

# Oil and Gas Accounting and Performance Measurement Course

## Venue Information

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**Venue:** London UK

**Place:**

**Start Date:** 2025-07-14

**End Date:** 2025-07-18

## Course Details

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**Net Fee:** £4750.00

**Duration:** 1 Week

**Category ID:** OAGTC

**Course Code:** OAGTC-10

## Syllabus

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### Course Syllabus

#### Introduction:

This five-day training course develops an essential understanding of Oil & Gas Exploration & Production (E&P) accounting, reporting and performance measurement issues and practices. It develops your ability to prepare, use and critically evaluate information on E&P activities, applying specialist industry knowledge and relevant analytical skills.

- The programme is designed specifically for those who have a basic understanding of accounting but who need to understand more about accounting and financial reporting policies and practices in the upstream oil and gas industry.

- The main requirements of Generally Accepted Accounting Principles (GAAP) and International Financial Reporting Standards (IFRS) relevant to the Oil & Gas Exploration & Production industry are examined for each major phase in the field life cycle.
- Learning throughout the course is achieved through illustrated presentations, group discussions, worked examples, exercises and solutions, and extracts from published financial statements of international companies.
- Participants in this programme gain a broader and deeper appreciation of the role of the E&P Finance Department and the context in which it operates, encouraging a more confident and proactive approach to their work, developing awareness of issues, and preparing them for increased responsibility.

### **Course Objectives:**

#### **By the end of the programme, delegates will learn how to:**

- Develop understanding of the accounting standards, policies and practices used by companies in the Oil & Gas Exploration & Production 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 E&P 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 E&P industry

### **The Course:**

#### **Day One:**

#### **THE OIL & GAS SECTOR AND MAJOR ACCOUNTING ISSUES**

##### **The Oil & Gas Sector & The Macro-economic Factors**

- Commodity prices, currency fluctuations, interest rate risk and political developments and environmental risk.

##### **Costs in Acquisition, Exploration, Development and Production of new oil or natural gas reserves**

##### **Accounting Approaches**

- The "Successful Efforts" (SE) Method or the "Full Cost" (FC) Method

#### **An Introduction/Overview of IFRS in relation to the Oil & Gas Sector, with particular reference to:**

- IFRS 1: First-time Adoption of International Financial Reporting Standards
- IFRS 6: Exploration for and Evaluation of Mineral Assets
- IFRS 10: Consolidated Financial Statements

• IAS 38. Intangible Assets

- IAS 39 Financial Instruments: Recognition and Measurement – Superseded by IFRS 9 effective 2013

**Day Two:**

**EVALUATING THE PERFORMANCE AND IDENTIFYING THE ACCOUNTING ISSUES OF BP, CHEVRON , SHELL & SABIC**

**Analysis of financial statements**

- Income Statements
- Statement of Financial Position (Balance Sheet)
- Cashflow Statements

**Identification & Evaluation of their Accounting Policies**

**DuPont Analysis – Evaluating and Improving Return on Equity (ROE)**

**Evaluation of their Share Price and Investment Performance**

- With live feeds from London Stock Exchange and Dow Jones

**Day Three:**

**ACCOUNTING FOR UPSTREAM ACTIVITIES WITH REFERENCE TO IFRS AND EXAMPLES OF BP, CHEVRON & SHELL, E.G.**

- Reserves and resources
- Exploration and evaluation
- Revenue recognition
- Assets
- Depletion, Depreciation & Amortisation (“DD&A”)
- Impairment of development, production and downstream assets

**Day Four:**

**JOINT ARRANGEMENTS; FINANCIAL INSTRUMENTS & DERIVATIVES**

- Business Combinations, Joint Ventures & Production Sharing Agreements (“PSA”s)
- Treasury Management Issues for Multi-nationals
- The Use of Derivatives in the Oil& Gas Sector to manage the commodity, currency and interest-rate risks etc

**Day Five:**

**CREATIVE ACCOUNTING AND CORPORATE GOVERNANCE**

- Creative Accounting – Enron and investor protection
- Auditors and reporting to investors in the oil and gas industry

- internal audits
- Ethical issues
- Corporate governance
- Government regulation
- Investor confidence and share prices