation and are eligible for re-election:

1. Mr Komal Samaroo
2. Mr James Morgan
3. Mr Floyd Scott

AUDITORS

The retiring Auditors, Messrs TSD LAL & CO., have intimated their willingness to be re-appointed.

“DREAM
BIG.
START
SMALL.
But most
of all,
START.”

-Simon sinek

Independent Auditor's Report

To The Members Of
Institute Of Private Enterprise Development On
The Financial Statements For The Year Ended December 31 2025

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Institute of Private Enterprise Development Limited (the Institute), which comprise the statement of financial position as at December 31, 2025, the statement of income, statement of other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies as set out on pages 25 to 55.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Institute as at December 31, 2025, its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Institute in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Guyana, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information in the Annual Report

Management is responsible for the other information. The other information comprises all the information included in the Institute's 2025 annual report, but does not include the financial statements and our auditor's report thereon. The Institute's 2025 annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Independent Auditor's Report

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Institute or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Institute's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent Auditor's Report

Auditor's Responsibilities for the Audit of the Financial Statements cont'd

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists which related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Institute to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

The financial statements comply with the requirements of the Companies Act.

TSD LAL & CO

TSD LAL & CO.
77 Brickdam,
Stabroek,
Georgetown

January 20, 2026

Statement of Income

FOR THE YEAR ENDED DECEMBER 31, 2025

	Notes	2025 G\$	2024 G\$
Interest income		1,133,655,801	979,672,505
Interest expense		50,585,370	47,775,923
Net interest income		1,083,070,431	931,896,582
Investment income	5	19,801,599	26,515,707
Other income	6	35,659,411	38,877,984
Net interest and other income		1,138,531,441	997,290,273
Employment cost	7a	389,685,091	359,606,187
Impairment	7d	23,395,921	53,643,253
Premises and equipment expenses		73,138,507	61,955,369
Other operating costs		181,569,446	174,936,273
		667,788,965	650,141,082
Surplus of revenue over expenditure	7	470,742,476	347,149,191

"The accompanying notes form an integral part of these financial statements."

Statement of Other Comprehensive Income

FOR THE YEAR ENDED DECEMBER 31, 2025

	Notes	2025 G\$	2024 G\$
Surplus of revenue over expenditure	7	470,742,476	347,149,191
OTHER COMPREHENSIVE INCOME:			
Items that will not be reclassified to surplus or deficit:			
Remeasurement of provision for employee benefits	8	(58,434,000)	45,139,000
Fair value adjustment for equity investments		63,323,354	(14,684,799)
Other comprehensive income		4,889,354	30,454,201
Total comprehensive income for the year		475,631,830	377,603,392

"The accompanying notes form an integral part of these financial statements."

Statement of Changes In Equity

FOR THE YEAR ENDED DECEMBER 31, 2025

	Capital donations G\$	Other reserve G\$	Accumulated surplus G\$	Total G\$
Balance at 1 January 2024	256,497,733	6,804,237	4,122,308,696	4,385,610,666
Changes in Equity				
Surplus for the year	-	-	347,149,191	347,149,191
Remeasurement of provision for employee benefits	-	-	45,139,000	45,139,000
Fair value adjustment for equity investments	-	(14,684,799)	-	(14,684,799)
Total recognised income for the year	-	(14,684,799)	392,288,191	377,603,392
Balance at 31 December 2024	256,497,733	(7,880,562)	4,514,596,887	4,763,214,058
Changes in Equity				
Surplus for the year	-	-	470,742,476	470,742,476
Remeasurement of provision for employee benefits	-	-	(58,434,000)	(58,434,000)
Fair value adjustment for equity investments	-	63,323,354	-	63,323,354
Total recognised income for the year	-	63,323,354	412,308,476	475,631,830
Balance at 31 December 2025	256,497,733	55,442,792	4,926,905,363	5,238,845,888

"The accompanying notes form an integral part of these financial statements."

Statement of Financial Position

AS AT DECEMBER 31, 2025

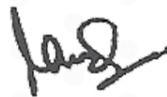
ASSETS	Notes	2025	2024
		G\$	G\$
Cash resources	9	94,948,788	75,192,677
Other assets	14	59,326,576	56,060,949
Investments	10	578,321,356	495,027,885
Loans receivable	11	5,117,262,392	4,447,055,112
Property, plant and equipment	12	603,633,170	528,675,463
Intangible assets	13	262,667	654,776
Defined benefit asset	8	538,111,000	570,057,000
TOTAL ASSETS		6,991,865,949	6,172,723,862
EQUITY AND LIABILITIES			
EQUITY			
Capital donations		256,497,733	256,497,733
Other reserve	15a	55,442,792	(7,880,562)
Accumulated surplus	15b	4,926,905,363	4,514,596,887
		5,238,845,888	4,763,214,058
LIABILITIES			
Loans payable	16	339,617,448	372,926,788
Other liabilities	17	1,413,402,613	1,036,583,016
		1,753,020,061	1,409,509,804
TOTAL EQUITY AND LIABILITIES		6,991,865,949	6,172,723,862

These financial statements were approved by the Board of Directors on January 20, 2026.

On Behalf of the Board



Mr. Komal Samaroo
Chairman



Mr. Ramsay Ali
Director

"The accompanying notes form an integral part of these financial statements."

Statement of Cash Flows

FOR THE YEAR ENDED DECEMBER 31, 2025

	2025	2024
	G\$	G\$
OPERATING ACTIVITIES		
Surplus of revenue over expenditure	470,742,476	347,149,191
Adjustments for:		
Depreciation	49,365,231	41,977,451
Depreciation - Right of Use	8,667,796	7,012,263
Amortisation	392,109	498,984
Impairment allowance	12,122,896	(66,471,357)
Defined benefit expense	(26,488,000)	(23,048,000)
(Gain)/Loss on disposal of property, plant and equipment	(1,480,440)	2,690,281
Interest expense - lease liability	3,346,780	3,174,412
Operating surplus before working capital changes	516,668,848	312,983,225
Movements in:		
Loans receivable	(682,330,176)	(383,630,459)
Other receivables and prepayments	(2,114,229)	(28,297,610)
Inventory	(1,151,398)	(147,319)
Other payables and accruals	158,923,670	164,700,848
Net cash provided by/(used in) operating activities	(10,003,285)	65,608,685
INVESTING ACTIVITIES		
Increase in investment	(19,970,117)	(10,577,975)
Purchase of property, plant and equipment	(122,160,493)	(96,479,972)
Proceeds from sale of property, plant and equipment	1,690,000	1,574,000
Net cash used in investing activities	(140,440,610)	(105,483,947)
FINANCING ACTIVITIES		
Loan repayments	(33,309,340)	(29,626,644)
Lease interest	(3,346,780)	(3,174,412)
Repayment of the lease liabilities	(8,252,220)	(6,295,988)
Net cash used in financing activities	(44,908,340)	(39,097,044)
Net decrease in cash resources	(195,352,235)	(78,972,306)
Cash resources at beginning of period	(541,521,750)	(462,549,444)
Cash resources at end of period	(736,873,985)	(541,521,750)
Comprising		
Bank overdraft (secured)	(831,822,773)	(616,714,427)
Cash resources	94,948,788	75,192,677
(736,873,985)	(541,521,750)	

"The accompanying notes form an integral part of these financial statements."

Notes to the Financial Statements

FOR THE YEAR ENDED DECEMBER 31, 2025

1. Incorporation and activities

The Institute of Private Enterprise Development Limited (IPED) was incorporated on October 2, 1985 as the Institute of Small Enterprise Development Limited, a name that was subsequently changed on September 10, 1991 to reflect the current name. IPED commenced operations on April 1, 1986. The company is established as a not-for-profit organization and its objects are, but not limited to, enterprise development through the provision of business guidance, technical assistance, training and finance to micro and small business entrepreneurs enabling them to build sustainable enterprises.

