

# Advanced Finance & Accounting Policies in the Oil & Gas Industry

## Financial Policies Pertinent for the 21st Century

### Introduction

The main emphasis of this Advanced Finance & Accounting Strategies training course is on the fundamental knowledge and abilities needed for learners to make wise strategic choices that will optimise revenue, lower expenses, and lower financial risks. Implementing and maintaining strategies in Oil & Gas finance and accounting are essential success elements given the significant capital expenditures, lengthy lead times from exploration to sale, and pressure to reach reserve replacement ratios.

What strategies should businesses use to ensure sustainable growth in the competitive oil and gas industry of today, with volatile oil prices, uncertain demand and supply, the need to lower operating costs while maintaining quality and safety, and the desire to improve returns for investors and company stakeholders?

### **The following will be covered in this Course N Carry Advanced Finance & Accounting Strategies course:**

- The sector's present and future problems
- The methods for facilitating well-informed strategic decision making as well as the strategic judgements that businesses must make in this difficult environment
- Using financing techniques to assess capital investments and choose the best capital structure in order to maximise shareholder value
- Techniques for lowering or eliminating financial risk
- Techniques for overseeing fresh projects to guarantee businesses achieved their strategic goals and objectives

### Objectives

#### **Upon completion of the Advanced Finance & Accounting Strategies training programme, learners will possess the following abilities:**

- Determine and assess the issues the oil and gas industry is now and going forward confronting it.
- Utilise abilities and strategies to support important strategic choices that the organisation is confronting.
- Make capital investment choices and provide suitable funding options.

- Provide guidance on how to get rid of or minimise the financial risks that oil and gas firms face.
- Effectively oversee new initiatives and projects while fulfilling strategic goals and objectives.

## Training Methodology

To guarantee optimal comprehension, retention, and understanding of the material provided, this Advanced Finance & Accounting Strategies in the Oil & Gas Industry training course will make use of a range of tried-and-true adult learning strategies. This involves employing the most recent methods to evaluate case studies from the actual world, as well as examples from top global oil and gas firms, group discussions, and one-on-one assistance.

You will participate in many exercises during this training session to create an Action Plan that will be discussed and put into practice following the training. This is intended to guarantee that your company experiences real advantages and to enhance your knowledge and abilities.

## Organizational impacts

Employee involvement in this Advanced Finance & Accounting Strategies in the Oil & Gas Industry training course would be very beneficial to the organisations since it directly relates to the Oil & Gas industry. The following personnel will benefit the company:

- A thorough understanding of the strategic challenges that your company faces
- The ability to comprehend, participate in, and make strategic judgements
- The capacity to assess the effects of strategic choices
- Ability to assess and scrutinise capital investment choices
- The capacity to control the hazards that the company faces
- Information and abilities for the good of the whole company

## Personal Impact

**Delegates will personally profit from this Advanced Finance & Accounting Strategies training course by receiving the following:**

- The information and abilities to advance your career
- The most recent methods and resources to help you in your position
- A strategic perspective that will help you mould the future of your company as well as yourself
- The capacity to collaborate and operate both autonomously
- A chance to get knowledge from other industry experts
- A deeper understanding of your function and the key factors influencing it

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## **Course Outline**

### **Day 1**

#### **Strategic Challenges for the Oil and Gas Industry**

- The Character of the Oil and Gas Industry
- Challenges Ahead for the Industry: A Matter of Supply and Demand
- Demand, Energy Prices, Exchange Rates, and Interest Rates are all volatile.
- Reserves and resources, as well as the need of R&D
- Financial Problems Affecting Growth and Strategic Development

### **Day 2**

#### **Advanced Strategic Choices**

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- Making Decisions and Developing a Strategy in a Changing Market

- Combining Upstream, Midstream, and Downstream Revenue Streams to Diversify Revenue
- Growth Strategies: Horizontal and Vertical Integration, Exploration, and Diversification
- Joint ventures, production sharing agreements, mergers and acquisitions, and strategic alliances

## Day 3

### Finance Techniques for the Oil and Gas Industry

- Financing Sources: The Cost of Capital and the Ideal Capital Structure
- Capital Appraisal: Payback, Modified IRR, NPV, and IRR
- Excel-Based Financial Forecasting and Analysis
- Handling Production, Price, Capital Cost, and Construction Delay Uncertainty
- Energy Price Modelling for Capital Budgeting

## Day 4

### Strategies for Financial Risk Management

- Creating and Putting into Practice a Risk Management Plan
- Excel-Based Risk Analysis for Oil and Gas Projects
- Monte Carlo simulation, sensitivity charts and scenario analysis, and sensitivity analysis
- Using Financial Derivatives to Hedge Energy Prices: Interest Rates and Foreign Exchange Rates
- IFRS Accounting for Hedging

## Day 5

### Using Project Management to Achieve Strategic Goals and Targets

- Utilising Statistical and Probability Estimates to Approximate Activity Durations and Costs
- Planning for Manpower and the Critical Path
- Analysis of Earned Value
- Budgetary Management and Analysis of Variance
- Putting Change Into Practice and Managing Suspensions or Shutdowns