Training Course on Upstream Petroleum Accounting

Professional Development Training Course Outline

Category	Oil and Gas	**Duration**	5 Days
Base Fee	$1,500 USD	**Delivery Mode**	Online / On-site Hybrid

Course Introduction

The dynamic world of upstream petroleum accounting demands specialized knowledge of exploration and production (E&P) activities, regulatory frameworks, and financial reporting standards. Training Course on Upstream Petroleum Accounting provides in-depth coverage of the accounting methods and financial principles used in the upstream sector of the oil and gas industry. Learners will gain practical insights into revenue recognition, joint venture accounting, cost recovery mechanisms, and asset retirement obligations. The training uses real-world scenarios, making it a must for professionals aiming to lead in the energy sector.

With energy markets evolving and stricter compliance standards emerging globally, mastering upstream petroleum accounting is more critical than ever. This training equips participants with industry-aligned skills in production sharing contracts (PSCs), reserve-based lending, and IFRS/GAAP convergence. The course is tailored for accountants, financial analysts, auditors, regulators, and stakeholders involved in upstream oil and gas operations, making it a strategic investment in professional advancement.

Programme Curriculum

Training Course on Upstream Petroleum Accounting

Introduction

The dynamic world of upstream petroleum accounting demands specialized knowledge of exploration and production (E&P) activities, regulatory frameworks, and financial reporting standards. Training Course on Upstream Petroleum Accounting provides in-depth coverage of the accounting methods and financial principles used in the upstream sector of the oil and gas industry.

Learners will gain practical insights into revenue recognition, joint venture accounting, cost recovery mechanisms, and asset retirement obligations. The training uses real-world scenarios, making it a must for professionals aiming to lead in the energy sector.

With energy markets evolving and stricter compliance standards emerging globally, mastering upstream petroleum accounting is more critical than ever. This training equips participants with industry-aligned skills in production sharing contracts (PSCs), reserve-based lending, and IFRS/GAAP convergence. The course is tailored for accountants, financial analysts, auditors, regulators, and stakeholders involved in upstream oil and gas operations, making it a strategic investment in professional advancement.

Course Objectives

1. Understand exploration and production accounting frameworks in the upstream oil and gas sector
2. Master joint venture and farm-in/farm-out agreements financial structures
3. Apply International Financial Reporting Standards (IFRS) relevant to E&P activities
4. Analyze cost recovery and revenue recognition in Production Sharing Contracts (PSCs)
5. Gain expertise in asset capitalization and impairment testing
6. Implement depletion, depreciation, and amortization (DD&A) methodologies
7. Understand environmental liabilities and asset retirement obligations (AROs)
8. Use reserves estimation for financial reporting and valuation purposes
9. Learn internal control practices for upstream financial operations
10. Apply financial modeling techniques for upstream investment decisions
11. Interpret regulatory compliance and taxation structures for petroleum revenue
12. Evaluate digital transformation trends in oil and gas accounting
13. Analyze real-world case studies in upstream petroleum finance

Target Audience

1. Financial Accountants in Oil & Gas
2. Petroleum Engineers with Finance Roles
3. Internal and External Auditors
4. Energy Investment Analysts
5. Government Revenue Regulators
6. Joint Venture Accountants
7. Financial Controllers in E&P Companies
8. Oil and Gas Tax Professionals

Course Duration: 5 days

Course Modules

Module 1: Fundamentals of Upstream Petroleum Accounting

- Overview of upstream oil and gas lifecycle

- Classification of costs: exploration, development, production
- Introduction to full cost and successful efforts methods
- Key differences between IFRS and US GAAP
- Initial journal entries in exploration accounting
- **Case Study:** Comparing cost treatment under full cost vs. successful efforts

Module 2: Joint Venture and Partnership Accounting

- Structure and purpose of joint ventures
- Farm-in/farm-out agreement accounting
- Cash call management and reconciliation
- Operator vs. non-operator roles and responsibilities
- Accounting for carried interests
- **Case Study:** Financial analysis of a JV with a carried interest arrangement