2. New and amended standards and interpretations

Effective for the current year end

New and Amended Standards

Amendments to IAS 21: Lack of Exchangeability

Effective for annual periods beginning on or after

1 January 2025

This amendment had no impact on the financial statements.

Pronouncements effective in future periods available for early adoption

New and Amended Standards

Amendments to IFRS 9 and IFRS 7

Annual Improvements to IFRS Standards (Volume 11)

IFRS 18: Presentation and Disclosures in Financial Statements

IFRS 19: Subsidiaries without Public Accountability: Disclosures

Effective for annual periods beginning on or after

1 January 2026

1 January 2026

1 January 2027

1 January 2027

The Institute has not opted for early adoption.

None of the foregoing new and amended standards are expected to have a material impact on the financial statements of the Institute.

Notes to the Financial Statements

FOR THE YEAR ENDED DECEMBER 31, 2025

3. Summary of significant accounting policies

(a) Statement of compliance

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of Guyana.

(b) Basis of preparation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at amortised cost and fair value, as explained in the accounting policies below.

(c) Revenue and expense recognition

The Institute has adopted a conservative approach and recognises interest income from loans on a cash basis, whilst expenses have been recognised on an accrual basis.

(d) Foreign currencies

Transactions in currencies other than Guyana dollars are recorded at the rates of exchange prevailing on the dates of the transactions.

At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are retranslated to Guyana dollars at the Cambio rates prevailing on that date or at rates agreed by the Bank of Guyana. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are retranslated at rates prevailing on the date when the fair value was determined. Gains and losses arising on retranslation are recognised as revenue or expenditure for the period, except for exchange differences arising on non-monetary assets and liabilities where changes in fair value are recognised in the statement of other comprehensive income.

(e) Borrowing costs

The Institute's borrowings are for working capital purposes. For this purpose all borrowing costs are expensed in the period in which they are incurred.

(f) Defined benefit plan

The Institute participates in a multi-employer defined benefit plan (Demerara Distillers Limited Pension Plan) for its employees. The cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting period (stated in note 8). The future payments of employee benefits may differ from the estimated amounts due to deviations from assumptions used.

(g) Taxation

The Institute being recognised as an organization of national character in Guyana has been granted tax exempt status under the Income Tax Act. This was passed via regulation no. 7 of 1986 of the Income Tax Act on August 14, 1986 by the Minister of Finance. As such taxation and deferred tax are not considered in the preparation of these financial statements.

(h) Property, plant and equipment

- (i) Property, plant and equipment are held for use in the supply of services and for administrative purposes and are stated in the statement of financial position at cost less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation of property, plant and equipment is calculated on the straight line method at rates sufficient to write off the cost or valuation of these assets to their residual values over their estimated useful lives as follows:

Building	-	2%
Office furniture	-	15%
Fixtures and fittings	-	15%
Office machinery	-	20%
Motor vehicles	-	25%
Computers and hardware	-	50%
Right of use asset - land leases	-	2%
Right of use asset - properties	-	10% - 20%

Notes to the Financial Statements

FOR THE YEAR ENDED DECEMBER 31, 2025

3. Summary of significant accounting policies cont'd

(h) Property, plant and equipment cont'd

(ii) Leases

The Institute assesses whether a contract is or contains a lease, at inception of the contract. The Institute recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value. For these leases, the Institute recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Institute uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the Institute under residual value guarantees;
- The exercise price of purchase options, if the Institute is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented under other liabilities in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Institute remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Institute expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

Notes to the Financial Statements

FOR THE YEAR ENDED DECEMBER 31, 2025

3. Summary of significant accounting policies cont'd

(h) Property, plant and equipment cont'd

(ii) Leases cont'd

The right-of-use assets are presented as under Property, Plant and Equipment in the statement of financial position.

The Institute applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

(i) Intangible asset

Intangible assets acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight line basis over their useful lives. The estimated useful lives and amortisation method are reviewed at the end of each annual reporting period.

(j) Inventories

Inventories are valued at the lower of cost and net realizable value based on the first-in-first-out method.

(k) Provisions

Provisions are recognised when the Institute has a present obligation (legal or constructive) as a result of a past event, it is probable that the Institute will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(l) Investments

Investments are recognised and derecognised on the trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs. Investment income have been recognised on an accrual basis.

"Investments" are carried at amortised cost and fair value through Other Comprehensive Income. Any gain or loss on these investments is recognised as income or expenditure when the asset is derecognised or impaired.

(m) Financial assets

The Institute classifies its financial assets into the following measurement categories:

- those to be measured subsequently at fair value through other comprehensive income (FVTOCI), and
- those to be measured at amortised cost.

Financial assets are classified and measured at fair value through other comprehensive income if they are held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as fair value through profit or loss):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes to the Financial Statements

FOR THE YEAR ENDED DECEMBER 31, 2025

3. Summary of significant accounting policies cont'd

(m) Financial assets cont'd

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Institute's loan receivables, investments, other receivables and cash and cash equivalents fall into this category of financial instruments.

(n) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts the estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest basis for bond investments only.

(o) Loans receivable

Loans to customers that have fixed or determinable payments and which are not quoted in an active market, are classified as loans receivable. Loans receivable are measured at amortised cost using the effective interest method, less any impairment.

Loans receivable are recognised when cash is advanced to borrowers and are derecognised when borrowers repay their obligations or when written off.

(p) Impairment of financial assets

The Institute will recognise a loss allowance for expected credit losses on the financial assets that are measured at amortised cost at each reporting date. At the reporting date, if the credit risk on a financial asset has not increased significantly since initial recognition, the Institute will measure the loss allowance at an amount equal to 12 month expected credit losses. However, the Institute will measure the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial asset has increased significantly since initial recognition.

The Institute will compare the risk of a default occurring on the financial asset at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition and consider reasonable and supportable information that is indicative of significant increases in credit risk since initial recognition. A financial asset is credit-impaired when one or more events have occurred that have a detrimental impact on the expected future cash flows of the financial asset. It includes observable data that has come to the attention of the Institute about the following events:

1. significant financial difficulty of the borrower;
2. a breach of contract, such as a default or past-due event;
3. the lenders for economic or contractual reasons relating to the borrower's financial difficulty granting the borrower a concession that would not otherwise be considered;
4. it becoming probable that the borrower will enter bankruptcy or other financial reorganization;
5. the disappearance of an active market for the financial asset because of financial difficulties; or
6. the purchase or origination of a financial asset at a deep discount that reflects incurred credit losses.

For certain assets such as loans receivable, the credit risk would be considered as significantly increased since initial recognition when contractual payments are more than 30 days past due.

Notes to the Financial Statements

FOR THE YEAR ENDED DECEMBER 31, 2025

3. Summary of significant accounting policies cont'd

(p) Impairment of financial assets cont'd

The carrying amount of the financial asset is reduced through the use of an allowance account. When a financial asset is determined to be uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the statement of income. In a subsequent period, if the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the financial asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Impairment of tangible assets

At the end of each reporting period, the Institute reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Institute estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

(q) Derecognition of financial assets

The Institute derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Institute neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Institute recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Institute retains substantially all the risks and rewards of ownership of a transferred financial asset, the Institute continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.

(r) Financial liabilities

The Institute's financial liabilities are classified as financial liabilities at amortised cost.

(s) Classification as a debt or equity instrument

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate, a shorter period.

The Institute derecognises financial liabilities when the Institute's obligations are discharged, cancelled or they expire.

(t) Cash resources

Cash resources are held for the purpose of meeting short-term cash commitments rather than investments or other purposes. These are readily convertible to known amounts of cash, with maturity dates of three (3) months or less.

(u) Business reporting divisions

A business segment is a component of an entity that is engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or a service within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

The Institute's operations are considered a single business unit.

