

These Procedures set out what is generally regarded in the Industry as good practice. They are not mandatory and Operators may adopt different standards in a particular situation where to do so would maintain an equivalent level of reporting. Where there is an inconsistency with the Accounting Procedure, the Accounting Procedure will prevail.

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## **1. Introduction**

A series of initiatives to undertake a business process review within the accounting functions of the UK upstream oil and gas industry have been carried out since 1996.

SOAP1 was proposed by a workgroup comprising representatives from eleven companies, working in consultation with the Finance Directors Forum (FDF) originally and the Oil Industry Finance Association (OIFA). The review was carried out by a small team of OIFA member companies.

As the current suite of published procedures have become outdated and less relevant, all SOAPs have been reviewed and refreshed in line with agreement by OIFA representatives.

The Terms of Reference for the original workgroup were to;

### **1.1 Objectives**

Through simplification and standardisation of financial data exchange and related approval processes, enhance the quality and comparability of financial information, for Operators and Co-venturers alike and achieve savings in administration costs.

### **1.2 Deliverables**

To produce a set of procedures, agreed originally by the FDF, outlining best practice, preferred content and common presentation of Joint Venture financial documents, and the standardisation of approval and timing requirements for expenditures.

### **1.3 Scope**

- Billing Statement/invoice support
- Joint Venture Budgeting procedures
- Management reports
- Funding arrangements
- AFE requirement, content and support.

## **2. Budgets**

### **2.1 Purpose**

The Joint Venture Budget is a costed forward plan for the Joint Venture. This is useful, early in the annual cycle as each Co-venture begins its own planning, resource allocation and budgeting process. It offers an early opportunity for Co-venturers to react to the direction of the underlying work programme. It is the basis for approval of all expenditure that does not require an AFE, and the foundation for subsequent Joint Venture cost control and financial reporting.

### **2.2 Common Issues**

Common issues with the annual Joint Venture Budget cycle can include:

- Timing of submission and approval (each Co-venturer may work to a different internal timetable);
- The period covered by the Budget – typically only the following calendar year, whereas Operators may need to make commitments for later periods;
- No consistency of format or level of detail, between Operators or with subsequent reporting;
- Confusion over what approval has been formally sought and achieved in respect of Contingent items. Contingent items are dependent on the results of the firm Budget activity.

These concerns can lead to the late approval of Budgets, inhibiting optimum commitment to expenditure.

### **2.3 Proposals**

#### **• Timing**

Budgets are issued annually, with the exception of the initiation of a development project Budget, which may depend on factors (e.g. government approval of the development plan) that do not coincide with an annual cycle.

The Operator should issue a formal Budget proposal as early in Q4 as possible, for the following year. This Budget should reflect the proposed work programme and reduce, though not necessarily eliminate, the number of contingent items. Approval of the Budget should be sought from Co-venturers by 1 December.

#### **• Content and Format**

The information required to support the Budget proposal varies according to the phase of activity and type of expenditure. The Operator should provide explanations for all significant expenditure and non-recurring or unusual items.

Budget content should be consistent in the categories of activity and expenditure at each phase of the business cycle - recommended headings are set out in Appendices A and B. These categories should also form the basis of the Billing Statement and Financial Information (sections 4 and 6).

Contingent items should be clearly identified and excluded from the firm Budget. Contingent items are subject to separate approval.

The following information is recommended:

- Work programme and assumptions, including production details (if applicable);
- Phased expenditure, by quarter, by major classification or anticipated AFE for the Budget year;
- A forecast outlook at summary level for the current year plus the two years beyond the Budget year;
- Clear summary of contingent items;
- Summary of carry over expenditure from prior year approved Budgets;
- An update of the current year forecast.

Budgets, Forecasts and Billings should all be presented in a consistent format and contain the same headings to enable easy understanding and comparison of Budget performance.

#### • **Approvals**

All Budgets should be expressed in GBP, but with Co-venturers given the option of having major currency commitments shown separately for major developments.

Budget approval will not always be the final approval required before the Operator can commit to expenditure (see section 3).

##### ○ **Exploration and Appraisal (E&A)**

All wells and major G&G projects, require AFE approval. Other costs, e.g. minor studies, licence rentals and overheads should be approved at the Budget stage.

Transfers between Budget categories are permitted as the lower of 10% or £10 million, and will be reported in Financial Information unless the total Budget moves by more than the allowed (10%) tolerance, when formal approval is required.

