

QMS Audit and IFRS for Oil & Gas Industry

SEMINAR OUTLINE

- Today, in the Oil & Gas industry there is an increased need and importance for performance measurement, auditing and reporting. The need to prepare, use and critically evaluate information on Upstream, Midstream & Downstream Oil & Gas activities, applying specialist industry knowledge and relevant analytical skills, is supplemented by the need for an in-depth knowledge of the International ISO management system standards on quality (ISO 9001:2015), environment (ISO 14001:2015) and occupational health and safety (ISO 45001:2018).
- This QMS Audit and IFRS for Oil & Gas Industry two-week training program develops an essential understanding of oil & gas accounting, reporting and performance measurement issues and practice and provides a detailed understanding of how to undertake system audits both of supplier companies and your own organisation. The emphasis on the results of auditing will be a focus for delegates to assist their own organisations in achieving improved performance in their businesses in the three given areas of quality, environment and health and safety, leading to improved profitability.

This training seminar will highlight:

- Analysis and evaluation using practical case studies
- Facilitated group discussions on current issues, policies, procedures
- Real Life issues within delegates' organisations and other oil and gas companies
- Understanding the latest versions of ISO 9001, ISO 14001 and ISO 45001
- Audit planning focused on business risk areas
- Audit reporting focusing on added value to delegates' businesses

OBJECTIVES

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

- Understand the accounting standards, policies and practices used by companies in the Oil & Gas industry
- Examine issues and guidelines in accounting for Joint Ventures
- Identify and know how to apply international and national accounting standards most relevant to the 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 industry
- Plan, conduct and report management system audits focused on improvement & be a driving force in an organisation's improvement processes

TRAINING METHODOLOGY

- This training course is based on the concept accelerated learning. This means that there will be class lectures with delegates encouraged to take part in discussions and sharing their experience followed by individual & team exercises to test and consolidate delegates' understanding of the presented topics. Learning is further reinforced by examination of relevant extracts from the 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 seminar leader to ask further questions and to go over any material that they have not yet fully understood.

ORGANISATIONAL IMPACT

The organisation will benefit greatly from their employees participation, as they will:

- Gain knowledge and skills for the benefit of the entire organization
- Ensure legal compliance in line with the latest requirements
- Understand the major accounting issues facing the sector
- Be able to apply IFRS specific to their organisational needs
- Aid Corporate Governance thereby reducing risk
- Be able to contribute more effectively to financial decision making
- Learn how to improve Operational, Environmental & Health and safety performance

PERSONAL IMPACT

This training course will be of personal benefit to delegates by providing them with:

- Skills, knowledge & the latest tools and techniques to assist them in their roles
- An ability to make more informed & improved decisions aimed at reducing risk
- An understanding of good management practice in quality, environment and health and safety
- The ability to document and present observations and concerns to management in a concise manner, to facilitate improvement
- An ability to advise their own organisation & supplier organisations on improvement in quality, environment and health and safety
- The opportunity to gain knowledge of parts of their organisation that they would not normally see, thus offering themselves a greater flexibility to take on responsibilities in a wider range of departments

WHO SHOULD ATTEND?

This training course is suitable for a wide range of professionals but will greatly benefit:

- Corporate Accountants, Financial Controllers, Treasury Officers, Management Accountants
- External, Financial and Internal Auditors
- Senior Managers keen to see how to initiate improvement and increased profitability in operations, as well as improvement in environment and health and safety
- Operations' Managers needing to gain an understanding of enhanced control and departmental improvements
- Quality, Environmental and Health and Safety Managers wishing to enhance their knowledge of how to better manage their specialty staff and departments
- All staff involved in receiving third party certification auditors

Course Outline

MODULE I: Auditing Oil & Gas Industry Quality Management Systems

Quality Management System (QMS) Audit

- ISO 29001:2010 and 9001:2015 QMS International Standards
- Review of 29001 Clauses 4-8 and 9001 Clause 9 Internal Audit Requirements
- Quality System Requirements
- Types and Levels of QMS Internal Audits

Audit Preparation and Setup

- Terminology and Definitions
- Audit Concepts and Principles
- Planning and Conducting Effective Audits
- Producing Audit Programme and Procedure
- Audit Terms of Reference
- Interview and Note-taking Skills

Conducting an Internal Audit

- Internal Audit Process
- Creation of Effective Audit Checklists
- Communications during Audit
- QMS Documentation Review
- Key Personnel Interviews
- Physical Site Observation

Preparing Audit Report

- Review of Non-conformities and Observations
- Audit Findings and Conclusions
- Preparation of Internal Audit Report
- Corrective Action Plan
- Presentation of Audit Report
- Monitoring and Close-out of Non-conformities

Review of Internal Audit Process & Assessment

- Review of Internal Audit Process
- Review of Internal Audit Reporting

MODULE II: International Financial Reporting Standards (IFRS) for the Oil & Gas Industry

Major Accounting Issues facing the Oil & Gas and Petrochemical Industry (Upstream, Midstream & Downstream) and the Role of IFRS

- The Latest Accounting Issues facing the Oil & Gas and Petrochemical Industry (upstream, midstream & downstream)
- The Impact of Commodity Prices, Currency & Interest Rate Fluctuations and Political and Environmental Developments
- The Impact on Strategic Development and Growth within the Industry
- Establishing the Case for IFRS
- An Overview of IFRS in relation to the Oil & Gas Industry
- The Annual Reports & Financial Statements of Leading International Petroleum Companies

Accounting for Assets in the Oil & Gas and Petrochemical Industry (Upstream, Midstream & Downstream)

- IAS 16: Property, Plant and Equipment and Depletion, Depreciation & Amortisation (“DD&A”)
- IAS 36: Impairment of Assets
- IFRS 6: Exploration for and Evaluation of Mineral Assets and the Accounting Approaches
- IFRS 13: Fair Value Measurement
- IAS 2 Inventories
- Reserve Reporting

Accounting for Business Combinations, Joint Ventures & Production Sharing Agreements (“PSA”s)

- IFRS 3: Business Combinations
- IFRS 10: Consolidated Financial Statements
- IAS 38: Intangible Assets
- IFRS 12: Disclosure of Interests on Other Entities
- IFRS 11: Joint Arrangements
- Break Even Oil, Cost Oil & Profit Oil

Accounting for Cash Flow & Financial Instruments in the Oil & Gas and Petrochemical Industry (Upstream, Midstream & Downstream)

- IAS 7 Statement of Cash Flows
- The Use of Derivatives in the Oil & Gas & Petrochemical Sector to Manage the Commodity, Currency and Interest-rate Risks, etc.
- Treasury Management Issues for Multi-nationals
- IFRS 7 Financial Instruments: Disclosures
- IFRS 9 Financial Instruments
- Evaluating the Cash Flow & Use of Financial Instruments by Leading International Oil & Gas and Petrochemical Companies

Creative Accounting and Corporate Governance

- Creative Accounting
- Enron and Investor Protection
- Corporate Governance
- The Role of the Board & Audit Committee
- External Auditing - reporting to investors
- Internal Auditing - Defining and Developing the Internal Audit Process

