



Masterclass – Advanced Strategies in Oil and Gas Finance and Accounting Training

Description

Intorduction

In today's competitive oil and gas industry, with strong pressure to meet increased market demands while lowering operating costs and improving return for investors and company stakeholders, what strategies should companies adopt to ensure sustainable growth?

Given the substantial capital costs and long lead times from exploration to sale, implementing and managing strategies in Oil & Gas finance and accounting are critical success factors. This course therefore focuses on the essential skills and techniques required to enable you to make appropriate strategic decisions to maximize profit, reduce costs and financial risks.

This course will feature:

- Relevance and importance of finance to the success of your business
- Sources and types of finance that are most relevant to your business
- Meaning and importance of corporate governance to the effective financial management of your business
- Techniques available to determine the most profitable and worthwhile investments for your business
- Effective ways to control the financial risks of your business

Objectives

This course will feature:

- Identify & evaluate the challenges facing the Oil & Gas sector now & in the future.
- Use skills & techniques to assist with key strategic decisions facing their company.
- Recommend appropriate financing decisions & make capital investment decisions.
- Evaluate the performance of leading Oil & Gas companies to identify areas of best practice.
- Advise on methods to eliminate or reduce financial risks facing Oil & Gas companies.

Content

Day One

Strategic Issues facing the Oil & Gas sector

- The Nature of the Oil & Gas sector
- Current & Future challenges within the sector – a question of Supply & Demand
- Resources & Reserves
- Financial Issues
- Volatility: Demand, Energy prices, Exchange Rates, Interest Rates

Day Two

Advanced Strategic Decisions

- Strategic Planning
- Analytical Tools to Aid Strategic Planning
- Balancing Upstream, Midstream & Downstream
- Growth Strategies: Exploration, Diversification, Vertical & Horizontal Integration
- Mergers & Acquisitions, Joint Ventures, Production Sharing Agreements & Strategic Alliances

Day Three

Financing Strategies in the Oil & Gas Sector

- Sources of Finance – the Optimum Capital Structure and the Cost of Capital
- Capital Investment Appraisal: NPV, IRR, Modified IRR, Payback
- Financial Forecasting and Analysis in Excel
- Managing Uncertainty of Production, Prices, Capital Costs & Construction Delays
- Modelling Energy Prices in Capital Budgeting

Day Four

Financial Risk Management Strategies

- Developing and Implementing a Risk Management Strategy
- Risk Analysis of Oil and Gas projects using Excel
- Sensitivity Analysis, Sensitivity Charts & Scenario Analysis, Monte Carlo Simulation
- Hedging Energy Prices; Interest Rates & Foreign Exchange Rates using Financial Derivatives
- Accounting for Hedging Under IFRS

Day Five

Financial Analysis of Oil & Gas Companies

- Analysing the Performance of International Oil & Gas Companies
- Analysing and Interpreting 'Energy Specific' Ratios
- International Financial Reporting Standards (IFRS) relevant for Oil & Gas Companies
- Determining the proper classification of oil and gas costs: Capitalise, Expense, Exploration costs, Development costs, Production costs
- Analysing the impact of different accounting methods on financial statements

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