



## Summary Financial Statements September 30, 2019

(Presented in thousands of Trinidad and Tobago dollars)

### Chairman's Statement to accompany the Audited Summary Financial Statements As at September 30, 2019

#### Chairman's Report

On behalf of the Board of Directors, I am pleased to present the 2019 Financial Report which represents the first ten (10) months of operations of Paria Fuel Trading Company Limited (PARIA) and demonstrates its thriving success. The Company, from its inception, was entrusted with the mandate to provide an uninterrupted and reliable supply of fuel to the nation as well as build a clientele in the region. In so doing, PARIA has exceeded expectations by generating profit despite the low margins associated with the fuel trading business.

**For the period, PARIA recorded TT\$7.3 billion in revenue and a profit after taxes of TT\$109 million.**

These results have been accomplished whilst ensuring:

- Steady contributions to the Government of Trinidad and Tobago via Tax payments. Tax payments made to date for the period ending September 30, 2019 include VAT payments of TT\$291.9 million and Corporation Taxes and Green Fund Levy payments of TT\$72.6 million,
- Our local market was adequately supplied with fuel. Of the total 13.4 million barrels of product sold, 7.2 million barrels were supplied to the local market for the period ending September 30, 2019,

- The safe export of 11.2m barrels of crude for our sister company Heritage Petroleum Company Limited through Paria's terminal for the period ending September 30, 2019,
- Continuous investment in the asset integrity of our terminalling and port facilities to maintain a safe and efficient supply of fuel to our customers.

As the Company manages the lower demand for fuel due to the Covid-19 restrictions, the Board and Management have been placing greater emphasis on business efficiency and lowering the cost of operations to ensure sustainable profitability.

We acknowledge the expertise and counsel that the past and current Boards of Directors have contributed to the progression of PARIA's business throughout the year. Similarly, my congratulations and thanks to the Management and Staff of PARIA for the hard work and commitment in making these results possible, whilst ensuring that we continue to efficiently and safely deliver fuel to meet our nation's demands.

  
Newman George  
Chairman

### Independent Auditors' Report on the Summary Financial Statements

#### To the Shareholder of Paria Fuel Trading Company Limited

##### Opinion

The summary financial statements, which comprise the summary statement of financial position as at September 30, 2019, the summary statements of comprehensive income, changes in equity and cash flows for the period from December 1, 2018 to September 30, 2019, and related notes, are derived from the audited financial statements of Paria Fuel Trading Company Limited ("the Company") for the period from December 1, 2018 to September 30, 2019.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with the basis described in Note 2.

##### Summary Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary financial statements and our report thereon, therefore, is not a substitute for reading the audited financial statements and our report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to that date of our report on the audited financial statements.

##### The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated June 24, 2020. That report also includes the communication of key audit matters. Key audit matters are those

matters that in our professional judgement, were of most significance in our audit of the financial statements for the current period.

Our report on the audited financial statements also includes an emphasis of matter which indicates that the going concern basis of preparing the financial statements was not used because of the decision taken to discontinue the Company's operations. We draw attention to Note 1(a) of these financial statements which further describes the impact on the Company. Our opinion is not modified in respect of this matter.

##### Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements in accordance with Note 2.

##### Auditors' Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), "Engagements to Report on Summary Financial Statements."

  
Chartered Accountants  
Port of Spain  
Trinidad and Tobago  
June 24, 2020

## Summary Financial Statements September 30, 2019

(Presented in thousands of Trinidad and Tobago dollars)