Module 3: Production Sharing Contracts (PSCs) and Cost Recovery

- Anatomy of a typical PSC
- Accounting for cost oil and profit oil
- Calculation of cost recovery limits
- Ring-fencing and its financial implications
- Bonus payments and royalty accounting
- **Case Study:** Accounting for a multi-tier PSC agreement in West Africa

Module 4: Fixed Asset Accounting and Capitalization

- Capital vs. expense decisions in exploration
- Componentization of oilfield assets
- Asset revaluation and impairment testing
- Leased assets and right-of-use accounting (IFRS 16)
- Depreciation techniques (unit-of-production method)
- **Case Study:** Asset impairment scenario during price collapse

Module 5: Decommissioning and Asset Retirement Obligations

- Legal framework and liabilities
- Recognition and measurement of AROs
- Discounting and accretion of AROs
- Impact of changes in estimates
- Disclosure requirements under IFRS and GAAP
- **Case Study:** ARO accounting for offshore platforms

Module 6: Revenue Recognition and Sales Accounting

- Revenue streams in upstream operations
- Point of control vs. delivery obligations
- Pricing mechanisms in oil sales contracts

- Netback pricing and transportation tariffs
- Application of IFRS 15 to E&P
- **Case Study:** Revenue recognition in a multi-client sales contract

Module 7: Regulatory and Taxation Environment

- Key tax regimes: royalty/tax, PSCs, service contracts
- Withholding taxes and VAT treatment
- Transfer pricing in intercompany transactions
- Tax incentives and ring-fencing issues
- Country-by-country reporting (OECD BEPS guidelines)
- **Case Study:** Tax impact analysis for a Nigerian E&P entity

Module 8: Emerging Trends and Digital Transformation

- Role of ERP systems in upstream accounting
- Blockchain for joint venture transparency
- Automation of DD&A and AFE workflows
- Data analytics for financial reporting accuracy
- ESG metrics in upstream reporting
- **Case Study:** Implementation of SAP in a mid-sized exploration company

Training Methodology

- Instructor-led sessions with oil & gas accounting experts
- Interactive case studies based on real-world scenarios
- Hands-on exercises using actual industry financial templates
- Group discussions to encourage cross-functional learning
- Quizzes and assessments to test understanding
- Access to digital resources, templates, and PSC models

Register as a group from 3 participants for a Discount

Send us an email: info@fineskilltrainingcenter.org or call *+254769199797*

Certification

Upon successful completion of this training, participants will be issued with a globally- recognized certificate.

Tailor-Made Course

We also offer tailor-made courses based on your needs.

Key Notes

a. The participant must be conversant with English.

b. Upon completion of training the participant will be issued with an Authorized Training Certificate

c. Course duration is flexible and the contents can be modified to fit any number of days.

d. The course fee includes facilitation training materials, 2 coffee breaks, buffet lunch and A Certificate upon successful completion of Training.

e. One-year post-training support Consultation and Coaching provided after the course.

f. Payment should be done at least a week before commence of the training, to Fineskill Training Center account, as indicated in the invoice so as to enable us prepare better for you.

Upcoming Scheduled Sessions

Start Date	End Date	Location	Price
23 Nov 2026	27 Nov 2026	Online	$1,000
23 Nov 2026	27 Nov 2026	Physical	$1,500
23 Nov 2026	27 Nov 2026	Physical	$3,000
23 Nov 2026	27 Nov 2026	Physical	$3,000
23 Nov 2026	27 Nov 2026	Physical	$6,000
23 Nov 2026	27 Nov 2026	Physical	$4,500
23 Nov 2026	27 Nov 2026	Physical	$6,000
23 Nov 2026	27 Nov 2026	Physical	$6,000

Ready to enroll or request a customized program? Book online or contact us:

Register Online Now

Email: info@fineskilltrainingcenter.com | Website: www.fineskilltrainingcenter.com