

## **Invoice process in Russia. Case company: Ruukki Rus LLC**

Marina Pekshieva

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<p><b>Author or authors</b> Marina Pekshieva</p>	<p><b>Group or year of entry</b> GLOBBA</p>
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<p><b>Teacher/s or supervisor/s</b> Heli Korttesalmi, Elizabeth San Miguel, Teppo Varttala, Mika Mustikainen, Tanja Vesala-Varttala.</p>	
<p>The goal of this thesis is to describe the invoice processes in Russia based on experience of one specific company, Ruukki Rus LLC. The precise research problem focuses on determining the steps of the current process of sending and receiving invoices in Russia. The commissioning company is Tieto, one of the biggest e-invoicing service providers in Finland, which expects to receive valuable research concerning invoice processes in Russia in order to implement e-invoicing in the future.</p> <p>The thesis process started in January 2013 and ended in December 2013. To approach the problem, the theoretical background is first presented and followed by the results. The theory includes information about paper and electronic invoices, different invoicing types and processes in general and in Russia in particular.</p> <p>The qualitative method was used to collect data through observations and interviews. The data was collected in between June and August 2013. At the same time, a work placement was completed in the case company. In total, 15 interviews were conducted inside and outside the case company.</p> <p>The findings mainly include the types, content and processes of paper invoices at Ruukki Rus LLC, as e-invoicing is still not being implemented there. In addition, the difficulties of implementing e-invoicing by Ruukki Rus LLC and in Russia in general were analysed in this research. The results clearly show the importance of implementing e-invoicing in Russia, as it will allow automating the processes. But before that, it is important to understand all the local documentation and process features, which are almost unique there.</p>	
<p><b>Keywords</b> invoice, paper invoice, e-invoice, process, Russia</p>	

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# 1 Introduction

Today e-invoicing is highly promoted in Europe due to the benefits such as efficiency and cost savings, automation of the processes and transparency. European commission estimates savings at around EUR 64,5 billion per year for businesses (European Commission 2013a). In Finland Real-Time Economy program aims at developing e-invoicing. This project is conducted by Tieto Oy and Aalto University School of Business (Aalto University School of Business 2013).

This research is a part of Real-Time Economy program and commissioned by Tieto Oy, which is one of the biggest e-invoicing service providers in Finland. One of the company's goals is to expand its operations to Russia. In order to be able to do this, it is important to understand the current processes in Russia. Furthermore, Tieto Oy has many customers in Finland, which are operating in Russia or aiming to operate there. In this way, this research would be beneficial not only for commissioning company, but also for those companies.

At the moment Russia is on its way to implement e-invoicing. New regulations about e-invoicing were legalized in 2012 (Ernst&Young 2013). Thus, the thesis will be mainly concentrated on the paper invoice processes, as e-invoicing is still not widely used there. For the accomplishing this work a company in Russia was chosen as a case study, in particular, the subsidiary of Ruukki in Russia, the customer of Tieto Oy. Observation, interviews of company's employees and experts were used.

In addition, the theory about electronic invoicing was studied in order to be able to analyse the situation in Russia at the moment. Moreover, an expert of electronic invoicing in Russia was interviewed. The key results will be discussed and reviewed in the end of this thesis. In particular, their validity and usefulness will be commented upon. The recommendations for future research will be made. Learning and professional development during the process will be reflected upon in the end of the thesis as well.

## **1.1 Research question and investigative questions**

The research question of this thesis is:

What are the steps of the current process of sending and receiving invoices in Russia?

The investigative questions are:

IQ1: What are the types of invoices in Russia?

IQ2: What is the structure of invoices in Russia?

IQ3: What are the steps when company sends invoices?

IQ4: What are the steps when company receives invoices?

IQ5: What are the possibilities of e-invoicing in Russia?

The approach is going to be qualitative, which is more suitable to describe the process.

Case study will be a research strategy. Observation will be the main research method.

The interviews will be conducted to support the observation results.

## **1.2 Demarcation**

Demarcation proposes to limit the topic of the research. The most essential demarcation criterion is commissioning company, as paper invoice process will be done for Tieto Oy. It will be done based on experience of Ruukki Oy, which is the customer of Tieto Oy and operates in Russia. This also narrows down the topic, in particular, geographically. The results of this thesis will help Tieto Oy to implement e-invoicing in future in Russia. The research method will be qualitative, for example, observation and interviews will be used. All the demarcation criteria are shown more comprehensively in Table 1.

Table 1. Demarcation criteria

Commissioning company	Tieto Oy
Case company	Ruukki Rus LLC (customer of Tieto Oy)
Geography	Russia, Saint-Petersburg
Research method	Qualitative, observation, interviews
Phenomenal	Implementing e-invoicing in future
Stakeholders	Service providers, accounting specialists, companies in Russia and Finland.

### 1.3 Commissioning company introduction

The commissioning company for this thesis is Tieto. The company was established in 1968 in Finland. Tieto is a leading IT service company in Northern Europe, it provides the full life-cycle of IT services. The company operates in over than 20 countries and has around 17 000 employees. Tieto's net sales in 2012 were approximately EUR 1.8 billion. (Tieto 2013a.)

The company is focused on expanding its services in Eastern Europe and Russia (Tieto 2012c). This thesis and research will help Tieto to have a better understanding of accounting processes in Russia, in particular the paper invoice process, in order to implement e-invoicing in future.

