

“...we went from complex, inefficient spreadsheeting to an automated, transparent and efficient forecasting, budgeting and reporting environment.”

Ashley Gilbert, CFO



NIDO Petroleum Ltd is an oil and gas exploration and production company whose business activities are focused on the Philippines offshore Palawan acreage. The company is head quartered in Perth, Western Australian and listed on the ASX.

NIDO needed an automated, transparent and efficient forecasting and reporting tool which provided a robust method of forecasting and controlling their cash flows, taking account of the many different and complex variables within the business structure and the industry. Ashley Gilbert, NIDO Chief Financial Officer said.....

“We found the process of forecasting and reporting on these forecasts difficult to achieve in an efficient and timely way using spreadsheets. Our spreadsheets were very complex and interlinked, so it was very difficult for someone who did not design the spreadsheets to understand them and thus not a clear audit trail to the underlying numbers.

In addition, this environment was not flexible enough to efficiently view and compare the various sensitivities and amendments resulting from the frequent changes to the forecast from operational factors.”

## The Implementation Approach

“Professional Advantage brought a great deal of relevant knowledge of the Oil & Gas industry.”

“Our PA account manager had intimate knowledge of Joint Venture accounting and business structures and we were able to work together in tailoring a unique implementation approach for our requirements.”

The consultant was also very familiar with our industry having worked in Oil and Gas himself. This meant we were able to get a flying start, getting results we could test in days.

What we wanted was an approach where we didn't have to solve the whole process in one fell swoop, but could achieve a substantial milestone and then start a process of continuous improvement.

We tailored an approach where we commenced the implementation from day one and continued for a set number of days. We knew there were risks in this approach as we may not have achieved everything that we set out to. However, we ended up with an outcome way above what we would have been happy to achieve from the outset.

The software and Professional Advantage's consultants were able to tune into the areas that mattered to us most. We were able to focus on what outcomes we specifically wanted for this phase and tailor a solution to suit. As a result, we participated fully in the design. This resulted in us taking greater ownership of the system. This flexibility enabled us to still retain some asset specific spreadsheets which had more complex modeling offline, then importing the results into the model.

This is fine for us for now until we get comfortable with exploring the scope in the current model and system. In addition, we now build all our own reports, graphs and cash flow statements in the report writer ourselves, enabling a more tailored approach to the company's requirements from Board to JV reporting.”

## Outcomes

This is now an incredibly robust and secure environment. Infor Performance Management (Infor PM) from Professional Advantage enables NIDO to perform highly frequent and easily repeatable forecasts. It enables NIDO the ability to do sensitivity analysis, store the results of that version and compare the different versions of forecasts and actuals in a single cash flow report.

What was delivered?

- Enhanced reporting and forecasting of cost centre and capital AFE budgets
- Cash flow and Profit & Loss reporting updated as frequently as needed
- Richly formatted cash flow reports with graphs
- Boardroom presentational reports in three months from initial install to board meeting
- Sensitivity analysis on currency rates and equity share of the AFE and human resource manning
- Single source of financial and key non-financial data
- Non-financial production reports
- KPI reporting
- Ability to carry and retain older versions

In general terms, the implementation has enhanced NIDO's forward visibility and enhanced reporting. It has reduced risks from forecasting inaccuracies and lack of transparency. It has reduced time lost from investigations, the rekeying of data and checking and rechecking the Excel models and enabled NIDO to get on with business planning instead.

## The Future

"We are very happy with the current setup for the next 6 months at least. We have plans after that to bring the model online to key operational staff who can input their forecasts directly through secure web screens," said Ashley Gilbert, CFO. "We will also add some of our offline spreadsheet logic into the model to allow us greater flexibility in scenario planning for things like oil prices, human resource planning and timesheet data modelling."



## About Professional Advantage

Professional Advantage (PA) has been helping organisations improve how they manage their businesses since 1987. We apply smart people, rigorous thinking and quality systems to business challenges.

## Solution

Infor Performance Management

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