



المركز العالمي للتدريب والتطوير
International Centre For Training & Development



ACCOUNTING AND FINANCE For the Oil & Gas Industry



INTERNATIONAL ACCREDITATION ORGANIZATION



UNIVERSITY OF ROCKHAMPTON
MAKING THE DIFFERENCE



Course Introduction:

This program will provide you with a solid foundation in the financial aspects of oil and gas exploration and production (E&P). It will have immediate and practical application back at your workplace since all activities have financial implications for the assets, departments and ultimately the company for which you conduct your specialist activities. This program has been designed specifically for non-finance specialists in the oil and gas industries who need to understand the financial implications of the work they do. You will learn how to:

- Understand how your activities and decisions are reflected in your company's reporting to shareholders and other stakeholders
- Find out what happens to financial and economic data that is provided by you and your departmental colleagues
- Raise your level of confidence in working with financial information and interactions with commercial colleagues
- Prepare yourself for increased responsibility and a more strategic role in the management of your company

Course Objectives:

- Appreciate the financial impact of your day-to-day decisions and actions
- Work more confidently and effectively with colleagues on financial matters
- Improve the quality of information you receive from and provide to Finance
- Increase the success rate of requests for authorization of expenditure and make more effective use of funds allocated
- Use departmental budgets and monthly management reports to help you exercise financial control of your area of operations
- Understand the financial information disclosed in your company's annual report and accounts
- Learning throughout the program will be reinforced by case studies, worked examples, and illustrative extracts from oil and gas company annual reports

Who Should Attend?

- The program is specifically intended for those who have had little or no previous exposure to company finance and accounting
- It is especially relevant to those who have some financial responsibility within their area of activity and those whose career development involves progression

Course Outline:

THE E&P BUSINESS AND PROJECT ECONOMICS

- The Business Environment
 - Business objectives
 - Stakeholders
 - Corporate governance
- The E&P Business
 - Risk and reward
 - Commercial arrangements
 - The field life cycle
- Project Economics
 - Project cash flows
 - The time value of money
 - Discounting and the cost of capital
 - Project economic models
 - Decision criteria

ACCOUNTING, EXPLORATION AND DEVELOPMENT COSTS

- The Accounting System
 - Capturing and recording data
 - Cash and accruals
 - The balance sheet
 - The income statement and profit measurement
 - Accounting principles and standards
- Capital and Operating Expenditure
 - Matching costs and benefits
 - Assets and expenses
- Exploration and Appraisal Costs
 - Full cost and successful efforts
 - Intangible assets
- Development costs
 - Commitments
 - Tangible assets

RESERVES, PRODUCTION AND COST OF SALES

- Reserves of Oil & Gas
 - Classification of reserves
 - Reserve quantity disclosures

- Production Costs
 - Lifting costs
 - Maintenance costs
 - Royalties
- Depreciation, Depletion and Amortization (DD&A)
 - Unit of Production (UOP) method
 - Changes in costs and reserves
- Ceiling or Impairment Tests
 - Test requirement and process
 - Accounting for test results
- Decommissioning, Removal and Restoration
 - Obligations to remove and restore
 - Reporting of decommissioning liabilities and costs

RISK AND COST SHARING ARRANGEMENTS

- Joint Ventures
 - Cash calls
 - Billing statements
 - Entitlements and liftings
- Transfers of interests or risks
 - Farm outs
 - Carried interests
- Production sharing contracts
 - Cash flow implications
 - Reserve implications
- Long-term gas contracts
 - Pricing mechanisms
 - Take or pay

FINANCIAL ANALYSIS, BUDGETS AND MANAGEMENT REPORTS

- Analysis of Financial statements
 - Profitability, liquidity and solvency
 - Investment measures
- Budgets
 - Authorization of expenditure
 - The budget process
- Management reports
 - Responsibility reporting
 - Analysis of variances

Course Certificate:

International Center for Training & Development (ICTD) will award an internationally recognized certificate(s) for each delegate on completion of training.

Course Methodology:

A variety of methodologies will be used during the course that includes:

- (30%) Based on Case Studies
- (30%) Techniques
- (30%) Role Play
- (10%) Concepts
- Pre-test and Post-test
- Variety of Learning Methods
- Lectures
- Case Studies and Self Questionnaires
- Group Work
- Discussion
- Presentation

Course Fees:

To be advised as per the course location. This rate includes participant's manual, and-Outs, buffet lunch, coffee/tea on arrival, morning & afternoon of each day.

Course Timings:

Daily Course Timings:

08:00 - 08:20	Morning Coffee / Tea
08:20 - 10:00	First Session
10:00 - 10:20	Coffee / Tea / Snacks
10:20 - 12:20	Second Session
12:20 - 13:30	Lunch Break & Prayer Break
13:30 - 15:00	Last Session