### 1.4 Case company introduction

To describe the invoice processes a case company, a customer of Tieto, was chosen. The case company is Ruukki Rus LLC located in Saint Petersburg.

Ruukki was established in 1960 and it is a Finnish-based metal company, with headquarters in Helsinki. The company specializes in the production of steel and steel constructions. Ruukki operates in about 30 countries and has around 9000 employees. (Ruukki 2012a.) Company's net sales in 2012 were approximately EUR 3 billion (Ruukki 2012d).

The main countries, where the company operates, are Nordic countries, Russia, Central Eastern Europe and Baltic countries. Ruukki has a strong market position in all those countries. The main growth is expected in the Russian market, especially in commercial and industrial constructions. (Ruukki 2012b.)

Ruukki has metallurgical, construction and roofing business units in Russia. The company has around 1400 employees there. The headquarter is in Obninsk and there is also an own metal center in Saint Petersburg. (Ruukki 2012c.) This thesis is concentrated on the invoice processes of Ruukki Rus LLC in Saint-Peterburg.

## 1.5 The overlay matrix

The overlay matrix includes the most important information of the thesis (Table 2). It starts from the research problem, then breaks down to the investigative questions. The overlay matrix also presents the theoretical framework, which applies separately for each investigative question.

Table 2. Overlay Matrix

Research Question (RQ): What are the steps of the current process of sending and receiving invoices in Russia?		
Investigative Questions	Theoretical Framework	Results
IQ1: What are the types of invoices in Russia?	Invoice (definition and types). Invoices in Russia. Legal requirements in Russia.	Chapter 4.1
IQ2: What is the structure of invoices in Russia?	Information containing in invoices. Invoices in Russia. Legal requirements in Russia.	Chapter 4.1
IQ3: What are the steps when company sends invoices?	Invoice as a part of business and accounting processes. Paper invoice process. Flowcharts.	Chapter 4.3
IQ4: What are the steps when company receives invoices?	Invoice as a part of business and accounting processes. Paper invoice process. Flowcharts.	Chapter 4.2
IQ5: What are the possibilities of e-invoicing in Russia?	E-invoicing (definition, benefits). TOE model. Legal requirements in Russia.	Chapter 4.4



## 1.6 Key Concepts

This subchapter presents the main key concepts of this thesis, which will be discussed more precisely in chapter 2.

- **Invoice:** Bill from seller to buyer, which indicates the number of items, their price, additional costs, and payments terms (Horngren, Sundem, Elliot & Philbrick 2012, 393).
- **Paper invoice:** Any invoice, which cannot be automatically processed (Penttinen 2008, 5; Tieto 2013c).
- **Electronic invoice (e-invoice):** Automatically transmitted invoice from supplier's invoicing system to client's purchase invoice system in XML language, using service providers (Tieto 2013c).
- **Business process** is a set of procedures for creating the value for stakeholders, which can be customers, stockholders, employees or vendors (Hurt 2013, 209).
- **Flowchart:** Graphical representation of the process from beginning to end, which helps the visualization (Monk & Wagner 2009, 180).

## 2 Theoretical framework

The theoretical framework is the theoretical background of this thesis. The key elements are shown in Figure 1. The theory about paper invoices will be first looked at: definition, different types and processes. Then the theory about e-invoicing will be discussed, and finally the theory about invoices and e-invoicing in Russia will be presented.

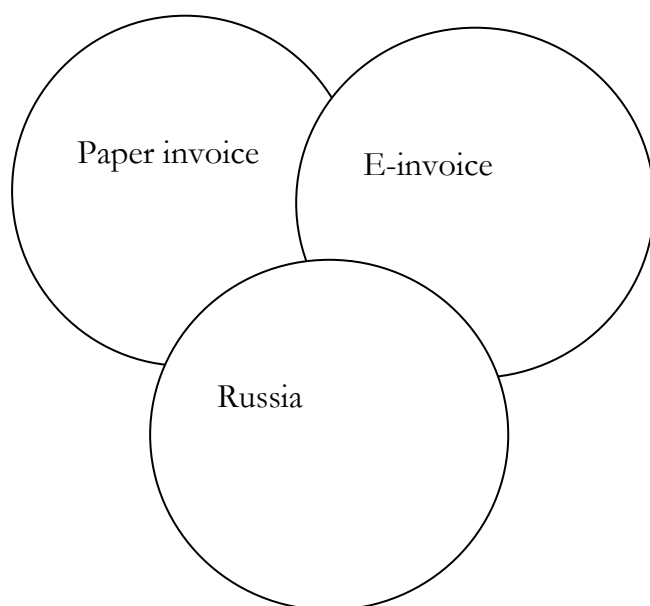


Figure 1. Theoretical Frame.

### 2.1 Invoice (definition and types)

“Invoice is a bill from the seller to a buyer indicating the number of items shipped their price, and any additional costs (such as shipping) along with payments terms, if any.” (Horngren, Sundem, Elliot & Philbrick 2012, 393.)

Horngren (2009, 74) defines invoice as a seller’s request for payment from the buyer and distinguishes two different types of invoices:

- purchase invoice
- sales invoice.