Notes to the Financial Statements

FOR THE YEAR ENDED DECEMBER 31, 2025

4. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Institute's accounting policies, which are described in note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the financial statements:

- i) Impairment losses on loans receivable
On a regular basis, management reviews receivables to assess impairment. Based on information available certain judgements are made that reflect the Institute's assessment of several critical factors that can influence future cash flows.
- ii) Useful lives of property, equipment and intangible assets
Management reviews the estimated useful lives of property, equipment and intangible assets at the end of each year to determine whether the useful lives of property, plant and equipment and intangible assets should remain the same.
- iii) Defined benefit asset
The provisions for defined benefit asset are determined by the actuary based on data provided by management. The computation of the provisions by the actuary assumes that the data provided is not materially misstated.
- iv) Impairment of Financial Assets
Management makes judgement at the end of each reporting period to determine whether financial assets are impaired. Financial assets are impaired when the carrying value is greater than the recoverable amount and there is objective evidence of impairment.

5. INVESTMENT INCOME

Cash resources
Investments - bonds

	2025	2024
	G\$	G\$
	91,341	97,214
	19,710,258	26,418,493
	<u>19,801,599</u>	<u>26,515,707</u>

6. OTHER INCOME

Recoveries on loans previously written off
Others

	12,060,997	12,475,339
	23,598,414	26,402,645
	<u>35,659,411</u>	<u>38,877,984</u>

7. SURPLUS OF REVENUE OVER EXPENDITURE

After charging:

Depreciation and amortisation
Employment cost (a)
Auditors' remuneration (b)
Impairment (d)

	470,742,476	347,149,191
	49,757,340	49,488,698
	389,685,091	359,606,187
	1,075,224	1,024,023
	23,395,921	53,643,253

- (a) Employment cost:
Salaries and wages
Training, welfare and other cost
Pension

	275,319,704	240,459,921
	110,768,909	114,384,166
	3,596,478	4,762,100

Notes to the Financial Statements

FOR THE YEAR ENDED DECEMBER 31, 2025

7. SURPLUS OF REVENUE OVER EXPENDITURE CONT'D

	2025	2024
	G\$	G\$
	<u>389,685,091</u>	<u>359,606,187</u>
(b) Auditor's remuneration/ audit services	1,075,224	1,024,023
(c) Directors' Emoluments No remuneration is paid to directors as all of them serve voluntarily.		
(d) Impairment		
Provision for the year	23,655,781	37,802,734
Increase/(decrease) in Provision for Investments	(259,860)	15,840,519
	<u>23,395,921</u>	<u>53,643,253</u>

8. DEFINED BENEFIT ASSET

The Institute participates in a defined benefit plan (Demerara Distillers Limited Pension Plan) for its employees. The contributions are held in trustee administered funds which are separate from the Institute's resources, 81 (2024 - 84) employees participate in the plan.

During the year, the Institute's contribution to the scheme was G\$30,087,000 (2024 - G\$27,659,000).

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at 31 December 2025 by Bacon Woodrow & de Souza Limited. The present valuation of the defined benefit obligation and the related current service cost were measured at 31 December 2025 using the Projected Unit Credit Method.

	2025	2024
	G\$	G\$
Amounts in the statement of financial position:		
Defined benefit obligation	683,507,000	590,852,000
Fair value of plan assets	(1,221,618,000)	(1,160,909,000)
Net defined benefit asset	<u>538,111,000</u>	<u>570,057,000</u>

Reconciliation of amount recognised in the statement of financial position:

Movement in Present value of defined benefit obligation

Defined benefit obligation at start	590,852,000	630,590,000
Service cost	33,124,000	30,640,000
Interest cost	29,139,000	31,068,000
Members' contributions	11,288,000	10,219,000
Re-measurements		
Experience adjustments	35,451,000	(92,970,000)
Benefits paid	(16,347,000)	(18,695,000)
	<u>683,507,000</u>	<u>590,852,000</u>

Movement in fair value of plan assets

Plan assets at start of year	1,160,909,000	1,132,460,000
Expected return on plan assets	58,664,000	57,097,000
Return on plan assets, excluding interest income	(22,983,000)	(47,831,000)
Company contributions	30,087,000	27,659,000
Members' contributions	11,288,000	10,219,000
Benefits paid	(16,347,000)	(18,695,000)
	<u>1,221,618,000</u>	<u>1,160,909,000</u>

Notes to the Financial Statements

FOR THE YEAR ENDED DECEMBER 31, 2025

8. DEFINED BENEFIT ASSET CONT'D	2025	2024
	G\$	G\$
Asset allocation as at 31 December:		
Guyanese and regionally listed equities	737,409,000	740,746,000
Overseas equities (developed markets)	135,431,000	113,380,000
Regional bonds	9,544,000	15,958,000
Developed market bonds	67,313,000	52,635,000
Emerging market bonds	25,774,000	29,411,000
Cash and cash equivalents	246,147,000	208,779,000
Total	1,221,618,000	1,160,909,000
Expense recognised in statement of income		
Current service cost	33,124,000	30,640,000
Net interest on net defined benefit liability/(asset)	(29,525,000)	(26,029,000)
Net pension cost	3,599,000	4,611,000
Re-measurements recognised in other comprehensive income		
Experience gains	58,434,000	(45,139,000)
Total amount recognised in other comprehensive income	58,434,000	(45,139,000)
Reconciliation of opening and closing statement of financial position		
Defined benefit asset at prior year end	(570,057,000)	(501,870,000)
Net pension cost	3,599,000	4,611,000
Re-measurements recognised in other comprehensive income	58,434,000	(45,139,000)
Contributions paid	(30,087,000)	(27,659,000)
Closing defined benefit asset	(538,111,000)	(570,057,000)

	2025	2024	2023	2022	2021
	G\$	G\$	G\$	G\$	G\$
Experience History					
Defined benefit obligation	683,507,000	590,852,000	630,590,000	514,350,000	439,092,000
Fair value of plan asset	(1,221,618,000)	(1,160,909,000)	(1,132,460,000)	(1,176,250,000)	(848,150,000)
Surplus	(538,111,000)	(570,057,000)	(501,870,000)	(661,900,000)	(409,058,000)
Experience adjustment on plan liabilities	35,451,000	(92,970,000)	66,781,000	35,457,000	35,840,000
Experience adjustment on plan assets	(22,983,000)	(47,831,000)	(123,634,000)	270,510,000	196,355,000

Notes to the Financial Statements

FOR THE YEAR ENDED DECEMBER 31, 2025

8. DEFINED BENEFIT ASSET CONT'D	2025	2024
Summary of Principal assumptions:	Per annum	Per annum
Principal actuarial assumptions used:	%	%
Discount rate	5	5
Rate of salary increases	5	5
Future pension increases	2	2
Life expectancy at age 60 for current pensioner in years		
Male	22.0	22
Female	26.2	26.2
Life expectancy at age 60 for current members age 40 in years		
Male	22.8	22.8
Female	27.1	27.1

Sensitivity Analysis

	1% pa increase \$ million	1% pa increase \$ million
The impact on profit of changes in the assumptions used		
Discount rate	170,967,000	126,586,000
Future salary increases	(43,728,000)	(50,254,000)

An increase of 1 year in the assumed life expectancies shown above would increase the defined benefit obligation at 31 December 2025 by \$13,049,000.

9. CASH RESOURCES	2025	2024
	G\$	G\$
Cash in hand	1,732,889	1,472,692
Cash at banks	93,215,899	73,719,985
	94,948,788	75,192,677

10. INVESTMENTS	2025	2024
(a) Bonds	204,133,776	195,554,427
These are made up as follows:		
Government bonds	79,731,564	71,313,315
Private entity bonds (unsecured)	124,402,212	124,241,112
	204,133,776	195,554,427
(b) Shares	366,984,113	198,571,165
These are made up as follows:		
Exchange Traded Funds	27,074,404	13,804,838
Equity Shares	339,909,709	184,766,327
	366,984,113	198,571,165

Notes to the Financial Statements

FOR THE YEAR ENDED DECEMBER 31, 2025

13. INTANGIBLE ASSETS

	2025 G\$	2024 G\$
Cost		
At 1 January	26,033,799	25,063,887
As at 31 December	26,033,799	26,033,799
Amortisation		
At 1 January	25,379,023	24,880,039
Charges for the year	392,109	498,984
As at 31 December	25,771,132	25,379,023
Net book value:		
As at 31 December	262,667	654,776

The intangible assets represent payments for the development and improvements of the Institute's website and other Management Information System software, this is being amortised over a period of four years.

