

Oil & Gas and Petrochemical Accounting & Performance Measurement

INTRODUCTION

- This Oil & Gas and Petrochemical Accounting & Performance Measurement training course is designed to develop the essential skills necessary to prepare and evaluate Oil & Gas and Petrochemical Accounting and Performance Measures. It focuses on the risks currently facing the sector including oil price volatility and changing patterns of demand.
- It focuses on the latest techniques to evaluate Financial; Operational & Social Performance as well as relevant International Financial Reporting Standards (IFRS) relevant for the preparation of Oil & Gas accounts. Delegates will therefore be able to prepare financial statements in line with IFRS and make strategic decisions to improve financial performance of their organization.

This training seminar will highlight:

- The major risks of the Oil & Gas and Petrochemical sectors and the tools to manage those risks
- How to Prepare Financial Statements in line with IFRS
- The latest international tools and techniques to develop skills of evaluation and performance measurement
- Issues facing multinational companies and those engaged in Joint Ventures or Production Sharing Agreements
- The lessons to be learnt from an evaluation of leading international Oil & Gas and Petrochemical companies

OBJECTIVES

At the end of this training seminar, you will learn to:

- Evaluate the Major Issues facing the Oil & Gas and Petrochemical sector
- Prepare Financial Statements in accordance with International Financial Reporting Standards (IFRS)
- Evaluate the Financial and Operational Performance of international Oil & Gas and Petrochemical companies
- Evaluate the importance and contribution of Oil & Gas and Petrochemicals to the National Governments and the Fiscal Budget

TRAINING METHODOLOGY

- This Oil & Gas and Petrochemical Accounting & Performance Measurement training course is highly interactive with delegates actively engaged in the discussion and evaluation of Oil & Gas case studies throughout the course. Delegates are taken through the latest techniques to evaluate performance and learning is further reinforced by examination of annual reports of international oil and gas companies.
- At the end of each day, participants have an opportunity for a one-to-one session with the training course leader to develop their understanding further and will be provided with course notes and examples in both hard and soft copy.

ORGANISATIONAL IMPACT

- This training course is of direct relevance to the Oil & Gas and Petrochemical sector and as a result the organisations will benefit greatly from their employees participation.

The organization will gain from:

- More effective finance support for front-line departments
- Greater relevance and reliability of financial and management information
- More strategic thinking and focus on performance
- More effective use of financial statements of the company, its co-venturers and its competitors
- The ability of Finance Managers and staff to work with less supervision
- Preparation of staff for increased responsibility

PERSONAL IMPACT

This training course will of personal benefit to delegates by providing you with

- Better understanding of the context and importance of the work you do
- Greater awareness of industry practices, problems and solutions
- Increased understanding and assurance to complete tasks successfully
- Increased self-confidence and motivation at work
- Greater job satisfaction in providing quality support to management
- Greater ability to supervise, develop and motivate colleagues

WHO SHOULD ATTEND?

- This Oil & Gas and Petrochemical Accounting & Performance Measurement training course is ideally suited to those who work in the Oil & Gas sector particularly those in an accounting and performance measurement role.

This training course is 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

The Oil & Gas and Petrochemical Sectors – Identifying the Issues affecting Accounting & Performance Measurement

- Latest Events in the Oil & Gas and Petrochemical Sectors - price volatility and supply & demand changes
- Managing the Macro-economic Factors, e.g. interest rates, exchange rates, oil prices
- Resources & Reserves
- Strategic Choices currently facing the Sector
- Capital Investment Issues
- Performance across the Sector

Major Accounting Issues in the Oil & Gas Sector and Petrochemical

- Revenue Recognition
- Costs in Acquisition, Exploration, Development and Production of New Oil or Natural Gas Reserves
- The Crack Spread – issues facing Refineries and Petrochemical companies
- Break Even Oil, Cost Oil & Profit Oil
- IFRS in Relation to the Oil & Gas Sector and Petrochemical Sector
- IFRS 6 Exploration & Evaluation of Mineral Assets

Accounting for Assets

- IAS 16: Property, Plant and Equipment
- Depletion, Depreciation & Amortisation (“DD&A”)
- IAS 36: Impairment of Assets
- IAS 37: Provisions, Contingent Liabilities and Contingent Assets
- IAS 38: Intangible Assets
- IAS 39 & IFRS 9 Financial Instruments: Recognition and Measurement

Measuring Financial Performance

- Cross Sectional & Time Series Analysis
- Financial Analysis: Income Statements & The Statement of Financial Position (Balance Sheet) Analysis
- Cashflow Analysis and Its Importance in the Oil & Gas sector
- Dupont Analysis – Evaluating and Improving Return On Equity (ROE)
- Evaluation of Share Price and Investment Performance
- Evaluating the Financial Performance of Leading International Companies in the Sector

Measuring Operational & National / Government Efficiency and Performance

- Measuring Reserves – Life; Reserves per Well; Replacement Ratio etc. and The Impact for Refineries and Petrochemical Companies
- Finding; Development & Production Capability & Efficiency
- Evaluating the Operational Performance of Leading International Companies in the Sectors
- Earned Value Added Analysis of Projects
- Evaluating the Fiscal Budgets of Oil & Gas Producing Countries
- National / Government Measures of Efficiency & Performance