Purchase invoice is a received billing document that informs a company to pay the seller. The purchase invoices states what has been purchased, its amount and price. Sales invoice is a document that a company sends to the buyer. (Horngren 2009, 74.) It is defined by Hoeven (2009, 93) as a billing document that is made after the sales delivery has occurred. The whole process of receiving the purchase invoice and sending the sales invoice by Company A is shown in Figure 2.

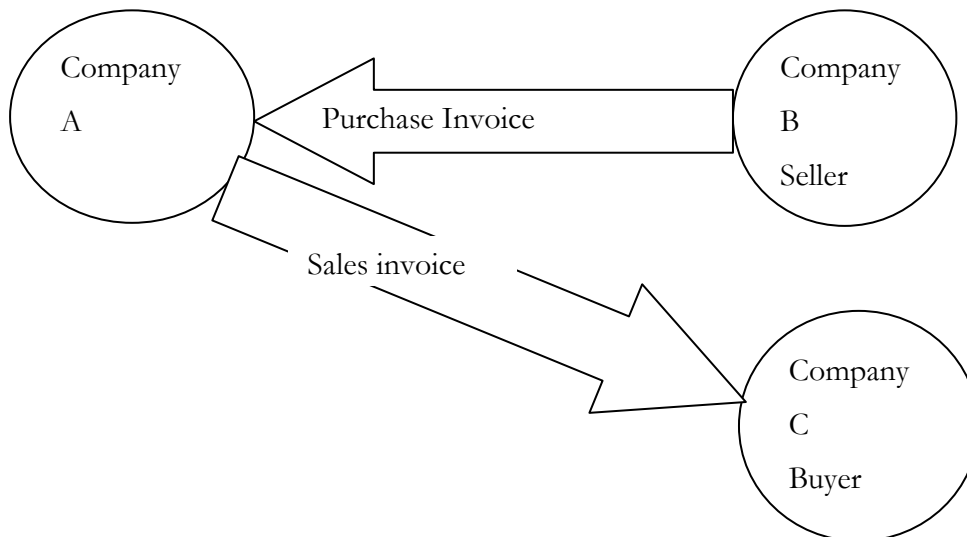


Figure 2. Purchase and sales invoices.

Despite the role of invoice between the seller and the buyer, Arendsen and Wijngaert (2011) discuss the importance of the invoice to tax authorities, when audits and collection processes rely on the authenticity of it.

Sales and purchase invoices are the part of business processes inside the companies. We will have a closer look at different business processes in context of invoices in the next subchapter. But first the elements of invoices will be looked at.

## 2.2 Information containing in invoices

Most of the accounting books point out the following elements of invoices:

1. Seller's name and address
2. Buyer's name and address
3. Mailing address

4. Invoice number
5. Invoice date
6. Due date
7. Total invoice amount
8. Buyer's payment date and payment's amount (Hurt 2013, 212; Horngren 2009, 275).

This information is quite general, as it does not show all the details, concerning elements of invoices. European Commission's Taxation and Customs Union (2013) reports in more details about the obligatory information for all invoices, in particular for VAT invoices:

1. the date of issue;
2. a sequential number that uniquely identifies the invoice;
3. the supplier's VAT identification number;
4. the customer's VAT identification number (only when the customer is liable to pay the tax on the supply);
5. the supplier's full name and address;
6. the customer's full name and address;
7. a description of the quantity and nature of the goods supplied or services rendered;
8. the date of the supply or payment (if different from the date of supply);
9. the VAT rate applied;
10. the VAT amount payable;
11. a break-down of the VAT amount payable per VAT rate or exemption;
12. the unit price of the goods or services exclusive of tax, discounts or rebates (unless included in the unit price).

Furthermore, European Commission's Taxation and Customs Union (2013) informs that signatures are not required on invoices. Moreover, if invoices need to be changed, in case of returning goods or errors in the invoice, it should appear in 'credit notes' or 'debit notes'. If there is a document that corrects or changes the original invoice, it should include all the information like an original invoice plus a reference to the original invoice.

### 2.3 Invoice as a part of business processes

Hurt (2013, 209) defines a business process as a set of procedures for creating the value for stakeholders, which can be customers, stockholders, employees or vendors. Hollander, Denna & Cherrington (2000, 36) state that companies put business processes in place to implement their strategies. It means that all these processes are very important for all companies and should be very effective.

Sales/collection process and acquisition/payment process are examples of business processes. Sales invoice is a part of sales/collection process and purchase invoice is a part of acquisition/payment process.

The purpose of sales/collection process is to deliver goods to clients and collect payment (Hurt 2013, 210). Whereas, the acquisition/payment process is a flip side of sales/collection process and it includes activities of acquiring, paying for and maintaining goods and services (Hollander et al. 2000, 37).

Hurt (2013, 230) discusses the following steps of the acquisition/payment process:

1. request goods
2. authorize a purchase
3. purchase goods
4. receive goods
5. payment
6. purchase returns (when necessary).

When a purchase has happened and the seller has sent the invoice, the Accounts payable Department reviews the purchase order, the receiving report and seller's invoice before approving the invoice for payment. If there are some differences between the goods ordered and received, the seller is contacted. Just after that the invoice is recorded for payment.

Hurt (2013, 210) suggests 7 steps of sales/collection process:

1. take a customer's order

2. approve the customer's credit
3. fill the order based on approved credit
4. ship the product
5. bill the customer
6. collect payment
7. process uncollectible receivables as necessary.