14. OTHER ASSETS

	2025 G\$	2024 G\$
Prepayments	19,819,567	18,196,577
Inventory	3,613,884	2,462,486
Others	35,893,125	35,401,886
	59,326,576	56,060,949

15. EQUITY

(a) Capital Donations

	2025 G\$	2024 G\$
Donations at 31 December	256,497,733	256,497,733

- (i) Capital donations received were used to extend credit to micro enterprises for the purpose of providing support to increase the productivity and employment generation of the micro enterprise sector. These donations are not repayable to the donor agencies.
- (ii) The Institute currently has 10 Members all of whom have equal voting rights. Members are not entitled to any distribution of surpluses.

(b) Other Reserve

	2025 G\$	2024 G\$
Other reserve at 31 December	55,442,792	(7,880,562)

The other reserve represents the fair value adjustment arising from changes in the fair value of equity investments. This adjustment was recognised through OCI to reflect the Institute's equity investment portfolio's fair value changes that are not realised through profit or loss.

16. LOANS PAYABLE

	Amount Committed	2025 G\$	2024 G\$
(i) IADB	SFR 375,000	1,681,083	2,521,625
(ii) Demerara Bank Limited	GYD 410,000,000	256,385,740	283,287,539
(iii) Demerara Bank Limited	GYD 100,000,000	81,550,625	87,117,624
		339,617,448	372,926,788
Repayments due within one year		32,509,398	30,645,194
Repayments due within two to five years		150,615,913	142,779,739
Repayments due after five years		156,492,137	199,501,855
		307,108,050	342,281,594
		339,617,448	372,926,788

Notes to the Financial Statements

FOR THE YEAR ENDED DECEMBER 31, 2025

16. LOANS PAYABLE CONT'D

- (i) Inter-American Development Bank loan of 375,000 Swiss Francs was fully drawn down as at December 31, 1993. The loan is repayable not later than January 16, 2028 by 60 semi-annual consecutive payments, and as far as possible equal installments beginning on July 16, 1998.

Commission of 1% is payable semi annually on January 16 and July 16 each year beginning 6 months after the disbursements of the loan. The term of the IADB/IPED agreement require that this loan is repayable in Guyana dollars at the rate of exchange agreed by the Bank of Guyana at the date of disbursement.

- (ii) Demerara Bank Limited approved a loan of GYD\$410,000,000 and as of December 31, 2020, GYD\$410,000,000 was fully drawn down. This loan is repayable over 180 equal monthly installments of GYD\$3,460,000 commencing February 7, 2019 and matures on January 7, 2033. Interest accrued at a rate of 6% at the commencement of this contract, however same was amended to 4.5% per annum commencing November 7, 2025.

- (iii) Demerara Bank Limited approved a loan of GYD\$100,000,000 and as of April 19, 2023 GYD\$100,000,000 was fully drawn down. This loan is repayable over 180 equal monthly installments of GYD\$844,000 commencing October 7, 2022 and matures on September 7, 2037. Interest accrued at a rate of 6% at the commencement of this contract, however same was amended to 4.5% per annum commencing November 7, 2025.

The DBL loans and overdraft are secured by Investment Bonds (US\$1,008m), money market account (G\$16.2m) and the following five (5) properties in the name of the Institute (G\$745.3m based on market valuation).

Property at West Half of 254 South Road, Bourda, Georgetown.

Property at East Half of Lot 253 South Road, Bourda, Georgetown.

Property at Area "T" being a portion of Plantation Port Mourant, Corentyne, Berbice.

Property situated at Lot 54 part of front lands of Anna Regina, Cotton Field, Essequibo Coast.

Property situated at Lot 71 part of front lands of Anna Regina, Cotton Field, Essequibo Coast

Property situated at Lot 14 Section 'E', Hydroni, East Bank Essequibo

17. OTHER LIABILITIES

	2025 G\$	2024 G\$
Bank overdraft	831,822,773	616,714,427
Accruals	56,936,267	56,389,234
Collateral improvement scheme (i)	367,689,408	234,482,480
Internal indemnity fund (ii)	15,386,026	13,169,836
Government of Guyana IFAD Project (iii)	41,515,409	41,515,409
Lease payable (iv)	47,527,199	44,739,619
Related Party - GYBT	6,369,770	6,380,256
Miscellaneous	46,155,761	23,191,756
	1,413,402,613	1,036,583,016

- (i) This represents cash collateral held for loans issued and will be refunded when customers repay their loans.

At 1 January	234,482,480	82,763,681
Movement during the year	133,206,928	151,718,799
At 31 December	367,689,408	234,482,480

- (ii) The Institute has an Internal Indemnity Fund for all clients, all risk is absorbed by the Institute through this fund.

- (iii) This is a revolving fund managed on behalf of the Government of Guyana for the Rural Enterprise and Agricultural Development Project, of this G\$0 (2024 - G\$0) is outstanding as loans receivable and the remainder of G\$41,515,409 (2024 - G\$41,515,409) is cash resources available for lending.

Notes to the Financial Statements

FOR THE YEAR ENDED DECEMBER 31, 2025

17. OTHER LIABILITIES CONT'D

(iv) Lease Payable	2025 G\$	2024 G\$
Guyana Lands & Surveys Commission - Lease Payable	17,041,949	17,152,781
Private Individuals - Lease Payable	30,485,250	27,586,838
	<u>47,527,199</u>	<u>44,739,619</u>
Repayments due within one year	11,724,000	10,090,400
Repayments due within two to five years	28,747,000	28,791,200
Repayments due after five years	38,760,000	38,500,000
	<u>67,507,000</u>	<u>67,291,200</u>
Less: Future finance charges		
Due within one year	(2,851,632)	(2,684,383)
Due within two to five years	(6,471,853)	(6,585,604)
Due after five years	(22,380,316)	(23,371,994)
	<u>(31,703,801)</u>	<u>(32,641,981)</u>
Present Value of Lease Obligations	<u>47,527,199</u>	<u>44,739,619</u>

This includes three lease agreements between the Institute of Private Enterprise Development Limited and the Lands and Surveys Commission and nine lease agreements between the Institute and private individuals.

Lot 208, Lethem, Right Bank Takutu River In the Rupununi Savannahs. This is a lease for 50 years and was entered into on November 17, 2014 and has an annual rental (revised in January 2019) of GYD 240,000 payable in advance. This rental is due for revision every 3 years. All other terms and conditions are included in the lease agreement No. A-25501.

Parcel 265, Port Kaituma, Right Bank of the Kaituma River. This is a lease for 50 years and was entered into on October 8, 2014 and has an annual rental (revised in January 2019) of GYD 450,000 payable in advance. This rental is due for revision every 3 years. All other terms and conditions are included in the lease agreement No. A-25491.

Lot 97, Aranaputa Valley, Left Bank Rupununi River. This is a lease for 50 years and was entered into on November 17, 2015 and has an annual rental (revised in January 2019) of GYD 450,000 payable in advance. This rental is due for revision every 3 years. At the end of the lease term, IPED has the option to renew the lease for a further term of 50 years. All other terms and conditions are included in the lease agreement No. A-25125.

Lot 23 Republic Avenue, Linden, Demerara River. This is a lease for 1 year which was renewed on April 1, 2022 and has a monthly rental of GYD 34,200 payable in advance. This rental is due for revision 3 months prior to the expiration of the contract. All other terms and conditions are included in the lease agreement dated April 1, 2022. This lease was terminated December 31, 2024.

