



Oil & Gas Training

**Accounting for
E&P companies**

KPMG Business Academy

September 2016



KPMG Oil & Gas Training – Accounting for E&P companies

This two day course is designed for those who have a basic understanding of accounting and need to develop an essential understanding of oil and gas exploration and production (E&P) accounting. This will provide an overview of reporting and performance measurement issues and practices in the upstream oil and gas industry, and develop your ability to prepare, use and critically evaluate information on E&P activities, applying specialist industry knowledge and relevant analytical skills.

Topics covered include the successful efforts and full cost methods of accounting, the classification of assets as tangible or intangible, the unit of production method for depreciation of capitalized costs, the testing for impairment of oil and gas assets, and accounting for removal and restoration of oil and gas facilities. The main requirements of Generally Accepted Accounting Principles (GAAP) and International Financial Reporting Standards (IFRS) relevant to the oil and gas E&P industry are examined for each major phase in the field life cycle.

The course is delivered through illustrated presentations, group discussions, worked examples, exercises and solutions, and extracts from published financial statements of international companies. Participants in this course 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.

Your host



Nizar Jichi
Partner
Oil & Gas Leader
KPMG in the Lower Gulf

Nizar has over 19 years of external and internal audit experience, having worked with Big 4 firms in both the U.S. and the GCC. An audit partner for almost seven years, he recently joined KPMG as the Oil & Gas Leader in the Lower Gulf. Nizar specializes across the oil and gas value chain, including upstream, downstream and oil field services companies. Nizar is a CPA from California and a member of the American Institute of Certified Public Accountants (AICPA).

Shane Doig



Partner
KPMG LLP Canada

Shane has been with KPMG for 18 years, nine of which have been in Calgary as a partner in the audit practice. He is a securities reviewing partner with significant experience serving public and private entities, as well as being an accredited US GAAP and IFRS reviewing partner. He brings considerable experience, serving an array of clients with entities operating in Canada, the US and internationally, that apply various international accounting platforms.

He has been involved in a considerable number of acquisitions, financings, reverse take-overs and other expansion and acquisition activities for several dynamic clients. He serves on the board of the Calgary Exhibition & Stampede and chairs the Audit and Finance Committee.

Professional and Industry Experience

Shane has broad financial reporting, accounting and auditing experience including:

Pengrowth Energy – (15 years) Responsible for providing accounting and auditing services, and has assisted with the purchase and sale of properties with combined values in excess of US\$2 billion. He has also been involved with numerous securities filings, due diligence processes and internal control projects.

Precision Drilling – (12 years) Responsible for auditing the energy services division that operates manufacturing and R&D facilities and provides downhole tools to upstream producers around the globe.

Equal Energy – (9 years) Worked on a wide array of securities filings in Canada and the US while expanding into the US and disposing of Canadian assets, and various corporate restructurings.

Santonia Energy – (11 years) Worked on numerous restructurings, including the spin off of its exploration company, a trust conversion, a corporate conversion and a strategic review.

Timothy Richards



Audit Partner
KPMG LLP Canada

Tim has served the energy industry for over 12 years. He provides audit services to a wide variety of public and private oil and gas E&P and energy service companies operating in Canada, the US and internationally, including a number of foreign oil companies with Canadian assets.

He has a wealth of knowledge on securities matters related to the oil and gas industry and has been involved with a range of IPOs, prospectuses, BARs and information circulars. Tim has also been involved in transaction related services, advising on acquisitions, financing, reverse take-overs and other expansion activities.

Professional and Industry Experience

Tourmaline Oil Corp. – (9 years) Providing accounting and auditing services, and has assisted with the acquisition and sale of properties with combined values in excess of CDN\$2 billion. He has been involved with numerous securities filings (raising over CDN\$5 billion), including its IPO in 2010, due diligence processes and internal control projects.

Crew Energy – (9 years) Working on assets dispositions, corporate acquisitions, and a strategic review.