Let's have a closer look at the step of billing the customer, which includes the sales invoice process. The Billing Department is the first department involved in this process. It reviews the transaction and records it in the accounting system, as it meets the condition of revenue recognition at this point. The Billing Department checks the shipping order and shipping notice to confirm that the goods have been shipped. (Hollander et al. 2000, 236.)

Furthermore, the Billing department prepares the sales invoice. Hollander et al. (2000, 236) states that it includes the same data as a sales order, except prices and total amount of sale. It means that the Billing Department adds prices to data of sales order. The copy of the sales invoice is sent to the customer and the Accounts receivable Department.

This subchapter shows that sales and purchase invoices are part of different business process of the companies. In the next chapter it will be narrowed down and the invoices will be shown as parts of accounting processes.

#### **2.4 Invoice as a part of accounting process**

This subchapter describes the purchasing and sales processes based on the examples given by Horngren (2009, 274-282).

## Purchase invoice as a part of accounting process

Assume that Company B ships some goods to Company A on June 1, 2012 and sends an invoice for 700 EUR the same day. Suppose Company A receives the goods on June 3, 2012. It records it as follows (Horngren 2009, 274):

June 3	Inventory (A+)	700	
	Accounts payable (L+)		700

All the goods are recorded on their own accounts, depending on the type of the goods. For example, supplies, equipment and other assets have different accounts. In this case goods are recorded to the Inventory account, an asset.

Company A is allowed to return goods that are defective, damaged or do not comply with as previously agreed. It is called purchase return. Suppose that goods for 100 EUR were damaged in shipment, and Company A has not yet paid for the invoice. Company A returns damaged goods and records it as follows:

June 4	Accounts payable (L-)	100	
	Inventory (A-)		100

Alternatively, purchase allowance could be used. It differs from purchase return in such a way that in the case of the allowance, Company A keeps the Inventory.

Horngren (2009, 277) states the following elements of the purchase allowance:

- Seller's information
- Purchaser's information
- The date the allowance was granted
- Credit terms (repeated from the invoice)
- Total allowance amount.

## Sales invoice as a part of accounting process

Now, let's assume that Company A makes a 1,000 EUR sale on account on June, 11.

The cost of goods is 600 EUR. The company records it as follows:

June 11	Accounts receivable (A+)	1,000	
	Sales revenue (R+)		1,000

June 11	Cost of goods sold (E+)	600	
	Inventory (A-)		600

Company A receives the cash on June, 19. It records it as follows:

June 19	Cash (A+)	1,000	
	Accounts Receivable (A-)		1,000

After making a sale on account, Company A may experience sales return or sales allowance. Sales return means that the customer may return goods. Sales allowance means that Company A may grant a sales allowance to customer to accept defective or damaged goods. (Horngren 2009, 279-281.)

Suppose that customer returns goods for 100 EUR on July, 12. Company A records it as follows:

July 12	Sales returns and allowances (CR+)	100	
	Accounts Receivable (A-)		100

Accounts receivable decreases, as Company A will not collect cash for the returned goods. The company receives the returned goods and and records it as follows:

July 12	Inventory (A+)	70	
	Cost of goods sold (E-)		70



Assume that Company A grants 50 EUR sales allowance for goods damaged in shipment on July 15. It is recorded as follows:

July 15	Sales returns and allowances (CR+)	50	
	Accounts Receivable (A-)		50

The content of invoices may vary as much as companies that issue them. But the main elements of invoices are remaining the same. (Hurt 2013, 212). This will be discussed more precisely in the next chapter.

## 2.5 Paper invoice process

This subchapter will discuss paper invoice process, when a company receives the invoice and when it sends it. The processes will be created based on the information given by Penttinen (2008, 15-16) and Federation of Finnish Financial Services (FFI 2013b).

As the purpose of this thesis is the mapping of paper invoice process, the flowcharts will be used to represent the process. Flowchart is a graphical representation of the process that helps the visualization. The basic flowcharting symbols are shown in Figure 3. (Monk & Wagner 2009, 180-181.)

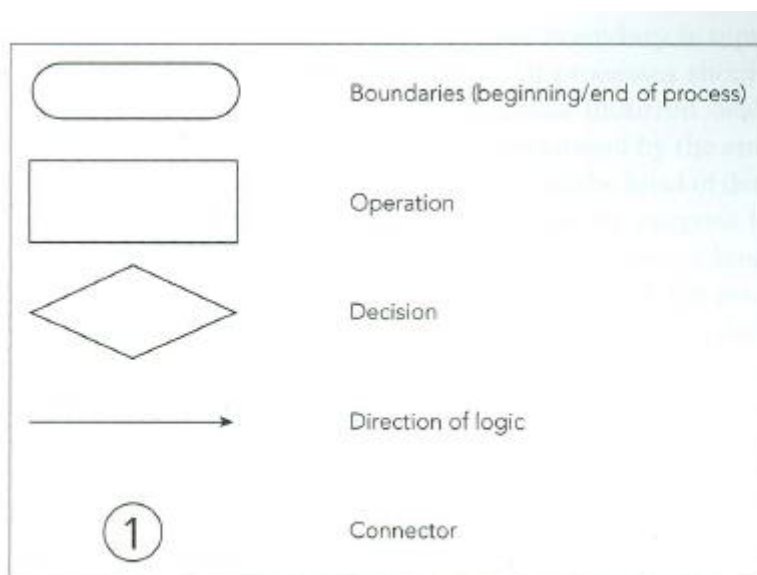


Figure 3. Basic flowcharting symbols (Monk & Wagner 2009, 181.)