Lot 23 Republic Avenue, Linden, Demerara River. This is a lease for 1 year commencing January 1, 2025 and has a monthly rental of GYD 34,200 payable in advance. This rental is due for revision 3 months prior to the expiration of the contract. All other terms and conditions are included in the lease agreement dated January 1, 2025.

Lot 25 Springlands, Corriverton, Corentyne, Berbice. This is a lease for 5 years which was renewed effective on November 1, 2025 and has a monthly rental of GYD 90,000 payable in advance. This rental is due for revision 1 month prior to the expiration of the contract. All other terms and conditions are included in the lease agreement dated October 31, 2025.

Port Kaituma Public Road, Region One. This is a lease for 2 years which was renewed on December 1, 2022 and has a monthly rental of GYD 80,000 payable in advance. This rental is due for revision 2 months prior to the expiration of the contract. All other terms and conditions are included in the lease agreement dated November 30, 2022. The lease was subsequently renewed with effect from December 1, 2024.

Stall #25, Lot 110 Charity Public Road, Essequibo Coast. This is a lease for 1 year which was renewed on July 1, 2022 and has a monthly rental of GYD 45,000 payable in advance. This rental is due for revision at a mutually decided time prior to the expiration of the contract. All other terms and conditions are included in the lease agreement dated July 1, 2022. This lease was terminated December 31, 2024.

Notes to the Financial Statements

FOR THE YEAR ENDED DECEMBER 31, 2025

17. OTHER LIABILITIES CONT'D

Stall #22&23, Lot 110 Charity Public Road, Essequibo Coast. This is a lease for 2 years commencing December 1, 2024 and has a monthly rental of GYD 120,000 payable in advance. This rental is due for revision at a mutually decided time prior to the expiration of the contract. All other terms and conditions are included in the lease agreement dated December 1, 2024.

Lot 161 Lusignan Public Road, East Coast Demerara. This is a lease for 10 years which was entered into on May 1, 2019 and initially had a monthly rental of GYD 175,000 payable in advance, however this has since been revised to GYD 200,000 payable in advance effective February 1, 2025 and GYD 220,000 payable in advance effective February 1, 2028 until the expiration of the contract. All other terms and conditions are included in the lease agreement dated May 1, 2019.

Lethem, Rupununi. This is a lease dating back to October 1, 2003 and has a monthly rental of GYD 30,000 payable in arrears.

Lot "C" Klein Pouderoyen, West Coast Demerara. This is a lease for 5 years commencing September 1, 2022 and has a monthly rental of GYD 140,000 payable in advance. This rental is due for revision 3 months prior to the expiration of the contract. All other terms and conditions are included in the lease agreement dated September 1, 2022.

Market Tarmac, Kumaka Stretch, Mabaruma. This is a lease for 4 years commencing October 28, 2022 and has a monthly rental of GYD 100,000 payable in advance. This rental is due for revision 1 month prior to the expiration of the contract. All other terms and conditions are included in the lease agreement dated November 1, 2022.

Lot 77, Public Road, Soesdyke, East Bank Demerara. This is a lease for 5 years commencing January 1, 2025. It has a monthly rental of GYD 65,000 payable in advance commencing January 1, 2025, GYD 75,000 commencing January 1, 2026 and GYD 85,000 commencing January 1, 2028 until the expiration of the contract. This rental is due for revision 3 months prior to the expiration of the contract. All other terms and conditions are included in the lease agreement dated January 2, 2025.

Refer to note 12 for details of the carrying value of the leased assets.

18. RELATED PARTIES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

Listed below are transactions and balances with related parties:

(i) Compensation for key management personnel

The company's key management personnel were 6 (2024 - 6)

The remuneration paid to key management personnel during the year was as follows:

	2025 G\$	2024 G\$
Short term employee benefits	80,079,882	77,000,993
Post-employment benefits	10,005,939	9,293,150
	<u>90,085,821</u>	<u>86,294,143</u>

(ii) Other information

The following balances and transactions were held with entities which share common chairmanship and directors.

Trust Company Guyana Limited	Investment account	578,321,356	495,027,885
	Interest Income	19,710,258	26,418,493
	Investments fees paid	1,586,805	1,519,854
Demerara Bank Limited	Deposit accounts	33,321,845	31,553,649
	Overdraft	831,822,773	616,714,427
	Interest on overdraft	22,965,236	22,914,450
	Loan	337,936,365	370,405,163
	Loan Repayment	32,468,798	28,786,102
	Interest on loans	19,179,202	22,861,898
Guyana Youth Business Trust.	Payables	6,369,770	6,380,256
Diamond Fire General Insurance	Insurance Payments	12,319,261	12,190,184

Loans to key management personnel

Balance at end of year	<u>2,322,252</u>	<u>3,604,377</u>
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Notes to the Financial Statements

FOR THE YEAR ENDED DECEMBER 31, 2025

19. ANALYSIS OF FINANCIAL ASSETS AND LIABILITIES BY MEASUREMENT BASIS

2025	Financial assets and liabilities at fair value G\$	Financial assets and liabilities at amortised cost G\$	Total G\$
Assets			
Investments	366,984,113	211,337,243	578,321,356
Loans receivable	-	5,117,262,392	5,117,262,392
Other receivables and prepayments	-	55,712,692	55,712,692
Cash resources	-	94,948,788	94,948,788
Total Assets	366,984,113	5,479,261,115	5,846,245,228
Liabilities			
Loans payable	-	339,617,448	339,617,448
Lease payable	-	47,527,199	47,527,199
Other payables	-	477,116,374	477,116,374
Accruals	-	56,936,267	56,936,267
Bank Overdraft (secured)	-	831,822,773	831,822,773
Total Liabilities	-	1,753,020,061	1,753,020,061

2024	Financial assets and liabilities at fair value G\$	Financial assets and liabilities at amortised cost G\$	Total G\$
Assets			
Investments	198,571,165	296,456,720	495,027,885
Loans receivable	-	4,447,055,112	4,447,055,112
Other receivables and prepayments	-	53,598,463	53,598,463
Cash resources	-	75,192,677	75,192,677
Total Assets	198,571,165	4,872,302,972	5,070,874,137
Liabilities			
Loans payable	-	372,926,788	372,926,788
Lease payable	-	44,739,619	44,739,619
Other payables	-	318,739,737	318,739,737
Accruals	-	56,389,234	56,389,234
Bank Overdraft (secured)	-	616,714,427	616,714,427
Total Liabilities	-	1,409,509,804	1,409,509,804

Notes to the Financial Statements

FOR THE YEAR ENDED DECEMBER 31, 2025

20. FINANCIAL RISK MANAGEMENT

20.1 Objectives

Risk is inherent in the Institute's activities but is managed through a process of ongoing identification, measurement and monitoring subject to risk limits and other controls. The process of risk management is critical to the Institute's continued growth and performance. The Institute is exposed to liquidity risk, credit risk, operating risk and market risk.

20.2 Risk Management Structure

The Board of Directors is ultimately responsible for identifying and controlling risks; however, there are separate independent Sub-Committees responsible for managing and monitoring risk.

20.3 Board credit and investment committee

This committee is comprised of six (6) Non-Executive Directors. The committee is responsible for the approval of all credits and investments over limits delegated to management. The committee also reviews the amount, nature, risk characteristics and concentration of the Institute's credit and investment portfolio and ensures appropriate responses to changing conditions.

20.4 Internal audit

Risk management processes throughout the Institute are audited by the internal audit function that examines both the adequacy of the procedures and the Institute's compliance with the procedures. Internal Audit discusses the results of all assessments with management, and reports its findings and recommendations to the Board's Audit Committee.

20.5 Risk measurement and reporting systems

The Institute's risks are measured using methods which reflect the expected loss likely to arise in normal circumstances.

