



**THE CYPRUS INTERNATIONAL INSTITUTE OF MANAGEMENT**  
**COURSE UNIT DESCRIPTION**

Course Unit Title	<b>Oil &amp; Gas Economics, Finance and Accounting</b>	
Course Unit Code	MA 660	
Type of Unit	<b>Elective</b>	
Level of Course Unit	Second cycle	
Year of Study	First/second year	
Semester	On demand	
Number of ECTS Credits	6.0 ECTS	
Course Unit Objectives	The objective of this course is to provide the students with a foundation of economics, financial & accounting aspects of oil and gas exploration and production and to equip them with critical knowledge on financial management, costing and taxation in the oil and gas sector while considering the economics of oil and gas markets, oil and gas policies and regulatory framework as well as the national and international business environment. It will have immediate and practical application at the workplace. Learning throughout the course will be reinforced by case studies, worked examples, and illustrative extracts from oil and gas company annual reports.	
Learning Outcomes	On completion of this course students are expected to:	
	CILO 1	Critically assess concepts and principles underlining operation of oil and gas markets and apply the principles of Oil and Gas economics to decision making relating to field development options
	CILO 2	Identify the unique features of oil and gas exploration and production activities and critically evaluate the use of historical cost methods, depreciation, depletion and amortization methods, and asset impairment considerations that underpin the preparation of accounts for oil and gas exploration and production companies.
	CILO 3	Analyze and appraise alternative oil and gas investments and projects using financial data, valuation models, risk considerations and relevant non-financial information for viability,
	CILO 4	Evaluate the implications of alternative project financing arrangements and risk management.
	CILO 5	Understand the financial information disclosed in oil & gas the annual report and accounts of oil companies and be able to provide sound rationale and clearly communicate to relevant stakeholders the basis for accounting, reporting and disclosure, operational considerations, financial implications etc.
Name of Lecturer(s)	Professor Reza Kouhy, Head of Division of Accounting, Finance and Economics, Dundee Business School, Division of Accounting Finance and Economics (TBC)	
Mode of delivery	Face to Face	
Prerequisites	Managerial Economics; Foundations of Accounting and Finance	
Course Content	The International Oil& Gas Markets Oil and Gas Financial/Economic characteristics and Market Price Drivers; The Economics & Business of Exploration & Production of Oil & Gas	CILO 1
	Accounting: Treatment of Exploration and Development Costs, Reserves, Production and Cost of Sales Risk and Cost Sharing Arrangements	CILO 2 &3
	Financial & Risk Management Investment appraisal techniques Valuation Principles & Models	CILO 3 & 4

	Alternative Financing Arrangements and their Implications	CILO 4 &5
	Financial Analysis, Budgets, Accounts & Management Reports of Oil & Gas Companies	CILO 5
Recommended or required reading	<p><u>WRIGHT, C. J., 2016. Fundamentals of oil and gas accounting. 6th ed. Tulsa, OK: PennWell</u></p> <p><u>SIMKINS, B. J. and SIMKINS, R. E., 2013. Energy finance and economics: analysis and valuation, risk management, and the future of energy. Hoboken: John Wiley. ebook</u></p> <p><u>ANTILL, N. and ARNOTT, R., 2000. Valuing oil and gas companies: a guide to the assessment and evaluation of assets, performance and prospects. 2nd ed. Sawston: Woodhead Publishing Limited.</u></p> <p><u>JAHN, F., COOK, M. and GRAHAM, M., 2008. Hydrocarbon exploration and production. 2nd ed. Amsterdam: Elsevier.</u></p> <p><u>LERCHE, I. and NOETH, S., 2004. Economics of petroleum production: a compendium: vol.1: profit and risk. Brentwood: Multi Science Publishing Co Ltd. Ebook</u></p>	
Planned learning activities and teaching methods	Lectures; in-class discussion and debates; in-class exercises; problem sets; team work; video case studies, team presentations, interactive online learning via Moodle (quizzes, assignments, forums)	
Assessment methods and criteria	Class Participation:20% In-class Exam: 80%	
Language of Instruction	English	
Work Placement(s)	Not applicable	