

## Heritage makes \$5.4b in 10 months

CARLA BRIDGLAL

THURSDAY 9 JULY 2020



Heritage Petroleum tank farm on the Southern Main Road, Point Fortin. Heritage on Thursday reported earnings of \$5.4 billion and \$1.4 billion in profit in ten months up to September 30, 2019. - Lincoln Holder

Heritage Petroleum Co Ltd earned \$5.4 billion for its first ten months of operation. In its audited financial statements for the period ending September 30, 2019, and published Thursday, the company also turned a \$1.4 billion profit and made no taxation expense. The company also held \$1.16 billion in cash and cash equivalents for the end of the period.

According to the accompanying notes on the financial statements (Note 2), Heritage is owed \$1.47 billion from transactions from related parties (the State and other state enterprises), including

\$48.3 million in VAT refunds. It is also owed \$515 million from parent company TPHL mainly from loan principal repayments, interest obligations and cash advances. It is owed \$900 million from Petrotrin for fees and transactions related to restructuring and asset transfers.

The company does, however, owe Government \$185.7 million in taxes other than income tax (\$23 million) and royalties (\$162 million).

According to Note 16, the revenue breakdown, the company earned \$4.8 billion from crude oil sales; \$329 million from natural gas sales; \$229 million in royalties; and \$11.1 million from natural gas liquids. Note 20 explained that for the period, the company paid \$89.3 million for employee benefit expenses including \$63 million in salary and wage benefits.