Monitoring and controlling risks is primarily performed based on limits established by the Board. These limits reflect the business strategy and market environment of the Institute as well as the level of risk that the Company is willing to accept, with additional emphasis on selected industries and geographies.

Information compiled from all the business units is examined and processed in order to analyze, control and identify risks early. This information which consists of several reports is presented and explained to the Board of Directors and Board Committees on a monthly basis.

(a) Market risk

The Institute's activities expose it to the financial risks of changes in foreign currency exchange rates and interest rates. The Institute uses interest rate sensitivity and exposure limits to financial instruments to manage its exposure to interest rate and foreign currency risk. There has been no change in the Institute's exposure to market risks or the manner in which it manages these risks.

(i) Interest rate sensitivity analysis.

The sensitivity analysis below have been determined based on the exposure to interest rates for all financial instruments at the end of the reporting period. The analysis is prepared assuming the amounts of the financial instruments at the end of the reporting period was in existence throughout the whole year. A 2.5% increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 2.5% higher/lower and all other variables were held constant, the Institute's surplus for the year ended 31 December 2025 would increase/decrease by G\$31,659,725 (2024: G\$26,620,847).

The Institute's sensitivity to interest rates has increased during the current period mainly due to the increase in borrowings and overdraft.

The Institute's investments are not subject to interest rate sensitivity since they are held to maturity at a fixed rate of interest.

Notes to the Financial Statements

FOR THE YEAR ENDED DECEMBER 31, 2025

20. FINANCIAL RISK MANAGEMENT CONT'D

(a) Market risk cont'd

(ii) Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Institute is exposed to various risks that are associated with the effects in interest rates. This impacts directly on its cash flows.

The Institute's management continually monitors and manages these risks through the use of appropriate tools and implements relevant strategies to hedge against any adverse effects.

		Maturing 31.12.2025						
		Within 1 year			2 to 5 years	Over 5 years	Non-interest bearing	Total
Interest rate range %	On Demand	Due in 3 mths	Due 3 - 12 mths	G\$				
Assets								
Investments	0%-10%	374,187,580	-	-	-	204,133,776	-	578,321,356
Loans receivable	0%-52%	109,148,012	312,518,791	1,197,424,348	3,211,343,010	286,828,231	-	5,117,262,392
Other receivables and prepayments		-	-	-	-	-	55,712,692	55,712,692
Cash resources	0%-2%	93,215,899	-	-	-	-	1,732,889	94,948,788
		<u>576,551,491</u>	<u>312,518,791</u>	<u>1,197,424,348</u>	<u>3,211,343,010</u>	<u>490,962,007</u>	<u>57,445,581</u>	<u>5,846,245,228</u>
Liabilities								
Loans payable	1%-6%	-	-	32,509,398	150,615,913	156,492,137	-	339,617,448
Lease payable	1%-6%	-	-	8,872,368	22,275,147	16,379,684	-	47,527,199
Other payables and accruals		-	-	-	-	-	534,052,641	534,052,641
Bank overdraft (secured)	6%	831,822,773	-	-	-	-	-	831,822,773
		<u>831,822,773</u>	<u>-</u>	<u>41,381,766</u>	<u>172,891,060</u>	<u>172,871,821</u>	<u>534,052,641</u>	<u>1,753,020,061</u>
Interest Sensitivity Gap		<u>(255,271,282)</u>	<u>312,518,791</u>	<u>1,156,042,582</u>	<u>3,038,451,950</u>	<u>318,090,186</u>	<u>(476,607,060)</u>	<u>4,093,225,167</u>

		Maturing 31.12.2024						
		Within 1 year			2 to 5 years	Over 5 years	Non-interest bearing	Total
Interest rate range %	On Demand	Due in 3 mths	Due 3 - 12 mths	G\$				
Assets								
Investments	0%-10%	299,473,458	-	-	-	195,554,427	-	495,027,885
Loans receivable	0%-52%	82,118,088	266,149,762	1,213,533,360	2,597,678,265	287,575,637	-	4,447,055,112
Other receivables and prepayments		-	-	-	-	-	53,598,463	53,598,463
Cash resources	0%-2%	73,719,985	-	-	-	-	1,472,692	75,192,677
		<u>455,311,531</u>	<u>266,149,762</u>	<u>1,213,533,360</u>	<u>2,597,678,265</u>	<u>483,130,064</u>	<u>55,071,155</u>	<u>5,070,874,137</u>
Liabilities								
Loans payable	1%-6%	-	-	30,645,194	142,779,739	199,501,855	-	372,926,788
Lease payable	1%-6%	-	-	7,406,017	22,205,596	15,128,006	-	44,739,619
Other payables and accruals		-	-	-	-	-	375,128,970	375,128,970
Bank overdraft (secured)	6%	616,714,427	-	-	-	-	-	616,714,427
		<u>616,714,427</u>	<u>-</u>	<u>38,051,211</u>	<u>164,985,335</u>	<u>214,629,861</u>	<u>375,128,970</u>	<u>1,409,509,804</u>
Interest Sensitivity Gap		<u>(161,402,896)</u>	<u>266,149,762</u>	<u>1,175,482,149</u>	<u>2,432,692,930</u>	<u>268,500,203</u>	<u>(320,057,815)</u>	<u>3,661,364,333</u>

Notes to the Financial Statements

FOR THE YEAR ENDED DECEMBER 31, 2025

20. FINANCIAL RISK MANAGEMENT CONT'D

(a) Market risk cont'd

(iii) Foreign currency risk

The Institute is exposed to foreign currency risk due to fluctuations in exchange rates on balances that are denominated in foreign currencies.

The financial statements at 31 December include the following assets and liabilities denominated in foreign currencies stated in the Guyana Dollar equivalent.

	2025	2024
	United States dollars G\$	Canadian dollars G\$
Assets	578,320,207	513,957
Net assets	<u>578,320,207</u>	<u>513,957</u>
Assets	495,021,647	537,227
Net assets	<u>495,021,647</u>	<u>537,227</u>

Foreign currency sensitivity analysis

The following table details the company's sensitivity to a 2.5% increase and decrease in the Guyana dollar against balances denominated in foreign currencies.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 2.5% change in foreign currency rates. A positive number indicates an increase in surplus/deficit where foreign currencies strengthens 2.5% against the G\$. For a 2.5% weakening of the foreign currencies against G\$ there would be an equal and opposite impact on the profit, and the balances below would be negative.

	2025 G\$	2024 G\$
Surplus:		
Canadian Dollars	12,849	13,431
United States Dollars	14,458,005	12,245,576

(b) Liquidity risk

Liquidity risk is the risk that the Institute will encounter difficulty in raising funds to meet its commitments associated with financial instruments. The Institute manages its liquidity risk by maintaining an appropriate level of resources in liquid or near liquid form.

The following table shows the distribution of liabilities by maturity:

		Maturing 31.12.2025					
		Within 1 year			2 to 5 years	Over 5 years	Total
Interest rate range %	On Demand	Due in 3 mths	Due 3 - 12 mths	G\$			
Liabilities							
Loans payable	-	-	32,509,398	150,615,913	156,492,137	-	339,617,448
Lease payable	-	-	8,872,368	22,275,147	16,379,684	-	47,527,199
Other payables and accruals	534,052,641	-	-	-	-	-	534,052,641
Bank overdraft (secured)	831,822,773	-	-	-	-	-	831,822,773
	<u>1,365,875,414</u>	<u>-</u>	<u>41,381,766</u>	<u>172,891,060</u>	<u>172,871,821</u>	<u>-</u>	<u>1,753,020,061</u>

Notes to the Financial Statements

FOR THE YEAR ENDED DECEMBER 31, 2025

20. FINANCIAL RISK MANAGEMENT CONT'D (b) Liquidity risk cont'd

	Maturing 31.12.2024					Total G\$
	Within 1 year			2 to 5 years G\$	Over 5 years G\$	
	On Demand G\$	Due in 3 mths G\$	Due 3 - 12 mths G\$			
Liabilities						
Loans payable	-	-	30,645,194	142,779,739	199,501,855	372,926,788
Lease payable	-	-	7,406,017	22,205,596	15,128,006	44,739,619
Other payables and accruals	375,128,970	-	-	-	-	375,128,970
Bank overdraft (secured)	616,714,427	-	-	-	-	616,714,427
	<u>991,843,397</u>	<u>-</u>	<u>38,051,211</u>	<u>164,985,335</u>	<u>214,629,861</u>	<u>1,409,509,804</u>

(c) Credit risk

The table below shows the Institute's maximum exposure to credit risk.