##### ○ **Developments**

An initial Budget for total expenditure over the life of the project will be approved, and subject to annual review in the subsequent years' Budgets. Transfers between Budget categories are permitted as the lower of 10% or £10 million, and will be reported in Financial Information unless the total Budget moves by more than the allowed (10%) tolerance, when formal approval is required.

##### ○ **Producing Fields: Operating Expense (Opex)**

Operating expense should be approved by category at the Budget stage i.e. no AFEs should be required (see section 3). For contracted volume based tariffs, there is no need to approve revised Budgets for increased (or decreased) production.

Transfers between Budget categories are permitted as the lower of 10% or £10 million, and will be reported in Financial Information unless the total Budget moves by more than the allowed (10%) tolerance, when formal approval is required.

##### ○ **Producing Fields: Capital Expenditure (Capex)**

Capex projects require approval as per section 3.

- **Decommissioning**

Budgets for decommissioning projects need to be approved, refer to SOAP 7.

Transfers between Budget categories are permitted as the lower of 10% or £10 million, and will be reported in Financial Information unless the total Budget moves by more than the allowed (10%) tolerance, when formal approval is required.

### **3.0 Authorisation for Expenditure (AFE)**

#### **3.1 Purpose**

An AFE is a formal communication between Co-ventures to confirm technical and financial approval for a specific piece of work, and is a control mechanism for subsequent reporting.

#### **3.2 Common Issues**

The process frequently adds little value in too many cases. Both the number and timing of AFEs are issues: there are generally too many, issued too late; "Deemed approval" always attracts heated debate when negotiating Accounting Procedures, as does the issue of AFEs for unbudgeted items.

#### **3.3 Proposals**

- **Exploration & Appraisal**

No AFE should be raised for license fees or internal G&A costs; items not the subject of an AFE must be presented in sufficient detail to allow approval at Budget level. An AFE will be required for G&G activity where individual work scopes exceed £1 million.

One AFE per well should be raised for drilling (i.e. to cover site survey, long lead items including rig mobilisation and de-mobilisation, dry hole costs plus where appropriate, testing) activity, when the Operator is estimating with confidence. A combined AFE is not practicable when the scope of testing is not defined up front. Funds would be released (via electronic approval) at each stage of the well, with no transfers of funds between categories allowed. AFE supplements and short term approvals, inevitably required on occasion due to unforeseen difficulties, should be processed in a pragmatic way by email.

- **Development Phase**

A single AFE should be approved for construction costs (including HUC), with a number of sub-categories, consistent with the Budget. Transfers will be permitted between these headings up to a 10% tolerance limit (see section 2). Technical approval will still be sought for major design changes. If the prime scope changes significantly, the AFE should be resubmitted by the Operator for Co-venturer approval.

- **Production Phase**

No AFE should be required for annual operating expenditure, unless specifically agreed by Co-ventures or for well workover programmes where the anticipated final cost does not exceed £5 million. Infill drilling (programme by programme), and other major capital projects over £10 million, should be subject to separate AFE approval.

Special Opex requires an AFE if over a certain value as dictated by the JOA.

- **Decommissioning Phase**

A single AFE should be approved. Transfers will be permitted between these headings up to a 10% tolerance limit (see section 2). Technical approval will still be sought for major changes. If the prime scope changes significantly, the AFE should be resubmitted by the Operator for Co-ventures approval.

Refer to SOAP 7.

### **3.4 Approval**

AFEs for <£10 million should be deemed approved 30 days from issue if no response is received from the relevant Co-venturers, unless varied by common agreement. Any query or request for more information from a Co-venture in this period will mean the AFE remains unapproved until the query is answered or the pass mark is reached. The AFE would be deemed approved by the Co-venturers 30 days from the Operator's response, if no further communication is received from the Co-venturers. The Operator will issue a reminder 10 days from the due date if the pass mark has not been reached. Notwithstanding the foregoing, an AFE may still be valid if approved by the requisite number of Co-venturers within 90 days of receipt.

- **AFE Supplements**

These will be handled according to the terms of individual Accounting Procedures attached to Joint Operating Agreements (JOAs). The Operator will issue a revised estimate as soon as reasonably practicable to allow approval of the work to continue, with the full AFE Supplement document provided at the end of the operation.

- **Items not AFE'd**

Such items are subject to approval in the Budget process.

