THE MODEL OF MANAGEMENT ACCOUNTING A TRADING COMPANY IN UKRAINE USING ACCOUNTING INFORMATION SYSTEM

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Abstract. In the article are considered problems of modeling of management accounting systems of trade companies in Ukraine using accounting information systems and main difference between Ukrainian and international information systems. There are considered the description of the business process using accounting information systems. There are considered the definition of the model of organization a management accounting in the trade enterprise. In the article are considered process of integration between local Ukrainian information systems and international information accounting systems.

Keywords: model, modeling, trade company, information system, management accounting, tax bill, credit note, delivery note.

Introduction

Today, the question of integrated automation not only accounting, but also management accounting. Paradoxically, that at this time the exact definition of "Management Accounting" does not exist. The authors of this article can be formulated as follows: "Management Accounting" - a system of indicators and methods for characterizing the real condition of the company at the present time and gives the employees about qualitative and quantitative result of the business. This concept for accounting is very important, because in order to work as chief accountant in the enterprise you must understand all the details of accounting properly, calculate taxes, be able to make statements, to perform work on planning, monitoring, internal audit activities and participate in the development of management decisions.

New economic realities in Ukraine require research questions that had not been given enough attention. Transition to international forms of accounts, the Euro-integration processes in Ukraine, the arrival of the Ukrainian market of international companies - all of these factors require a clear and understandable concept formation management accounting in enterprises and modeling of management accounting in enterprises in Ukraine. The concept of management accounting in today's economic environment becomes of primary importance as a form of treatment that provides complete and accurate information about the company. In management accounting tasks assigned information collection, processing, pre, intime and final control and task organization of administrative accountability.

Modeling as a study process of phenomena in the economy studied by many foreign and native scholars, including Evdokimov V. (2009), Zhuk V. (2012), Shygun M. (2009), Kuzminskiy Y. (2006), Sokolov Y. (2000) and others.

Method

Modeling management accounting is specific process knowledge of economic phenomena, in this case the process of management accounting in enterprises. During the simulation should understand the construction of an abstract (mathematical) model of the enterprise, which more fully and accurately reflect the parameters of the company. This simulation is mostly used with the use of information systems. In general, any information which the accounting system in the company, as such, can be considered as a model, as it is reflected all the real economic processes in the enterprise. Based on this view, the process of developing and implementing accounting information system in the enterprise can be understood as a process of modeling accounting in the enterprise, as well as in the research process and an information system are investigated and modeled all the key parameters characterizing the enterprise.
In this article we studied a model management accounting on a trading company in Ukraine with the use of accounting information system "1C: Enterprise 8. Managing trade enterprise", which is the standard IT for use in Ukraine for this type of enterprise.

The overall structure of this model consists of the following units: sales, purchasing, accounting, warehouse, logistics. The features of the implementation processes in enterprises in Ukraine on the information systems of accounting.

Results

General process in Sales. In general Sales office enters the order in information system only when the item has available stock. If the item wanted by the customer has no stock, the customer wants to wait and the item can be ordered (is not discontinued), the sales manager will notify the purchase department and wait until the goods arrive to enter the order.

Once the order is in the system and the stock reserved, the invoice is printed and sent to the customer. The order is not delivered until the sales manager gives the "green light". Only then the order is prepared and 2 new documents are created:

- Delivery note
- Tax Bill

The tax bill document needs to be sent via information system and MEDOC to a government server in Ukraine. They will then receive confirmation of reception and once sent this document cannot be modified.

Tax bill counter is different on the print version than in the full version. The printed version is restarted every month, the full version every year. This implies that to identify a tax bill you need both the full number and the year, or the printer number, the month and the year.

For the Tax Bill, information system generates an XML document that is sent to software called MEDOC, software property of the government. MEDOC is executed manually to read the XML file. Once MEDOC confirms reception and delivery of the tax bill, accounts manually confirms each tax bill in information system. Until this check box is clicked, information system still allows the modification of the tax bill. After clicking it, we can’t modify it any more.

The tax bill is always attached to the invoice and the delivery note, but in case of delay, it can be sent afterwards. Though, this option can only be used in exceptional cases as most customers will refuse goods without the tax bill document.

Tax bill must always include the custom code of the article, as it will have an impact on the taxes and is used by the government to match sales to purchases.

Payment. There is not due date management on the tax bill, so payments are followed by the debtors report. The sales manager must then know by customer the agreed period for the payment since delivery.

Prepayments require a tax bill for the amount paid if the goods are not delivered when the payments is received.

Purchases. International. The purchase department will enter in System the purchase invoice as soon as it is received. This is the first time any information about the purchase is introduced in System.