### SUMMARY STATEMENT OF FINANCIAL POSITION (Presented in thousands of Trinidad and Tobago dollars)

	As at 30 September 2019 \$
<b>Assets</b>	
<b>Current Assets</b>	
Trade and other receivables	393,483
Due from related parties	691,364
Cash and cash equivalents	486,555
Deferred tax assets	36,753
Assets classified as held for sale	1,740,189
<b>Total assets</b>	<b>3,348,344</b>
<b>Equity attributable to owners of the parent</b>	
<b>Capital and reserves</b>	
Share Capital	--
Retained earnings	109,291
Currency translation differences	7,180
<b>Total equity</b>	<b>116,471</b>
<b>Current liabilities</b>	
Trade and other payables	564,247
Current tax liabilities	83,711
Due to related parties	1,865,864
Deferred tax liability	36,753
Liabilities directly associated with assets classified as held for sale	681,298
<b>Total liabilities</b>	<b>3,231,873</b>
<b>Total equity and liabilities</b>	<b>3,348,344</b>

### SUMMARY STATEMENT OF COMPREHENSIVE INCOME (Presented in thousands of Trinidad and Tobago dollars)

	Ten months ended 30 September 2019 \$
<b>Discontinued operations</b>	
Revenue	7,280,671
Cost of sales	(6,938,355)
<b>Gross profit</b>	<b>342,316</b>
Other operating income	98,997
	<b>441,313</b>
Administrative expenses	(115,204)
Operating expenses	(103,890)
<b>Total expenses</b>	<b>(219,094)</b>
<b>Operating profit</b>	<b>222,219</b>
Net finance costs	(29,217)
<b>Profit before income tax</b>	<b>193,002</b>
<b>Income tax expense</b>	<b>(83,711)</b>
<b>Profit for the period</b>	<b>109,291</b>
<b>Other comprehensive income</b>	
Items that would not be reclassified to profit or loss	
Currency translation differences	7,180
<b>Total comprehensive income for the period</b>	<b>116,471</b>

On June 24, 2020 the Board of Directors of Paria Fuel Trading Company Limited authorised these summary financial statements for issue.

*Newman K. George*  
Director

*Justin Neri*  
Director

### SUMMARY STATEMENT OF CHANGES IN EQUITY (Presented in thousands of Trinidad and Tobago dollars)

	Share capital	Retained earnings	Currency translation differences	Total
	\$	\$	\$	\$
<b>Ten months ended September 30, 2019</b>				
Balance at December 1, 2018	--	--	--	--
Total comprehensive profit for the period	--	109,291	--	109,291
Currency translation differences	--	--	7,180	7,180
<b>Balance at September 30, 2019</b>	<b>--</b>	<b>109,291</b>	<b>7,180</b>	<b>116,471</b>

### SUMMARY STATEMENT OF CASH FLOWS (Presented in thousands of Trinidad and Tobago dollars)

	Ten months ended 30 September 2019 \$
<b>Cash flows from operating activities</b>	
Cash generated from discontinued operations	487,710
Income taxes paid	--
<b>Net cash generated from operating activities</b>	<b>487,710</b>
<b>Net cash used in investing activity</b>	<b>(575)</b>
<b>Net cash generated from financing activities</b>	<b>--</b>
Currency translation difference on cash and cash equivalents	(580)
<b>Net increase in cash and cash equivalents</b>	<b>486,555</b>
<b>Cash and cash equivalent, at the beginning of the period</b>	<b>--</b>
<b>Cash and cash equivalent, at the end of the period</b>	<b>486,555</b>



# Summary Financial Statements September 30, 2019

(Presented in thousands of Trinidad and Tobago dollars)

## NOTES TO THE SUMMARY FINANCIAL STATEMENTS

(Presented in thousands of Trinidad and Tobago dollars)

### 1. Corporate Information

Paria Fuel Trading Company Limited ("Paria" or "the Company") was incorporated in the Republic of Trinidad and Tobago on October 5, 2018. Paria is primarily engaged in importation and distribution of refined fuel, petroleum products trading and receiving, handling and preparation of cargo (terminalling). The sole shareholder is Trinidad Petroleum Holdings Limited (TPHL). The ultimate parent is the Government of the Republic of Trinidad and Tobago (GORTT). The registered office is 9 Queen's Park West, Port of Spain, Trinidad and Tobago, West Indies.

