

# Nido Petroleum



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 based 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 our industry."*

"Our Professional Advantage 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 whereby we didn't attempt to solve the whole process in one fell swoop, but could achieve a substantial milestone and then start a process of continuous improvement."

"Professional Advantage's consultants were able to tune into the areas that mattered to us most. Allowing us to focus on the outcomes we specifically wanted for this phase and tailor a solution to suit. As a result, we actively participated in the design, resulting in us taking greater ownership of the system. This flexibility enabled us to retain some asset specific spreadsheets containing more complex modeling offline, then to import the results into the live model."

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 of directors to joint venture reporting."

## Outcomes

Nido now have an incredibly robust and secure environment. The solution from Professional Advantage enables Nido to perform highly frequent and easily repeatable forecasts. It allows 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.

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

Ashley Gilbert, CFO

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## Benefits

- 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 forecast versions

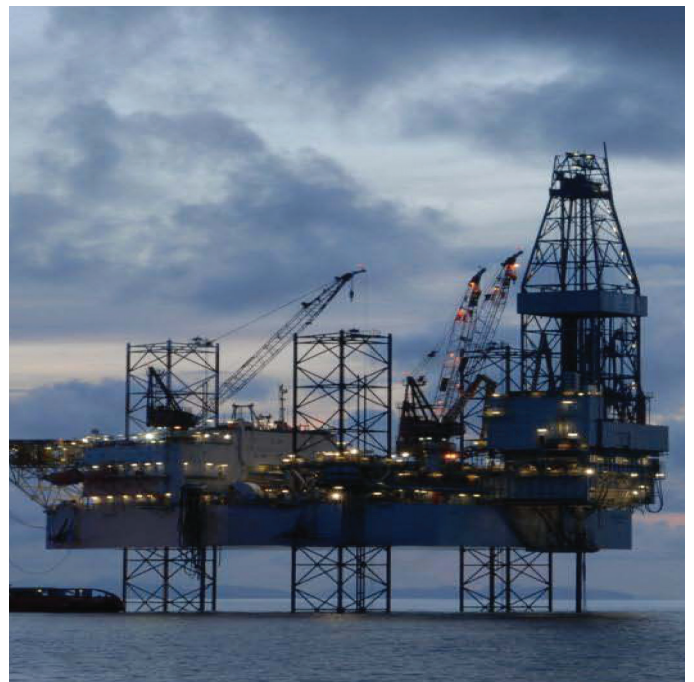
The implementation has enhanced Nido's forward visibility, enhanced reporting and has reduced risks from forecasting inaccuracies. We have improved transparency and reduced time lost from investigations, eliminated the rekeying of data and onerous rechecking of the Excel models, allowing Nido to get 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," says Gilbert. "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 focuses on providing technology and services that enable high-performance workplaces and organisations. Professional Advantage was established in 1989 and today employs more than 230 people in Sydney, Melbourne, Brisbane, Perth, London and Fargo, USA. The company is the largest provider of leading brand global business management systems, such as financial management, ERP, CRM, retail, business intelligence, business process management and portal solutions to midsize organisations in Australia, supporting over 800 clients nationally. Its multi-product offering is complemented by its development, systems integration, consulting, training, and support services.



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