

Oil & Gas Financial Modelling and Project Evaluation

Come and be trained by **Jeff Robson**, Founding Director and Principal Business Analyst of the leading financial modelling firm, Access Analytic!



Who Should Attend?

- Business & Finance Analysts
- Investment & Corporate Bankers
- Finance staff & Accountants

Course Objectives

- To provide participants with a good working knowledge of the most useful functions in Excel for financial modelling in the oil & gas industry.
- To provide participants with a sound understanding of oil & gas financial modelling and project evaluation concepts.
- To provide participants with experience in designing solutions to real-world financial modelling challenges.

Optional 1 Day: Advanced Excel

To get the most out of this course, we strongly encourage each participant to attend this optional advanced Excel workshop.

The workshop covers the key areas of Excel that are relevant to Oil & Gas Financial Modelling and Project Evaluation.

Areas Covered:

- Advanced range names, including formulas and naming conventions
- Advanced conditional formatting, including formula-driven formatting
- Aggregation functions
- Financial functions: IRR, NPV, PV, FV, PMT
- Goal Seek, Solver
- Pivot Tables
- Scenarios, sensitivity, data tables
- Lookup functions: VLOOKUP, HLOOKUP, INDEX, MATCH

- Advanced data validation techniques and controls
- Introduction to macros and user-defined functions

Included are explanations of how these could typically be applied to the Oil & Gas industry.

3 Days: Financial Modelling and Project Evaluation

This course provides a sound understanding of both the principles of financial modelling and the practical application of these to real-world situations through the use of spreadsheets.

The course then builds upon the financial modelling principles and practices learned to apply these to project evaluations. In this, participants improve their mastery of project evaluation principles and concepts, and then see how to apply these in practical applications.

Finally, the course describes how to both detect and prevent errors from occurring.

Part 1: Financial Modelling Principles & Practices

Introduction to Financial Modelling

- What is a model?
- Spreadsheet models
- Types of oil & gas sector models

Principles of Financial Modelling

- Steps in model building
- Best practice guidelines and spreadsheet modelling standards
- Designing for flexibility and scalability
- Designing for consistency
- Designing for usability and functionality
- Designing checks and balances
- Using VBA in financial models

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Part 2: Applications of Financial Modelling

Principles of Risk and Return

- Volatility
- Capital Structures
- Weighted Average Cost of Capital (WACC)
- Cost of Equity Capital

Project Evaluation: Theory and Application

- Recap of oil and gas accounting principles
- Role of project evaluation
- Approaches to project evaluation
- Free cash flow
- Forecasting future performance
- Capital expenditure modelling
- Modelling uncertainty
- Discounted cash flow modelling
- Sensitivity analysis and an introduction to Monte Carlo simulation and stochastic modelling
- Alternative project evaluation methodologies such as real options
- Debt modelling & alternative capital structures
- Production Sharing Contracts and models

Part 3: Control of Financial Models

Financial Model Auditing/Review

- How to use auditing tools
- Automated testing tools: role, purpose and limitations, demonstration
- Model documentation

Financial Modelling Software

- Overview: purpose, advantages, disadvantages, demonstration



Course Mentor: Jeff Robson

Masters (Applied Finance & Investment), B.Comm (Accounting & Information Systems), Certified Information Systems Auditor (CISA), Fellow of the Financial Services Institute of Australasia (F Fin), Fellow of the Australian Institute of Management (FAIM), Member of the Australian Institute of Company Directors (MAICD), Microsoft Certified Excel Expert (MCEE)

Jeff Robson is the Principal and Founding Director of Access Analytic, a specialist consultancy that focuses on financial modelling, forecasting, valuation, model auditing, and management reporting for clients throughout the world.

He is skilled in the development and maintenance of analytical tools and financial models for middle-market companies to large corporates, at all levels of complexity, in both domestic and international settings.

He has worked extensively with Chevron plus many other producers and explorers over many years. He has trained oil and gas specialists from a wide variety of companies including Chevron, Woodside, BHP Billiton, Nippon Oil, National Iran Oil Company (NIOC), Petronas, PetroVietnam, Strike Energy, and Otto Energy.

He provides training in financial modelling for companies throughout the world.

Before Access Analytic, Jeff spent 6 years working in the Corporate and IT Consulting divisions of a large, multi-national Chartered Accounting firm.

Jeff is the author of a number of white papers on financial modelling on subjects such as Financial Modelling Best

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Practices and Financial Model Auditing. Earlier in his career, he spent five years in banking and finance.

Highlights from his oil and gas experience include:

- Development of economic models to assist Decision Analysts modelling a wide range of scenarios for major oil & gas assets.
- Auditing and development of 20-year strategic planning models for large oil & gas fields.
- Development of business plan and budgeting models for oil & gas assets.
- Development of cash flow, production-sharing and taxation models for oil & gas clients.
- Consulting on Sarbanes Oxley spreadsheet remediation and risk assessment.

Recent Training Course Feedback

- “Very useful to develop modelling skills. Thanks!”
- “Excellent course content, very relevant to my work.”
- “Very well-taught and extremely relevant to practical job application.”
- “Very good course with very knowledgeable presenter. Excellent CD with good live examples.”
- “Very worthwhile, informative course. Very relevant in terms of my day-to-day work.”
- “Very good course with great mix of Excel and finance methodology.”

Continuing Education

This course provides 7.5 contact hours per day towards continuing education requirements.

Key Details

Smaller sizes are recommended to maximise the participants’ learning experience.

Comprehensive course notes plus a CD with an extensive collection of templates and worked examples are included.

Just call us on +61 8 6210 8500 and we’ll arrange everything!

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