## **4.0 Billing Statements**

### **4.1 Purpose**

Billing Statements provide details of gross expenditure, income and working capital by the Operator on behalf of the Joint Venture. This allows Co-venturers to fulfill their own financial reporting, legal and fiscal obligations to maintain accounting records. This provides a formal invoice for VAT purposes.

Billing Statements should not be regarded as a source of Financial Information, which should be provided separately (see section 6).

### **4.2 Proposals**

#### **• Frequency and Timing**

Billing Statements should be issued to coincide with the issue of the funding invoice (see section 5). Billings will be issued monthly basis. For low level expenditure on a Joint Venture the Operator may issue Billings Statements on a less frequent basis.

Billing Statements will be issued no later than 10 working days after the end of the appropriate accounting period. The precise date will be determined by the Operators internal accounting timetable.

#### **• Content and Format**

Format and content should be consistent with the Financial Information and Budget classifications, but at a summarised level of detail, recognising the purpose outlined above.

Billing Statements will provide details of gross expenditure and receipts on joint operations, by Joint Venture, for the current period and the year-to-date, by major budget classifications (see Appendix C). Inception-to-date balances will be provided for all AFEs active during the current accounting year and working capital (see Appendix D). It is recognised that these templates may need to be modified to meet specific Joint Venture circumstances.

#### **• Currency**

All expenditure incurred or amounts received by the Operator, regardless of currency, should be charged to the joint account in GBP. All Billing Statements should be in GBP. The only exceptions are where expenditures have significant non-GBP spend and the JOA permits the Operator to bill in multi-currency if it so wishes, with the approval of the Co-venturers.

## 5. Funding Arrangements

### 5.1 Purpose

To enable Operators to make payments on behalf of the Joint Venture so that no significant gain or loss arises to the Operator.

### 5.2 Joint Venture Funding

Joint Ventures should be funded by issuing monthly invoices in GBP. The amount to be invoiced should be the net cash outlay for the Joint Venture for the period, i.e. excluding accruals except where such accruals are inconsequential and difficult to identify, for example because charges result from complex apportionments of cost pools.

Cash advances should only be used for major developments.

#### • Frequency and Timing

Invoices should be issued monthly.

The invoice and Joint Venture Billing Statement will be issued by e-mail, posted on the Operators extranet site (if applicable) no later than 10 working days after the end of the appropriate accounting period. The Operator should advise Co-venturers by e-mail when Joint Venture billings have been released to the extranet site.

The invoice should be payable 10 calendar days following the date of issue when e-mailed or posted on the extranet. The payment date should be clearly stated on the invoice. Queries should be raised with the Operator as soon as practical but this must not affect the payment of the invoice, unless there is a material misstatement in the Billing Statement.

Any disputed amounts should be brought to the attention of the Operator and credit requested. At this stage every effort should be made to resolve differences regarding invoiced amounts. If the query cannot be resolved, the amount under query may be deducted from the invoice in question. Given that all transactions are subject to audit it is recommended that withholding amounts from invoices should be a position of last resort.

### **Background to change in Operator's Cost of Finance**

This Funding Arrangements section is amended in Revision 5 to reflect the change from LIBOR to SONIA at the end of December 2021.

Operators have the option to use "Synthetic LIBOR" in 2022, but the recommended best practice is for Operators across the industry to have all JOA amendments completed using SONIA standard wording done by mid-year. All agreements should be amended by end 2022 prior to the retiral of the "synthetic LIBOR" rate.

For reference please note link to OEUK new JOA terms:

<https://oeuk.org.uk/product/joint-operating-agreement-pack/>

#### • Operator's Cost of Finance

In consideration of the Operator funding the costs of the joint operation in advance, a fee should be chargeable by the Operator to each Co-venture on the basis of the following formula:

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With each invoice, a financing fee (or credit) will be charged (or credited) by the Operator to each Participant on the basis of the following formula:

$$F = (C \times PI) \times (I \times P/A)$$

Where:

- F** represents the financing fee or credit to be settled between the relevant Participant and the Operator;
- C** represents the total cost funded by the Operator for the relevant Month, using the cash basis;
- PI** represents the Percentage Interest of the relevant Participant under the Agreement;
- I** represents interest at SONIA Compounded in Arrears.
- P** represents the number of days from the mid-point of the relevant processing Month of the Operator to the due date of settlement of the relevant Invoice; and
- A** represents the number of days in the year.