The examples of flowcharts of paper invoice process are shown in Figure 4 and 5. They are based on the processes presented by Penttinen (2008, 15-16), Federation of Finnish Financial Services (FFI 2013b) and information discussed above.

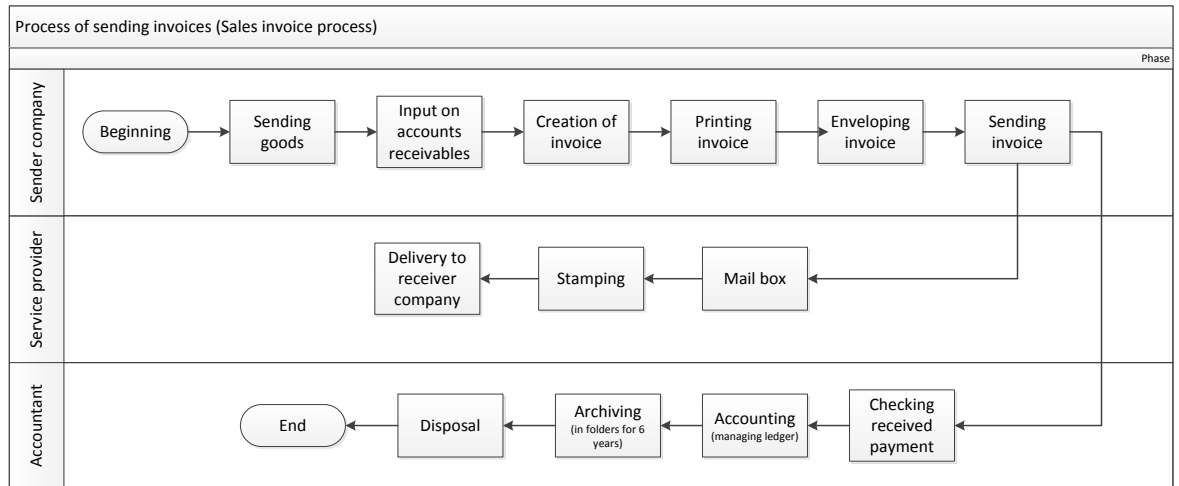


Figure 4. Process of sending invoices

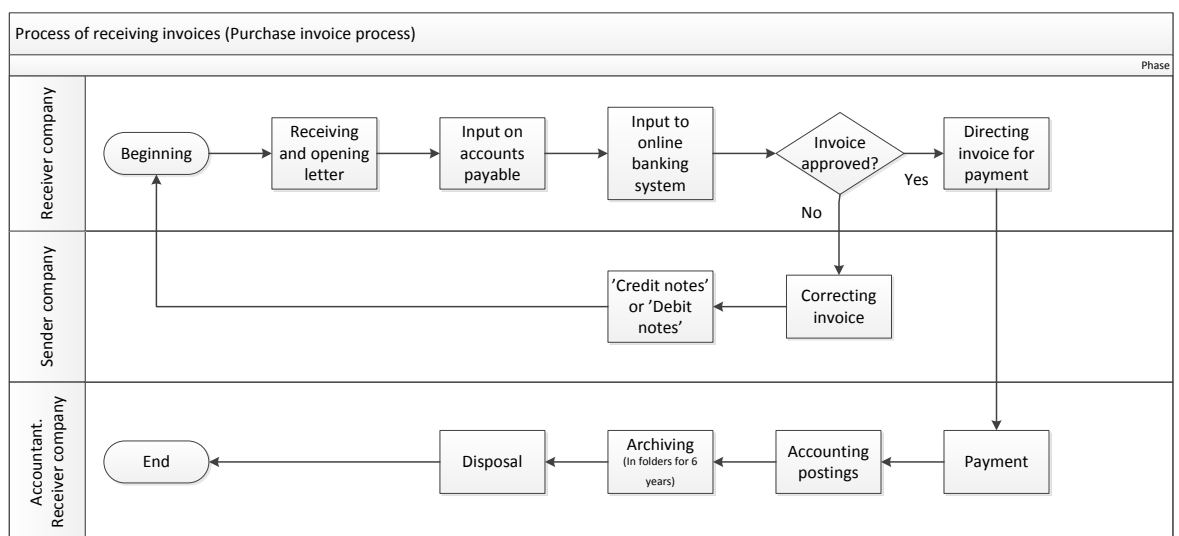


Figure 5. Process of receiving invoices

## 2.6 E-Invoicing

European Commission (2013) defines electronic invoicing (e-invoicing) as electronic transmission of invoicing information between supplier and buyer. It means that e-invoices contain the same information, as paper invoices, but in digital format.

Moreover, the true e-invoice is one that uses no paper in any phase, from the seller's submission to payment. The invoices, which are sent as attachments in e-mails, are not e-invoices. The reason is that these invoices cannot be automatically processed. (Penttinen 2008, 5; Tieto 2013c.)

Penttinen (2008) considers that e-invoices are those invoices, which are sent through XML-based open standards, as, for example, Finvoice or the TEAPSSXML in the Finnish context.

