

# IFRS for the Oil & Gas and Petrochemical Sectors (Upstream, Midstream & Downstream)

## INTRODUCTION

- This 5-day IFRS for the Oil & Gas and Petrochemical Sectors (Upstream, Midstream & Downstream) training course develops an essential understanding of oil & gas accounting, reporting and performance measurement issues and practices.
- This training course develops your ability to prepare, use and critically evaluate information on Upstream, Midstream & Downstream Oil & Gas activities, applying specialist industry knowledge and relevant analytical skills.

This training course will feature:

- Analysis and evaluation using practical case studies
- Facilitated group discussions on current issues, policies, procedures
- Real Life issues within delegates' organisations and other oil and gas companies

## OBJECTIVES

By the end of this training seminar, you will be able to:

- Develop an understanding of the accounting standards, policies and practices used by companies in the Oil & Gas industry
- Appreciate the nature and financial implications of Production Sharing Contracts and other agreements between host governments and international companies
- Examine issues and guidelines in accounting for Joint Ventures
- Identify and know how to apply international and national accounting standards most relevant to the industry
- Improve relevance and reliability of financial reports to better meet the needs of users
- Review and use publicly available information for benchmarking the business performance of companies in the industry

## **ORGANISATIONAL IMPACT**

The organisation will benefit greatly from their employee's participation as they will:

- Gain knowledge and skills for the benefit of the entire organization
- Ensure legal compliance in line with the latest requirements
- Understand the major accounting issues facing the sector
- Be able to apply IFRS specific to their organisational needs
- Aid Corporate Governance thereby reducing risk
- Be able to contribute to financial decision making more effectively

## **PERSONAL IMPACT**

This training course will be of personal benefit to delegates by providing them with:

- Skills and knowledge to further your professional career
- The latest tools and techniques to assist you in your role
- An ability to make more informed decisions aimed at reducing risk
- Increased skills and improved decision making to increase your importance to your organization
- An ability to liaise effectively with other departments and colleagues regarding current practices and issues affecting oil & gas industry
- A greater understanding of your role and the major issues affecting it

## **WHO SHOULD ATTEND?**

- This training course is designed specifically for those who have a basic understanding of accounting and want to learn more about accounting and financial reporting policies and practices in the Oil & Gas and Petrochemical industry (upstream, midstream & downstream).

This training course will be suitable to a wide range of professionals but will greatly benefit:

- Corporate Accountants, Financial Controllers, Treasury Officers, Management Accountants
- Finance Staff in General Accounting, Payables, Receivables, Inventory, Fixed Assets, etc.
- Joint Venture Accountants and Auditors
- External, Financial and Internal Auditors
- Government Regulators and Auditors
- Financial and Investment Analysts

## Course Outline

### Major Accounting Issues facing the Oil & Gas and Petrochemical Industry (Upstream, Midstream & Downstream) and the Role of IFRS

- The Latest Accounting Issues facing the Oil & Gas and Petrochemical Industry (upstream, midstream & downstream)
- The Impact of Commodity Prices, Currency & Interest Rate Fluctuations and Political and Environmental Developments
- The Impact on Strategic Development and Growth within the Industry
- Establishing the Case for IFRS
- An Overview of IFRS in relation to the Oil & Gas Industry
- The Annual Reports & Financial Statements of Leading International Petroleum Companies

### Accounting for Assets in the Oil & Gas and Petrochemical Industry (Upstream, Midstream & Downstream)

- IAS 16: Property, Plant and Equipment and Depletion, Depreciation & Amortisation (“DD&A”)
- IAS 36: Impairment of Assets
- IFRS 6: Exploration for and Evaluation of Mineral Assets and the Accounting Approaches
- IFRS 13: Fair Value Measurement
- IAS 2 Inventories
- Reserve Reporting

### Accounting for Business Combinations, Joint Ventures & Production Sharing Agreements (“PSA”s)

- IFRS 3: Business Combinations
- IFRS 10: Consolidated Financial Statements
- IAS 38: Intangible Assets
- IFRS 12: Disclosure of Interests on Other Entities
- IFRS 11: Joint Arrangements
- Break Even Oil, Cost Oil & Profit Oil

### Accounting for Cash Flow & Financial Instruments in the Oil & Gas and Petrochemical Industry (Upstream, Midstream & Downstream)

- IAS 7 Statement of Cash Flows
- The Use of Derivatives in the Oil & Gas & Petrochemical Sector to Manage the Commodity, Currency and Interest-rate Risks, etc.
- Treasury Management Issues for Multi-nationals
- IFRS 7 Financial Instruments: Disclosures
- IFRS 9 Financial Instruments
- Evaluating the Cash Flow & Use of Financial Instruments by Leading International Oil & Gas and Petrochemical Companies

## Creative Accounting and Corporate Governance

- Creative Accounting
- Enron and Investor Protection
- Corporate Governance
- The Role of the Board & Audit Committee
- External Auditing - reporting to investors
- Internal Auditing - Defining and Developing the Internal Audit Process