

## LDI Training Course

# PSC Budgeting and Reporting: POD, WP&B, FQR and AFE (with new PSC guidelines proposed)

## Overview

This course covers the main aspects of the Indonesian Production Sharing Contract (PSC), and is designed to give you complete overviews and better understanding of the system by learning from technical-operational-financial mechanism. Understanding comprehensively the PSC system will help the participants to cope with problems, cases, or even challenges that may arise in the industry.

## Course Content

### **Petroleum Operations Overview**

#### **The PSC Refreshing**

- Royalty concept Vs PSC
- Property right concept
- Oil and gas business risk
- Basic Concept of the PSC
- PSC Principles
- PSC Operational
- The Financials aspects
- Accounting Principles

### **Operational Aspects Overview**

- Land acquisition aspects
- Exploration aspects
- Development aspects
- Production aspects
- Financial aspects

### **Planning and Budgeting**

- Grand Plan of the Operations
- Plan of Development
- Work Program and Budget Expenditure
- Authorization for Expenditure
- Project Economic
- Financial Analysis

### **Budgeting and Reporting Manual**

- Budgeting and Reporting Procedures
- Exploration and Development
- Production Operation
- Administration
- Supporting Information

### **Planning**

- Strategic planning
- Planning and monitoring concept
- Vision, mission and corporate objective
- Joint Operation Agreement & PSC Planning

### **POD**

- Project economics: the main procedures
- Due diligence : Farm-in and Farm-out problems
- Project indicators
- POD Preparation
- 1<sup>st</sup> POD, POP, POFD,
- Relinquishment procedures and tax impact

### **WP&B and AFE**

- Budget schedules : report structures
- Budgeting process and mechanism
- Exploration and development cost
- Capital & Non Capital expenditures
- Routine and Non Routine expenditures
- Cost Oil and cost gas
- Lifting cost, cost recovery and operating cost
- Budgeting preparation and process
- AFE: what and why?
- Details of AFE contains
- AFE as a project management tools

### **FQR**

- FQR as part of management control system
- Main objective of FQR
- Main deliverability of the report
- FQR report 1: Representing the management requirement
- The Indonesian Petroleum Taxation
  - Direct Taxes – Corporate Tax
  - Branch Profit Tax
  - Tax Treaty
  - Indirect Taxes – VAT, Local Taxes and Levies
  - Cases on Taxation

## Who Should Attend

- ✿ Accounting personnel
- ✿ Finance personnel
- ✿ Engineers
- ✿ Lawyers
- ✿ Economists
- ✿ Managers, supervisors and executives
- ✿ Exploration personnel
- ✿ Tax Accountants
- ✿ Bankers

### Enrollment Information

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