According to Federation of Finnish Financial Services (FFI 2013a), Finvoice is a commonly used format of e-invoices in Finland, which was originally designed by Finnish banks. TEAPSSXML is an e-invoice format, created by Tieto (Tieto 2013b). Both methods, Finvoice and TEAPSSXML, have an XML format.

XML or Extensible Markup Language is a programming language, which enables to represent the invoice in a form readable by software applications and at the same time in a form, which corresponds to a paper invoice (FFI 2013a).

There are different models of e-invoicing network, as one to one, three corner and four corner. In one to one model there is a direct connection between the companies, three corner model considers one service provider between buyer and supplier, and four corner model suggests that companies choose their own providers. (Swift 2012.)

European Commission (2013b) discusses the following e-invoicing models:

- Buyer-centric B2B model (buyer initiates e-invoicing by requiring its suppliers to submit invoices in data format)
- Supplier-centric B2B model (supplier is an initiator of e-invoicing)
- EDI model (computer to computer exchange of documents in electronic format between two companies)
- E-billing for consumers and small business (invoices are available for customers on the supplier's portal)

Penttinen (2008, 24) discusses benefits of electronic invoices, such as cost reduction, avoidance of manual errors, decreasing the processing time of invoices. Furthermore, electronic invoicing has a positive impact on companies' business processes; it affects the transparency and real-time reporting. All these aspects, mentioned above, have a great effect on the companies' image.

Despite these significant benefits, the European Commission (2010) estimates adoption rates of e-invoices at around 5% of all invoices in B2B relations on an annually basis. This figure remains low due to the adoption rate among SMEs (22%), whereas 42% of large enterprises exchange e-invoices.

To study the adoption of e-invoices, the technology-organization-environment (TOE) model can be used (figure 6). It was developed by Tornatzky and Fleischer in 1990 to analyze the elements affecting the company's adoption decisions, if a new technology should be accepted or not. (IIMA 2013, 148.)

The TOE model includes three components: technological, organizational, and environmental. The technological context includes internal and external technologies available. The organizational criteria consider the resources available to adopt the innovation. The environmental components consider the setting of conducting the business, e.g. cooperation with the government.

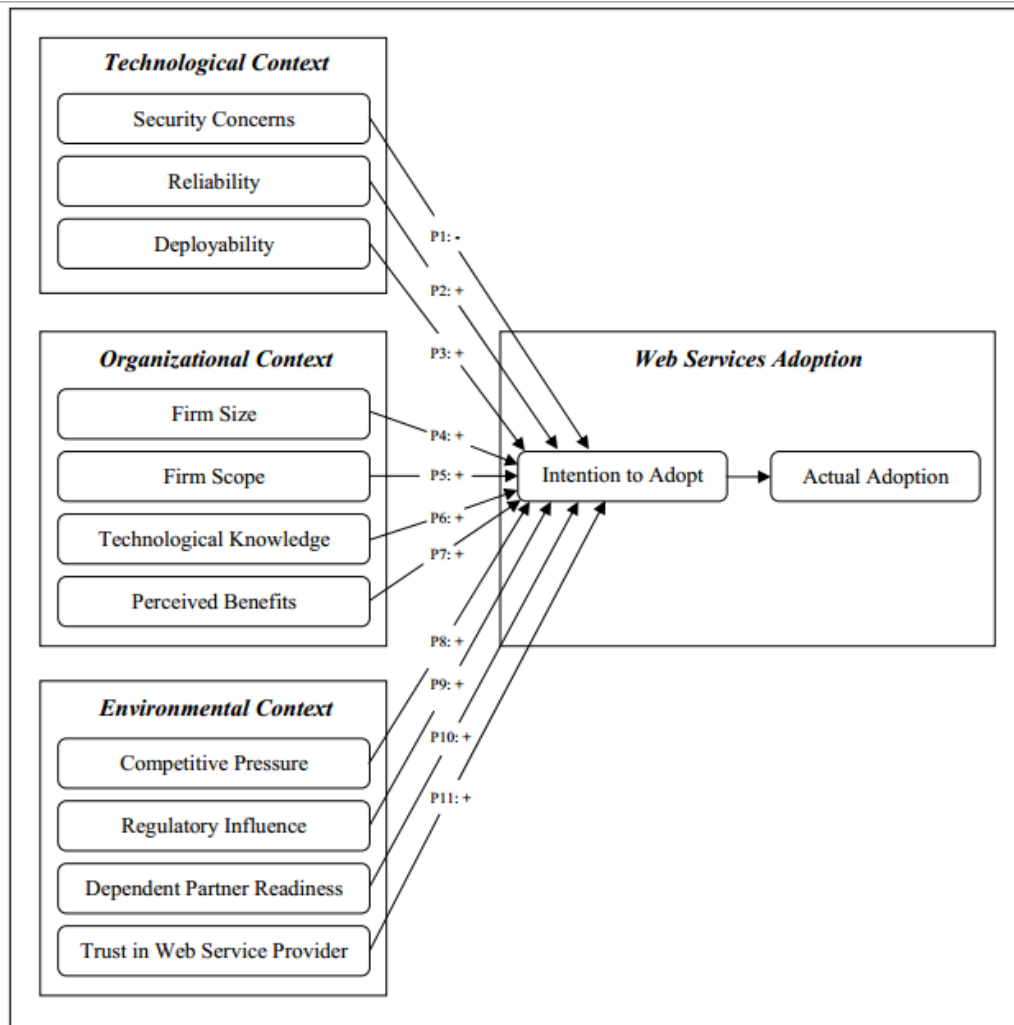


Figure 6. TOE model for web services adoption (IIMA 2013, 158.)