The maximum credit periods for each billing frequency are set out in Appendix E. The credit periods shown are recommended for those Operators who do not calculate interest on a daily basis.

If the Operator's accounting system has the functionality to allow interest to be calculated on a daily basis, this is an option that can be pursued.

In the case of care and maintenance invoices for exploration activity, expenditure should be treated as for the quarterly, half yearly and annual billed invoices set out in Appendix E.

- **Content and Format**

The invoice and Billing Statement will be issued together, and will show the total amount payable by each Co-venture, i.e. cash expenditure for the relevant period and the financing fee, shown separately. Specific details of cash expenditure for the relevant period can be shown on the invoice or the Billing Statement.

- **Currency**

Invoices will be issued and payable in GBP only unless otherwise agreed for specific contractual expenditure (see section 4).

- **Default**

Existing default arrangements which apply to non-payment of cash calls will continue to apply in relation to the non-payment of invoices.

## **6. Financial Information**

### **6.1 Purpose**

Financial Information provides the information to enable Co-venturers to review performance against Budget, AFEs and other targets and to meet their internal forecasting requirements.

### **6.2 Common Issues**

A limited number of Operators issue regular financial reports. There is no consistency in format or content, making interpretation and analysis difficult. Figures are often inconsistent with Budgets and Billing Statements, which have often been used as poor substitutes for Financial Information.

### **6.3 Proposals**

The issue of Financial Information should be encouraged.

#### **• Frequency and Timing**

Financial information should be issued monthly for development projects and quarterly for producing fields. Seismic, G&G and E&A drilling reports should be issued on an ad hoc basis. Licenses in a care and maintenance phase only do not require additional Financial Information.

Financial Information should be issued no later than 20 days after the end of the period to which they relate.

#### **• Content and Format**

Reporting classifications used should be consistent with Budget and Billing Statement classifications (including inception-to-date balances where appropriate, e.g. AFEs). However, Financial Information will normally be prepared to a more detailed level than Billing Statements, to enable Co-venturers to perform their own analysis. The emphasis should be placed on looking forward rather than back; appropriate variance analysis and narrative should be provided.

Specific recommendations are shown in Appendices F, G and H, although these may need to be modified to meet specific Joint Venture circumstances.

#### **• Currency**

All figures quoted in Financial Information should be GBP only, and reported in thousands of pounds.

## 7. IFRS 16 – Leases

### • Introduction

IFRS 16 is effective for annual reporting periods beginning on or after 1 January 2019. The objective of IFRS 16 is to report the assets (right of use) and liabilities (payment obligation) on the Balance Sheet associated with leases with a term of over 12 months.

### • Guidance

Operators, JV partners (and their auditors) may interpret the guidance differently, therefore, should a partner make a request for lease information, the minimum information to be supplied is as follows:

- a) Asset leased (and any further relevant details requested i.e. is it physically distinct, majority of capacity or pooled asset).
- b) Does lessor have any substantive substitution rights over the asset?
- c) Lease signatories
- d) Is it for sole use of the JV arrangement and does the lessee direct the use?
- e) Were key terms of the contract approved by non-operator parties.

Should these indicate that this is an IFRS 16 lease, then in order for the JV partners to comply with their statutory disclosure requirements under IFRS16 the following should also be supplied:-

- 1) Minimum lease term/ Minimum volumes
- 2) Payments:
  - a) Amount payable (net of executory costs)
  - b) Details of any increases due to indexation
  - c) Payment frequency
  - d) Lease prepayments & initial set up costs.
  - e) Restoration costs at end of lease
- 3) Discount rate (if implicit in the lease)
- 4) Any other reasonable requests made to enable the JV partner to comply with their interpretation of the standard and the fulfilment of their reporting requirements under IFRS16.