In this invoice, it will need to add the real weight declared in the export documentation by the supplier and accounts will then add the royalties for each item.

Accounting department will link to this purchase invoice any cost that is relative to the transport of the goods to Ukraine border or extra cost that will be taken into account for the duty cost.

With this information, the duty cost can be calculated, thanks to a fixed rate depending of the custom code that will be applied to the sum of total line, transport cost (distributed equally by weight of each product) and royalties

The transport cost added for the duty cost calculation is only for any cost before the goods reach Ukraine. But it is also important to note that the distribution of this cost is not by value but by weight.

Once duty cost has been calculated, printed and paid, purchase can then start the process to free the goods from customs. For this reason, this calculation is always done in advance to insure that there are not any unnecessary delays.

Any error on the invoice has to be reported before liberation from custom. Afterwards, Ukrainian law doesn’t allow modifying anything, so even if we detect a mistake, we need to keep the receipt of the invoice as it was inputted.
Purchases. National. For national receipts, the invoice is introduced in system as soon as a copy of the invoice is received, without link to the actual receipt of goods.

When the goods are delivered, the receipt is entered (including delivery number from supplier and date of supplier delivery note) and validated by the accounts after warehouse verifies the goods. The stocks will then be updated automatically.

For national receipts, the warehouse needs to present its own power of attorney. This document is also generated by system according to the information of the invoice received from the customer. It has to be issue to a specific person (passport and position in company are specified) and can be done in advance with a 10 days validity. To be able to receive the goods, the person in charge of the receipt will have to present his passport to the driver, if not, the delivery will be refused and returned to supplier.

When we want to pay a supplier invoice, we introduce the payment in the bank program which will generate a payment receipt that we must introduce in system.

The stocks are valued by FIFO, but a WAEP management is not forbidden (PUMP).

The cost input to an article on a receipt is the following:

- Purchase cost
- Transport cost until Ukraine border (distribution by weight for duty calculation, by value for costprice calculation)
- Royalties
- Duty cost (calculated over the sum of the 3 previous items)
- Transport cost from customs (distributed by value)
- Services or extra costs (distributed by value)

Discussion

There are two ways to integrate international and Ukrainian information systems:

1. Keep local system as main system and use international system as a reporting program, exporting all relevant data from local to international.

2. Use international system as main system for sales, purchases, logistics and stock management, local system as main system for accounting, finance and localized printing. In this solution, users would need to work on an interface of importing data in local via file or message exchange. Import includes receiving relevant data (from xml-file for example), simulating full business process in local system, and analyzing result (including error checks, feedbacks etc). As a result all the "documents" in local system (delivery note, invoice, tax bill...) and the accounting entries should be generated and printed if requested.

Second solution is better, because it gives result with a lower cost and a lower time to integration.

Due to the difficulties of implementing international information systems in Ukraine, it is advisable that international companies keep using their informational systems but from the viewpoint of the Head office it should work just as if using the central database i.e. local system to be plugged into the central database: most important stock, sales, finances information exported into a text file every night and uploaded into the central database. The goal is to have an as centralised view of the most important data as if the central system was used.

Global Item References are entered in Head office and every night Head office will upload them.

After they are uploaded, they have to be assigned manually to Local Items (i.e. the local system items, articles, products master data – the equivalent of Items in main system) so that each Local Item has a Global Item assigned to it f.e. in a new user-defined field (Global Item No.) which refers to the Global Item Table.

This does not need to be exported into a file automatically. Only that in a user-defined field in local system every location or warehouse needs to be added an English name and this list sent to Head office alongside with the signal whether that warehouse is part of the available stock or not part of it (repairs, scrap, swap etc.).

The objective is to be able to see the outstanding balance of customers and sales per customer – not each individual small customer, just per group. There should be a new table defined in the local system software. Transactional Data (SUM(Invoice.OutstandingAmount) = Customer Balance reliably)

Stock and sales movements. It needs to have the following conventions, signalling certain document and entry types with integer numbers:

Entry Type:

0 Purchase (including purchase return, then with negative quantity)
1 Sale (including sales return, then with positive quantity as sales should be normally negative quantity: stock reduction)
2 Positive Adjustment (found stock, made a set i.e. production output, always positive)
3 Negative Adjustment (lost stock, component consumed for set making, always negative)
4 Transfer (from one warehouse to another, should always have a total sum of 0 in quantity, cost, everything a logically a transfer must mean -10 in one warehouse +10 in another)

Document Type:
0 – No document
1 – Sales Shipment
2 – Sales Invoice
3 – Sales Return Receipt
4 – Sales Credit Memo
5 – Purchase Receipt
6 – Purchase Invoice
7 – Purchase Return Shipment
8 – Purchase Credit Memo

References