The financial statements of Paria has been prepared as at and for the period ended September 30, 2019. The ultimate ownership of Paria is Corporation Sole.

### 2. Basis of presentation

Prior to Paria's formation, its terminalling activities were conducted by a related party, Petroleum Company of Trinidad and Tobago Limited (Petrotrin). Petrotrin undertook a restructuring in 2018 and by virtue of the Miscellaneous Provisions (Heritage Petroleum Company Limited (Heritage), Paria Fuel Trading Company Limited (Paria), Guaracara Refining Company Limited (Guaracara) Vesting) Bill, 2018, ("Vesting Act"); effective December 1, 2018, Petrotrin's assets relative to terminalling operations were vested in Paria. Petrotrin's assets related to exploration and production and refinery operations were vested to Heritage and Guaracara respectively. The associated decommissioning and dismantlement obligations in respect of terminalling, E&P and refining operations were also transferred to the respective entities. As a result of the transfers of assets and liabilities, this gave rise to a corresponding liability to Petrotrin. The carrying amounts of the assets and liabilities were accounted for using the predecessor valuation method because they arose from a common-control transaction.

Management has prepared a full set of financial statements in accordance with International Financial Reporting Standards but has summarized it by disclosing the summary statement of financial position, summary statement of comprehensive income, changes in equity and cash flows for the period ended September 30, 2019 and selected notes to the summary financial statements comprising certain significant accounting policies and other explanatory information. The summary financial statements are presented in thousands of Trinidad and Tobago Dollars.

The summary financial statements have been extracted from the audited financial statements as at and for the period ended September 30, 2019 and do not include the accounting policy disclosures that are contained in the audited financial statements.

The full set of financial statements have been prepared on a non-going concern basis due to the decision taken by the Government of Trinidad and Tobago to offer for sale or lease the terminalling facilities. The bidding process was divided into two stages, with Stage 1 of the bidding process attracting 77 Expressions of Interest. After the evaluation process, a shortlist of five (5) bidders was prepared. At the close of bids on August 20, 2019, three (3) bidders submitted compliant binding offers for the purchase or lease of the terminalling facility. In a media release statement dated September 20, 2019 by the Minister of Finance on the results of the Request for Proposals for the Sale of the Point-a-Pierre Terminalling facility, House of Representatives stated that Patriotic Energies and Technologies Company Limited was the preferred bidder for the sale of the terminalling facilities.

The Directors have obtained a letter of financial support from its Ultimate Parent, the Government of the Republic of Trinidad and Tobago which can be called upon if needed to meet its legal and financial obligations as they fall due.

### 3. Statement of Compliance

The summary financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to Companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB).

### 4. Functional and presentation currency

Items included in the summary financial statements are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The United States dollar is the Company's functional currency. The summary financial statements are presented in Trinidad and Tobago dollars, rounded to the nearest thousand, which is the Company's presentation currency. The Company's main stakeholders are the Government of the Republic of Trinidad and Tobago, The Ministry of Finance, The Ministry of Energy and Energy Industries and its employees.

### 5. Use of Estimates and judgements

The preparation of the summary financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The areas involving a higher degree of judgement or complexity, or areas where the assumptions and estimates are significant to the summary financial statements are disclosed within the financial statements.

### 6. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these summary financial statements are consistent with those disclosed in the audited financial statements as at and for the period ended September 30, 2019.

### 7. Financial risk management

The Company's financial risk management objectives and policies are consistent with those disclosed in the audited financial statements as at and for the period ended September 30, 2019.

### 8. Share capital

Issued and fully paid represents 1 ordinary share of no par value.

Ordinary shares have no par value and entitle the holder to participate in dividends, and to share in the proceeds of winding up the parent company in proportion to the number of the shares held. On show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll share is entitled to one vote. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.