## 2.7 Invoices in Russia

Russia (official name – Russian Federation) is a country in northern Eurasia. The area is 17.075 million km<sup>2</sup>. The population is over 140 million people. It consists of 83 regions, which are grouped into 8 federal districts under the administration of president. (PwC 2013).

### 2.7.1 Paper invoices

Russia is quite young country, as it was formed in 1991 after the Soviet Union collapsed. There are still many thing remaining from the Soviet Union. For example, accounting is regulated by government, rather than by professional bodies. Russian Financial statements based on Russian Accounting Standards (RAS) are mainly used by

the tax and other authorities rather than by management of the companies. (Deloitte 2012.)

For instance, invoice formats are usually approved by Russian government. In Russia “schet-factura” is an equivalent of invoice. It can be translated into English, as invoice-facture or VAT invoice. According to Tax Code of Russian Federation (Article 169), invoice-facture is a document, based on which the buyer will be able to deduct VAT, that was paid to the supplier. Thus, the invoice-facture is a tax accounting document for VAT purposes. It is used for the correct calculation and payment of VAT. It means that companies, which operate without VAT, do not issue the invoice-factures. (ConsultantPlus 2013a.) These are the organisations or individual entrepreneurs with taxable revenues less than RUR 1 million during 3 previous months (Russian European Chamber of Commerce 2013).

The form of invoice-facture, ratified by Russian Government in December 2011, is shown in attachments 2 and 3 (ConsultantPlus 2013b). The field (1a) “Correction” was added, which made possible to form the corrections to invoices. The invoice-facture should be made in two copies (the first for buyer, the second for seller), not later than 5 calendar days from the date of occurrence of the following events:

- Receipt of payment or partial payment
- Shipment of goods
- Transfer of property rights. (ConsultantPlus 2013a.)

When company sells/byus goods (works or services), the following items should be specified in the invoice-facture:

- the number and date of invoice-facture
- the name, address and identification numbers of the seller and the buyer
- the name and address of the shipper and consignee
- number of the payment document (in case of prepayment)
- the name of goods (works, services) and unit measure
- the quantity (volume) delivered
- the currency

- the price (rate) per unit, excluding tax
- the cost of goods (works, services), without tax
- the amount of excise duty on excisable goods
- the tax rate
- the amount of tax, which should be presented to the buyer
- the total cost of goods (works, services) including tax
- the country of origin (for the goods not originated in Russian Federation)
- the number of customs declaration (for the goods not originated in Russian Federation). (ConsultantPlus 2013a, translated by author from Russian.)

The invoice-facture should be signed (with the obligatory transcript of the signature) by director and chief accountant or other persons, authorised by order (or other administrative document) of the company (ConsultantPlus 2013a). According to Tax Code of Russian Federation, companies have to keep invoice-factures within four years (Pravcons 2011).

Moreover, according to Tax Code of Russian Federation (ConsultantPlus 2013a), companies are required to maintain:

- Record of received and issued invoice-factures.
- Purchase and sales registers, the form of which is approved by the government of Russian Federation (ConsultantPlus 2013b).

Deloitte (2012) states that IFRS (International Financial Reporting Standards) are becoming more important in Russia, as more companies start to use them. The Moscow Times (2009) reports that in reality things are different. In particular, operations are recorded when the required document is signed, not when they occurred. Moreover, all documents must signed and stamped. Just after that they are considered to be legal.

The most popular Russian accounting software is 1C, which has different products such as 1C:Enterprise, 1C:Accounting. 1C company was established in 1991 and specialises in mass-market software. (1C 2013.)

## 2.7.2 E-invoices

The e-invoicing started to be possible in Russia in May 2012, after signing certain regulations and approving of electronic formats of VAT invoices. E-invoicing in Russia has the following characteristics:

- it can be used voluntarily
- electronic digital signature shall be used
- transferring via the operator. (E-invoicing platform 2012.)

The electronic invoices in Russia have many similarities with paper invoices. In particular, they have the same details, data and form (attachment 3, 4). They should be sent within 5 days. The corrections to invoices should be done by creating a new document, specifically, corrections to invoices. Similarly to paper invoices, electronic invoices must also be registered in the record of received/issued invoice-factures and purchase and sales registers, and stored electronically for 4 years. (Diadoc 2013a.)

The main differences electronic invoices from paper invoices in Russia are as follows:

- the electronic invoices have an XML format, which allows to process invoices automatically by the participants of the transaction, as well as by the regulatory bodies. It reduces the processing time, the search of errors in details and calculations, and checking of the document.
- the electronic invoices should be formed in 1 copy and signed by one electronic digital signature of director or another authorized person. (Diadoc 2013.)