**Appendices**

**Appendix A**

**Budget Document – Content and Format**

	<b>Level of Detail</b>
<p><b>Exploration &amp; Appraisal:</b></p> <ul style="list-style-type: none"> <li>▪ Drilling &amp; Testing</li> <li>▪ Seismic G&amp;G</li> <li>▪ Licence Fees</li> <li>▪ Manpower and Overheads – see SOAP 4. (*) supported by Time/Effort/Rate</li> <li>▪ Pre Development Work</li> </ul>	<p>Wells individually by prospect Minor studies and specific projects itemised Area x rate In-house, Direct &amp; Overhead Charges</p>
<p><b>Developments:</b></p> <ul style="list-style-type: none"> <li>▪ Construction</li> <li>▪ Drilling</li> <li>▪ Manpower and Overheads – see SOAP 4. (*) supported by Time/Effort/Rate</li> </ul>	<p>By project Number of wells, phasing of costs, Rig. In-house, Direct &amp; Overhead Charges</p>
<p><b>Production:</b></p> <ul style="list-style-type: none"> <li>▪ Tariff &amp; Transportation</li> <li>▪ Annual Operating Expenses and Receipts</li>   <li>▪ Drilling Capex</li> <li>▪ Facilities Capex</li> <li>▪ Manpower and Overheads – see SOAP 4. (*) supported by Time/Effort/Rate</li> </ul>	<p>By product Not netted off, 2 separate lines, by major element/process typically:</p> <ul style="list-style-type: none"> <li>• Production</li> <li>• Maintenance</li> <li>• Subsea</li> <li>• Topsides</li> <li>• Engineering.</li> </ul> <p>Same as developments, drilling Major projects, minor works pot In-house, Direct &amp; Overhead</p>
<p><b>Decommissioning – See SOAP 7</b></p> <ul style="list-style-type: none"> <li>• Studies</li> <li>• Projects</li> <li>• Manpower and Overheads – see SOAP 4. supported by Time/Effort/Rate</li> <li>• Liability forecast and guarantee</li> </ul>	<p>Number of wells, phasing of costs, Rig, Deconstruction phasing. In-house, Direct &amp; Overhead Charges</p>
<p><b>Total Gross Expenditure</b></p>	

(\*) could be included in surveys or wells above.

**Appendix B**

**Budget Document – Pro Forma**

	Q1	Q2	Q3	Q4	Total	20XX	20XX +1	20XX+2	
<b>Exploration &amp; Appraisal:</b> <ul style="list-style-type: none"> <li>▪ Firm Items – Prior Year approved Current Year</li> <li>▪ Contingent Items</li> </ul>									
<b>Development:</b> <ul style="list-style-type: none"> <li>▪ Firm Items Prior Year approved Current Year</li> <li>▪ Contingency</li> </ul>									
<b>Production:</b> <ul style="list-style-type: none"> <li>▪ Firm Items Prior Year approved Current Year</li> <li>▪ Contingent Items</li> </ul>									
<b>Decommissioning:</b> <ul style="list-style-type: none"> <li>• Firm Items - Prior Year approved Current Year</li> <li>• Contingency</li> </ul>									

**Appendix C**

**Billing Statement – Content and Format**

	<b>Current Month</b>	<b>Year to Date</b>	<b>Inception to Date</b>
<p><b>Exploration &amp; Appraisal:</b></p> <ul style="list-style-type: none"> <li>▪ Drilling and Testing</li> <li>▪ Seismic G&amp;G</li> <li>▪ License Fees</li> <li>▪ Manpower and Overhead</li> <li>▪ Pre Development Work</li> </ul>	XXX	XXX	XXX
<p><b>Developments:</b></p> <ul style="list-style-type: none"> <li>▪ Construction</li> <li>▪ Drilling</li> <li>▪ Manpower and Overhead</li> </ul>	XXX	XXX	XXX
<p><b>Production:</b></p> <ul style="list-style-type: none"> <li>▪ Tariff and Transportation</li> <li>▪ Annual Operating Expenditure and Receipts</li> <li>▪ Drilling Capex</li> <li>▪ Facilities Capex</li> <li>▪ Manpower and Overhead</li> </ul>	XXX	XXX	XXX
<p><b>Decommissioning:</b></p> <ul style="list-style-type: none"> <li>▪ P&amp;A Wells</li> <li>▪ Facilities Deconstruct</li> <li>▪ In-House Direct &amp; Overhead Charges</li> </ul>	XXX	XXX	XXX
<p><b>Total Gross Expenditure</b></p>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>
<p><b>Working Capital:</b></p>			
<ul style="list-style-type: none"> <li>▪ Inventory</li> <li>▪ Accruals</li> <li>▪ VAT</li> <li>▪ Debtors</li> <li>▪ Other</li> </ul>	XXX	XXX	XXX
<p><b>Total Cash Expenditure</b></p>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>

**Appendix D**

**Billing Statement – AFE Report – Content and Format  
 Exploration & Appraisal**

	<b>Current Month</b>	<b>Year to Date</b>	<b>Inception to Date</b>
<b>Drilling &amp; Testing:</b> <ul style="list-style-type: none"> <li>▪ AFE 123 – Well – A01</li> <li>▪ AFE 456 – Well – A02</li> <li>▪ AFE 789 – Well – A03</li> </ul>			
<b>Total Drilling &amp; Testing</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>

NB: Typically this type of report will be produced for all expenditure controlled by AFE.