Various other Canadian upstream oil and gas producers and international energy companies working on a wide array of services, including acquisitions, sales and financial activities, global compliance management services, post-transaction integration services, tax, and tax accounting services (under both IFRS and US GAAP).

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Topics

Day 1

Hot topics and new developments

- Impairment testing in the current market environment
- New accounting standards and industry concerns and considerations (IFRS 15 - *Revenue* and IFRS 16 - *Leases*)
- Other recent developments and considerations

Oil & gas fundamentals

- Overview of the O&G industry:
 - Oil versus gas
 - Where are the world's reserves?
 - How is oil and gas found, drilled and produced?
 - Terms and metrics commonly used in the industry.

Capital asset accounting

- PP&E accounting under IFRS and US GAAP

Impairment

- Impairment of O&G assets under IFRS and US GAAP
- Risks associated with impairment

Day 2

Reserves

- Various types of reserves

Joint arrangements

- Impact of IFRS 11 on O&G

Asset retirement obligations (AROs)

- Accounting for AROs (asset retirement obligations) under IFRS and US GAAP
- Key risks in AROs

Production sharing contracts (PSCs)

- Nature of PSCs

Learning outcomes

By the end of the training, delegates will:

- Develop an understanding of the accounting standards, policies and practices used by companies in the oil and gas exploration and production (E&P) industry.
- Appreciate the nature and financial implications of PSCs 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 accounting standards most relevant to the E&P industry.
- Improve relevance and reliability of financial reports to better meet the needs of users.

Methods

This interactive course will be a combination of global examples, explanation of concepts, case studies and discussions.

Course Details



Venue and date

16-17 October 2016
Abu Dhabi
9:00 AM - 5:00 PM



Training fees

Standard fee – US\$1,500 per person

Discounted rates:

10% discount for early-birds (fees paid before 2 October) – US\$1,350 per delegate

20% group (at least four delegates from the same organization) discount – US\$1,200 per delegate

Fees cover training materials, breakfasts, refreshments and networking lunches.



Who should attend?

The course is recommended for accounting professionals - chief accountants, finance managers, financial analysts, junior auditors, and accountants – working in the oil and gas E&P industry.



Accommodation

For international participants, we provide assistance to make arrangements for accommodation in Abu Dhabi for the duration of the training.



KPMG certificates

Successful participants will be awarded a KPMG certificate of completion at the end of the program.



Registration

We accept registrations through the KPMG Business Academy website:

[Register online to join the training](#)

Registration will close by 14 October 2016.

Payment and confirmation

Once your details are submitted, confirmation and payment details will be sent in an email.

For further information, please contact:

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Why KPMG Business Academy?

Our client focus, commitment to excellence, global mindset and consistent delivery build trusted relationships which are at the core of our business and reputation.



Business solution specialists with the knowledge, skills and information needed to achieve the required results



Customized industry training programs focused on your needs and objectives



KPMG's deep understanding of various business sectors



Our professional attitude to everything we do



Experience we have built as the auditors of many leading entities



A high quality, robust training approach



Proprietary, customized training material which has been employed consistently and successfully with clients worldwide

KPMG is uniquely qualified to meet clients' training needs.

Training with us

KPMG Business Academy develops training programs based on the solutions KPMG brings to businesses across the region. KPMG Business Academy delivers professional courses and seminars to support the development of a sustainable business environment.

Learning at KPMG Business Academy:

- Our regional experience of helping clients grow
- Our faculty of professionals dedicated to sharing expertise from across KPMG's global network
- Our robust training approach focused on combining knowledge and practical skills
- Training delivered at times and venues to suit you

Our professional training programs:

	Accounting, finance and financial reporting
	Forensic
	Digital transformation
	Risk management and internal audit
	Business processes and IT
	Sustainability and corporate responsibility
	Tax
	Financial toolkit
	Leadership and business skills
	Corporate governance
	On-the-job training



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