Gross maximum exposure:

	2025 G\$	2024 G\$
Investments	578,321,356	495,027,885
Loans receivable	5,117,262,392	4,447,055,112
Other receivables	35,893,125	35,401,886
Cash resources	93,215,899	73,719,985
Total credit risk exposure	5,824,692,772	5,051,204,868

Where financial instruments are recorded at fair value the amounts shown above represents the current credit risk exposure but not the maximum risk exposure that could arise in the future as a result of changes in values.

Collateral and other enhancements

The Institute maintains credit risk exposure within acceptable parameters through the use of collateral as a risk-mitigation tool for certain types of loans. The amounts and type of collateral required depends on an assessment of the credit risk of the counterparty. Our small loan facility uses mortgages on real estate and Bill of sales on motor vehicles and field equipments while Micro loan facility uses Bill of sales on household assets.

The main types of collateral obtained are cash or securities, charges over real estate properties, inventory and trade receivables and mortgages over residential properties.

Management monitors the market value of collateral, request additional collateral in accordance with the underlying agreement, and monitors the market value of collateral obtained during its review of the adequacy of the allowance for impairment losses.

It is the Institute's policy to dispose of repossessed properties in an orderly fashion. The proceeds are used to repay the outstanding claim. In general, the Institute does not occupy repossessed properties for business use.

Concentration of risk is managed by client/counterparty, by geographical region and by industry sector as detailed in the following:

(i) Geographical sectors

The Institute's maximum credit exposure, after taking account of credit loss provisions established but before taking into account any collateral held and other credit enhancements, can be analysed by the following geographical sectors based on the country of domicile of our counterparties:

	2025 G\$	2024 G\$
Guyana	5,588,539,457	4,733,222,941
Regional	19,199,500	19,100,740
International	216,953,815	298,881,187
	<u>5,824,692,772</u>	<u>5,051,204,868</u>

Notes to the Financial Statements

FOR THE YEAR ENDED DECEMBER 31, 2025

20. FINANCIAL RISK MANAGEMENT CONT'D (c) Credit risk cont'd (ii) Industry sectors

The following table breaks down the institute's maximum credit exposure as categorised by the industry sectors of our counterparties:

	2025 G\$	2024 G\$
Government and government bodies	79,731,564	71,313,315
Financial sector	627,698,816	532,836,441
	<u>707,430,380</u>	<u>604,149,756</u>
Loans Receivable		
Fishing	59,904,401	73,167,153
Hospitality - Food & Beverage	129,816,756	135,759,368
Livestocks	233,358,479	210,621,884
Logging & Lumber	90,411,336	114,039,759
Manufacturing	185,029,400	143,982,599
Other Crops	262,473,304	255,903,950
Others	84,635,816	95,400,122
Poultry	166,363,514	143,377,878
Retail Trade	1,313,725,908	1,200,391,645
Rice	1,141,700,079	1,112,254,967
Services	511,011,678	329,229,926
Transportation	1,043,803,743	725,774,987
	<u>5,222,234,414</u>	<u>4,539,904,238</u>
Gross Loans Receivable		
Less: Allowance for impairment	(104,972,022)	(92,849,126)
	<u>5,117,262,392</u>	<u>4,447,055,112</u>
Net Loans Receivable		
	<u>5,824,692,772</u>	<u>5,051,204,868</u>

Analysis of IFRS 9 expected credit losses by sector:

Facility	2025 G\$	2024 G\$
Fishing	1,105,814	1,369,812
Hospitality - Food & Beverage	5,363,343	4,569,618
Livestocks	6,214,094	4,508,966
Logging & Lumber	971,225	1,130,133
Manufacturing	7,041,312	2,485,351
Other Crops	7,798,109	7,845,630
Others	320,331	290,670
Poultry	10,145,511	8,990,717
Retail Trade	35,564,271	43,173,286
Rice	7,598,647	4,622,991
Services	18,864,196	8,555,347
Transportation	3,985,169	5,306,605
	<u>104,972,022</u>	<u>92,849,126</u>

Notes to the Financial Statements

FOR THE YEAR ENDED DECEMBER 31, 2025

20. FINANCIAL RISK MANAGEMENT CONT'D (c) Credit risk cont'd

Investments-bonds

The debt securities within the Institute's investments security portfolio are exposed to credit risk. The credit quality of each individual security is internally assessed based on the financial strength, reputation and market position of the issuing company and the ability of that company to service the debt. The level of credit risk thus assessed and associated with the security is assigned to a risk premium. These premiums are defined as follows:

Superior:	Government and Government Guaranteed securities and securities secured by a letter of comfort from the Government. These securities are considered risk free.
Desirable:	Corporate securities that are current and being serviced in accordance with the terms and conditions of the underlying agreements. Issuing company has good financial strength and reputation.
Acceptable:	Corporate securities that are current and being serviced in accordance with the terms and conditions of the underlying agreements. Issuing company has fair financial strength and reputation.
Sub-standard:	These securities are either more than 90 days in arrears but are not considered impaired, or have been restructured in the past financial year.

The table below illustrates the credit quality of debt and equity investments as at December 31:

	Superior G\$	Desirable G\$	Acceptable G\$	Sub-standard G\$	Total G\$
Financial Investments: Amortized Cost and Fair Value					
2025	79,731,564	498,589,792	-	-	578,321,356
2024	19,100,740	475,927,145	-	-	495,027,885

Loans receivable

The credit quality of loans receivable and advances is internally determined from an assessment of the counterparty based on a combination of factors. These include the level and strength of experience of management, the track record and level of supervision required for the existing facilities of the company, the financial and leverage position of the borrower, the estimated continued profitability of the borrower and the ability of that borrower to service its debts, the stability of the industry within which the company operates and the competitive advantage held by the borrower in the market. The overall level of risk thus assessed is assigned a credit score which indicates the overall quality of the borrower. The quality of the borrowers are defined as follows:

Superior:	These counterparties have strong financial position. Facilities are well secured, and business has proven track record.
Desirable:	These counterparties have good financial position. Facilities are reasonably secured, and underlying business is performing well.
Acceptable:	These counterparties are of average risk with a fair financial position. Business may be new or industry may be subject to more volatility, and facilities typically have lower levels of security.
Sub-standard:	Past due or individually impaired.

