IFRS FOR THE OIL & GAS AND PETROCHEMICAL SECTORS (UPSTREAM, MIDSTREAM & DOWNSTREAM)



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Introduction

IFRS for the Oil & Gas and Petrochemical Sectors (Upstream, Midstream & Downstream) Training Course prepares finance and reporting professionals to apply international standards to the full hydrocarbon value chain. Participants learn how exploration, development, production, transportation and refining activities are recognised, measured and disclosed. The programme covers successful efforts and full cost accounting, IFRS 6 exploration assets, IAS 36 impairment, provisions for decommissioning and joint arrangement reporting. Furthermore, it addresses revenue from crude and refined sales, hedge accounting and segment disclosure. As a result, delegates can prepare statements that reflect the commercial and technical reality of an energy business. Gentex Training Center delivers the programme through case work and reporting workshops.

IFRS for the Oil & Gas and Petrochemical Sectors (Upstream, Midstream & Downstream) Course Objectives

- Apply IFRS recognition and measurement rules across upstream, midstream and downstream activities.
- Distinguish successful efforts from full cost accounting treatments.
- Account for exploration and evaluation assets under IFRS 6.
- Apply IAS 36 impairment testing to fields, refineries and cash-generating units.
- Calculate depletion, depreciation and unit-of-production charges.
- Recognise decommissioning and restoration provisions under IAS 37.
- Report joint arrangements under IFRS 11 and associates under IAS 28.
- Apply IFRS 15 to crude, gas and petrochemical product sales.
- Use IFRS 9 hedge accounting for commodity and currency exposure.
- Prepare segment disclosures and reserves disclosure obligations.

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Course Methodology

The course combines technical briefings with case-based reporting workshops and disclosure exercises. Participants prepare financial statement extracts for a fictional integrated energy company and test impairment and provision calculations. In addition, structured peer review and group discussion reinforce each technique, and every day closes with an applied reporting task.

Who Should Take This Course

- Finance managers, controllers and reporting staff in energy companies.
- Accountants in national oil companies and petrochemical producers.
- Auditors, consultants and advisers serving energy clients.
- Planning, commercial and joint venture accounting professionals.
- Analysts reviewing oil, gas and petrochemical financial statements.
- Treasury and tax professionals working with hydrocarbon operations.

IFRS for the Oil & Gas and Petrochemical Sectors (Upstream, Midstream & Downstream) Course Outlines

Day 1: Value Chain Overview and Reporting Framework

- Upstream, midstream and downstream activities and their accounting implications.
- IFRS framework, IAS 1 presentation and IAS 8 accounting policies.
- Successful efforts versus full cost accounting methods.
- Exploration and evaluation assets under IFRS 6.

- Capitalisation of development costs and borrowing costs under IAS 23.
- Accounting for farm-in, farm-out and carried interest arrangements.
- Workshop: mapping costs across the value chain to accounts.

Day 2: Upstream Accounting and Production Costs

- Reserves and resources terminology and reporting obligations.
- Unit-of-production depletion calculation and reserve revisions.
- Production sharing contracts and entitlement accounting.
- Overlift and underlift positions and their measurement.
- Decommissioning and restoration provisions under IAS 37.
- Tangible and intangible asset classification for wells and facilities.
- Workshop: calculating depletion and decommissioning provisions.

Day 3: Midstream, Downstream and Impairment

- Accounting for pipelines, terminals and storage facilities.
- Refinery assets, turnaround costs and capitalisation of major maintenance.
- Inventory measurement for crude, intermediates and products under IAS 2.
- Impairment testing of refineries under IAS 36 and cash-generating units.
- Lease accounting under IFRS 16 for terminals and equipment.
- Emission allowances and environmental obligations treatment.
- Workshop: performing an IAS 36 impairment test on a refinery asset.

Day 4: Revenue, Contracts and Hedging

- IFRS 15 revenue recognition for crude, gas and petrochemical sales.
- Provisional pricing, price lags and quality adjustments.

- Measurement of take-or-pay and capacity contracts.
- IFRS 9 hedge accounting for commodity price and currency risk.
- Derivative recognition, effectiveness testing and disclosure.
- Contract assets, receivables and expected credit loss interaction.
- Workshop: applying IFRS 15 and IFRS 9 to a sale and hedging case.

Day 5: Group Structures, Disclosure and Reporting

- Consolidation, joint arrangements under IFRS 11 and equity accounting under IAS 28.
- Business combinations in oil and gas under IFRS 3.
- Segment reporting under IFRS 8 for integrated operations.
- IFRS 13 fair value measurement for commodity and asset valuations.
- Related party disclosure in state-owned and joint venture settings.
- Preparing and reviewing an annual report extract.
- Workshop: assembling a financial statement extract for an integrated energy company.

Conclusion

By successfully completing IFRS for the Oil & Gas and Petrochemical Sectors (Upstream, Midstream & Downstream) Training Course, participants will have acquired the knowledge to apply IFRS across hydrocarbon operations with confidence. They will understand exploration accounting, depletion, impairment, decommissioning, revenue, hedging and segment disclosure, and they will know how to document treatments that withstand audit review. As a result, delegates improve reporting quality in complex energy businesses. Gentex Training Center builds the programme around current industry reporting practice.

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FAQs for the IFRS for the Oil & Gas and Petrochemical Sectors (Upstream, Midstream & Downstream) course

Q1 What is the "IFRS for the Oil & Gas and Petrochemical Sectors (Upstream, Midstream & Downstream)" course about?

It applies international standards across the hydrocarbon value chain. You learn exploration and development accounting, depletion, impairment, decommissioning provisions, product revenue, hedge accounting and segment disclosure, with reporting exercises for an integrated energy company.

Q2 What are the key benefits of the "IFRS for the Oil & Gas and Petrochemical Sectors (Upstream, Midstream & Downstream)" course?

You gain the ability to prepare energy accounts that reflect technical reality and survive audit scrutiny. You also improve impairment and provision judgements, strengthen revenue and hedge documentation, and raise disclosure quality for analysts, boards and regulators.

Q3 What skills will I gain from the "IFRS for the Oil & Gas and Petrochemical Sectors (Upstream, Midstream & Downstream)" course?

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You will gain oil and gas IFRS application across the value chain, exploration and development asset accounting, impairment, depletion and decommissioning provision calculation, and revenue, hedge and segment reporting.

Q4 What tools, methods, or standards are covered in the "IFRS for the Oil & Gas and Petrochemical Sectors (Upstream, Midstream & Downstream)" course?

The course covers IFRS 6 exploration and evaluation assets, successful efforts and full cost methods, unit-of-production depletion, IAS 36 impairment testing, IAS 37 decommissioning provisions, IAS 2 inventory measurement, IFRS 15 revenue recognition with provisional pricing, IFRS 9 hedge accounting, IFRS 11 joint arrangements, IAS 28 equity accounting, IFRS 8 segment reporting and IFRS 13 fair value measurement.

Q5 How is the "IFRS for the Oil & Gas and Petrochemical Sectors (Upstream, Midstream & Downstream)" course applied in real-world practice?

Graduates apply it to prepare quarterly and annual accounts for exploration and production assets, calculate depletion and decommissioning provisions, perform refinery impairment tests, document provisional pricing and hedging treatment, prepare segment and reserves disclosures, and answer auditor questions on complex energy transactions.