**Appendix E**

**Maximum Credit Periods for Billings**

All figures shown below refer to calendar days.

<b>Billing Frequency</b>	<b>Start of credit period to billing period end</b>	<b>Invoice issue period</b>	<b>Payment of invoice to Operator</b>	<b>Total credit period</b>
Monthly	15	10	10	35
Quarterly	45	10	10	65
Half Yearly (License fees)	15	10	10	35
Half Yearly (Other costs)	182	10	10	202
Annual	182	10	10	202

**Appendix F**

**Financial Information – Content and Format  
 Development Phase**

	<b>Project Budget &amp; AFE Value</b>	<b>Inception to Date Expenditure</b>	<b>Estimate to Complete</b>	<b>Anticipated Final Costs</b>	<b>Variance from Project Budget and AFC</b>
<b>Construction:</b> <ul style="list-style-type: none"> <li>▪ Sub Classifications per Budget</li> </ul>					
<b>Drilling</b> <ul style="list-style-type: none"> <li>▪ Sub Classifications per Budget</li> </ul>					
<b>Total Expenditure</b>					

**Notes:**

- a. Supplementary information will be provided on a Project by Project basis as required.
- b. All figures quoted above are in £000's.
- c. Commentary to be provided on all significant variances.
- d. Phasing of Expenditure to end of the Budget period will be provided at major classification level by quarter.
- e. Residual Development Capex after first oil will be incorporated into the Production Phase reports.

**Appendix G**

**Financial Information – Content and Format  
 Production Phase**

	<b>Year to Date Actuals</b>	<b>Approved Annual Budget</b>	<b>Variance from Budget</b>	<b>Revised Annual Forecast</b>	<b>Variance from Revised Annual Forecast</b>
<b>Annual Operating Exp./Receipts:</b> <ul style="list-style-type: none"> <li>▪ Sub Classifications per Budget</li> </ul>					
<b>Tariffs &amp; Transportation:</b> <ul style="list-style-type: none"> <li>▪ Sub Classifications per Budget</li> </ul>					
<b>Capex:</b> <ul style="list-style-type: none"> <li>▪ Drilling by AFE</li> <li>▪ Facilities (Major) by AFE</li> <li>▪ Other Capex</li> </ul>					
<b>Total Expenditure</b>					

**Notes:**

- a. All figures quoted above are in £000's.
- b. Commentary to be provided on all significant variances.
- c. Phasing of Expenditure to end of the Budget period will be provided at major classification level by quarter.
- d. In addition a further report will be provided for all AFE type expenditure showing AFE Value, Inception to Date Costs and Anticipated Final Cost.

**Appendix H**

**Financial Information – Content and Format  
 Decommissioning Phase**

	<b>Year to Date Actuals</b>	<b>Approved Annual Budget</b>	<b>Variance from Budget</b>	<b>Revised Annual Forecast</b>	<b>Variance from Revised Annual Forecast</b>
<b>Studies:</b> <ul style="list-style-type: none"> <li>▪ Sub Classifications per Budget</li> </ul>					
<b>Projects:</b> <ul style="list-style-type: none"> <li>▪ Sub Classifications per Budget</li> </ul>					
<b>Liability:</b> <ul style="list-style-type: none"> <li>▪ Sub Classifications per Budget</li> </ul>					
<b>Total Expenditure</b>					

**Notes:**

- a. All figures quoted above are in £000's.
- b. Commentary to be provided on all significant variances.
- c. Phasing of Expenditure to end of the Budget period will be provided at major classification level by quarter.

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I McPherson	:	Anderson, Anderson & Brown
I Finlayson	:	Anderson, Anderson & Brown
J Hutton	:	Anderson, Anderson & Brown
S McKenzie	:	Anderson, Anderson & Brown
D Strachan	:	CNOOC

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