The table below illustrates the credit quality of loans receivable as at December 31:

	Neither past due nor impaired				Total G\$
	Superior G\$	Desirable G\$	Acceptable G\$	Sub-standard G\$	
2025	4,580,700,954	486,897,173	15,845,205	33,819,060	5,117,262,392
2024	3,975,539,433	386,875,924	7,683,328	76,956,427	4,447,055,112

Notes to the Financial Statements

FOR THE YEAR ENDED DECEMBER 31, 2025

20. FINANCIAL RISK MANAGEMENT CONT'D (c) Credit risk cont'd

Loans receivable

2025

Current - stage 1
Past due but not impaired - stage 2
Impaired - stage 3

	Principal G\$	Exposure G\$	Provision G\$
Current - stage 1	4,613,502,239	1,380,429,406	32,801,284
Past due but not impaired - stage 2	541,930,441	200,415,635	39,188,064
Impaired - stage 3	66,801,734	32,982,672	32,982,674
	5,222,234,414	1,613,827,713	104,972,022

2024

Current - stage 1
Past due but not impaired - stage 2
Impaired - stage 3

	Principal G\$	Exposure G\$	Provision G\$
Current - stage 1	4,005,848,959	1,293,344,338	30,309,526
Past due but not impaired - stage 2	432,991,419	171,375,389	38,432,167
Impaired - stage 3	101,063,860	24,107,433	24,107,433
	4,539,904,238	1,488,827,160	92,849,126

Ageing of receivables that are past due but not impaired

2025

1-30 days
31-90 days
91-180 days

	Principal G\$	Exposure G\$	Provision G\$
1-30 days	439,380,977	156,563,708	13,026,735
31-90 days	68,412,023	25,559,691	7,869,093
91-180 days	34,137,441	18,292,236	18,292,236
	541,930,441	200,415,635	39,188,064

Total

	Principal G\$	Exposure G\$	Provision G\$
1-30 days	360,961,992	130,862,521	11,134,836
31-90 days	45,457,771	21,624,538	8,409,003
91-180 days	26,571,656	18,888,330	18,888,328
	432,991,419	171,375,389	38,432,167

While the foregoing is past due they are still considered to be collectible in full.

Ageing of impaired receivables

2025

181-365 days
over 365 days

	Principal G\$	Exposure G\$	Provision G\$
181-365 days	23,245,649	17,010,607	17,010,608
over 365 days	43,556,085	15,972,065	15,972,066
	66,801,734	32,982,672	32,982,674

2024

181-365 days
over 365 days

181-365 days	28,142,673	10,687,209	10,687,209
over 365 days	72,921,187	13,420,224	13,420,224
	101,063,860	24,107,433	24,107,433

Notes to the Financial Statements

FOR THE YEAR ENDED DECEMBER 31, 2025

20. FINANCIAL RISK MANAGEMENT CONT'D

(c) Credit risk cont'd

Cash resources

The credit quality of balances due from other banks is assessed by the bank according to the level of creditworthiness of the institution. The credit quality of these balances has been analysed into the following categories:

Superior: These institutions have been accorded the highest rating, indicating that the institution's capacity to meet its financial commitment on the obligation is extremely strong.

Desirable: These institutions have been accorded the second-highest rating, indicating that the institution's capacity to meet its financial commitment on the obligation is very strong.

Acceptable: These institutions have been accorded the third-highest rating, indicating that the institution's capacity to meet its financial commitment on the obligation is adequate.

The table below illustrates the credit quality of cash resources due from banks as at December 31:

	Superior G\$	Desirable G\$	Acceptable G\$	Total G\$
2025	93,215,899	-	-	93,215,899
2024	73,719,985	-	-	73,719,985

(d) Operational risk

Operational risk is inherent to all business activities and is the potential for financial or reputational loss arising from inadequate or failed internal controls, operational processes or the systems that support them. It includes errors, omission, disasters and deliberate acts such as fraud.

The Institute recognises that such risk can never be entirely eliminated and manages the risk through a combination of systems and procedures to monitor and document transactions. The Institute's operational risk committee oversees this and where appropriate, risk is transferred by the placement of adequate insurance coverage.

21. Fair value of financial instruments

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

IFRS 13 requires fair value of assets and liabilities to be determined based on the following hierarchy:

Level 1- quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Notes to the Financial Statements

FOR THE YEAR ENDED DECEMBER 31, 2025

21. Fair value of financial instruments cont'd

Fair values have been determined as follows:

Assets	IFRS 13 Level	2025		2024	
		Carrying value	Market Value	Carrying value	Market Value
		G\$	G\$	G\$	G\$
Cash resources	1	94,948,788	94,948,788	75,192,677	75,192,677
Investments	2	578,321,356	579,007,014	495,027,885	495,590,343
Loans receivable	3	5,117,262,392	5,117,262,392	4,447,055,112	4,447,055,112
Other assets	3	55,712,692	55,712,692	53,598,463	53,598,463
		<u>5,846,245,228</u>	<u>5,846,930,886</u>	<u>5,071,528,913</u>	<u>5,072,091,371</u>
Liabilities					
Loans payable	2	339,617,448	339,617,448	372,926,788	372,926,788
Other payables and accruals	2	534,052,641	534,052,641	375,128,970	375,128,970
Bank overdraft (secured)	1	831,822,773	831,822,773	616,714,427	616,714,427
		<u>1,705,492,862</u>	<u>1,705,492,862</u>	<u>1,364,770,185</u>	<u>1,364,770,185</u>

Valuation techniques and assumptions applied for the purposes of measuring fair value:

The fair value of assets and liabilities were determined as follows:

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets were determined with reference to quoted market prices. Quoted market prices were obtained from independent market.
- The fair value of loans receivables were determined in accordance with the Institute's past experience with delinquent loans and have taken into account probability of defaults.
- Assets and liabilities where the carrying amounts are equal to fair value due to their short-term maturity, the carrying value of certain assets and liabilities approximates their fair value. These include cash resources, other assets, other payables and accruals and bank overdraft.
- Loans and lease payable are fixed by contract and directors estimate there is no difference between the carrying amount and fair value.

22. Pending Litigation

The Institute is a party to several legal actions in relation to loans which are currently before the Court, the outcome of which cannot be determined at this stage.

23. Capital Commitments

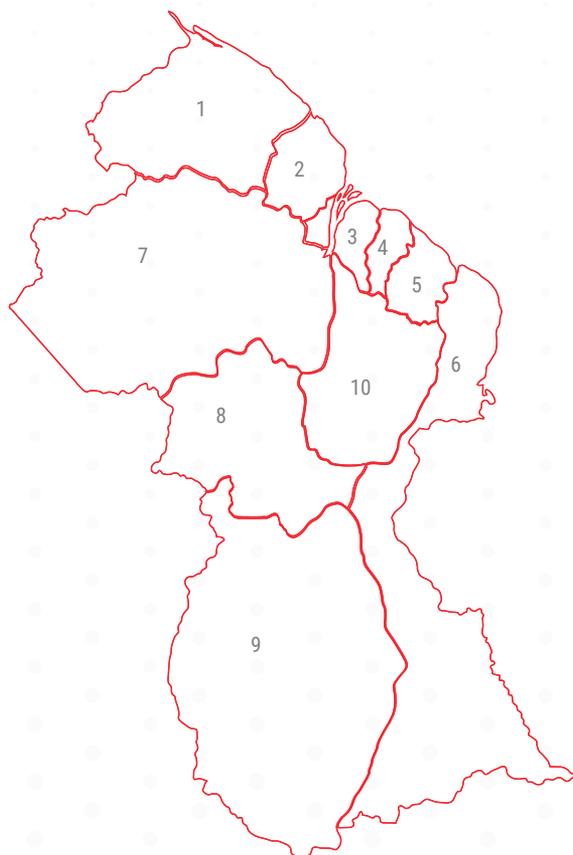
	2025 G\$	2024 G\$
Contracted for but not received	-	38,479,489

24. Approval of Financial Statements

The financial statements were approved by the Board of Directors and authorised for issue on January 20, 2026.

IPED is a not for profit, tax exempt, non-governmental organization recognized as an Institution of national character providing finance and advisory services to micro and small business entrepreneurs in Guyana.

Map of Guyana: Number of Enterprises per Regions



288	1	BARIMA - WAINI
1,218	2	POMEROON - SUPENAAM
632	3	ESSEQUIBO ISLANDS - WEST DEMERARA
894	4	DEMERARA - MAHAICA
1,109	5	MAHAICA - BERBICE
352	6	EAST BERBICE - CORENTYNE
34	7	CUYUNI - MAZARUNI
38	8	POTARO - SIPARUNI
125	9	UPPER TAKUTU - ESSEQUIBO
267	10	UPPER DEMERARA - UPPER BERBICE