The legal framework for e-invoicing in Russia at the moment is as follows:

- Federal Law No. 63-FZ “About electronic digital signature” dd. 06.04.2011.
- Federal Law No. 402-FZ “About accounting” dd. 06.12.2012.
- Federal Law No. 149-FZ “About information, information technologies and protection of information” dd. 27.06.2006.
- Federal Law No. 229-FZ “About changes in Tax Code about e-invoices” dd. 02.10.2007.
- Directive of Ministry of Finance No. 50n “About exchanging of e-invoices” dd. 25.04.2011.



- Directive of Federal Tax Service No. MMB-7-2/168 “About the providing procedure of electronic documents to Federal Tax Service” dd. 17.02.2011.
- Decree of Russian Government No. 1137 “About the forms and rules of filling documents used in the calculation of VAT” dd. 26.12.2011.
- Directive of Federal Tax Service No. MMB-7-6/138 “About the formats of invoices” dd. 05.03.2012.

The legislation for e-invoices, given above, overlaps with the legal framework for paper invoices now and then. The reason is that e-invoices can be used the same way as paper invoices. Both invoices, paper and electronic, have the same legal force. Thus, laws are made at the same time for paper and electronic invoices.

### 3 Research design and methods

The approach of this thesis is qualitative, which is more suitable to describe the process. Case study is the research strategy. The idea was to study one case in details to develop the general picture (Silverman 2005, 126). This thesis describes different types of invoices and invoice processes of one specific company in Russia, namely Ruukki Rus LLC. This will give a better understanding of invoice processes in Russia in general.

Observation was the main research method. Furthermore, the participant observation was used, when a researcher fully participates in activities (Saunders 2012, 342). It means that the researcher was fully involved in the invoice process at Ruukki Rus LLC, by completing the tasks concerning this issue. The observations were collected as notes and drawings.

The interviews were conducted inside the case company to support the observation results. Moreover, an expert outside the case company was interviewed to be able to make the recommendations related to e-invoicing. The research design image is shown in Figure 7.

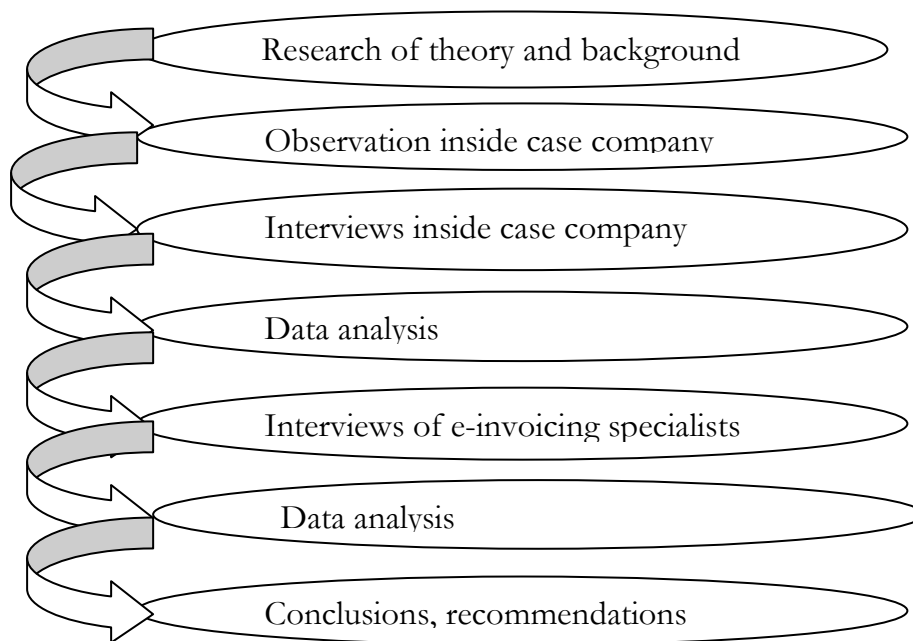


Figure 7. Research design.

In summer 2013 data has been gathered through the observations and interviews. At the same time, a work placement was completed in the case company. This allowed making also the participant observations. The author was a part of Accounts Payables of Ruukki Finance Services department in Eastern Europe (RFS EE) located in Saint-Petersburg. In particular, the tasks regarding the purchase invoices, when the goods are imported outside of Russia, were completed during the work placement.

The interviews of 2-3 specialists inside the company and 1-2 e-invoicing specialists outside the company were planned, but in fact there were 15 interviews conducted. The reason for this was due to different kind of invoices and their spreading in several departments of Ruukki Rus LLC. Mostly non-standardized interviews were used, meaning that the researcher had the list of questions to be covered, but they varied depending on the discussion (Saunders 2012, 374). The schedule of all interviews is presented in attachment 20.

After the data was collected based on interviews and observations, it was analyzed and compared with the theoretical material of this research. At this point the theoretical background was added according to data collected, as information about invoice processes in Russia does not exist in Finland. Next, the results were presented. It turned out that e-invoicing is still not used in the company. That is why the whole research was mainly concentrated on paper invoices of Ruukki Rus LLC.

The types and content of paper invoices at Ruukki Rus LLC were first presented. This answered to the investigative question 1 and 2. Next the main invoice processes of Ruukki Rus LLC were described and the process maps were created to visualize the processes. For this purpose, Microsoft Vision tool was utilised. This answered to the investigative questions 3 and 4. The last investigative question was answered by analyzing the data collected at Ruukki Rus LLC and the interview of e-invoicing specialist outside the case company.

## 4 Results

This chapter presents the main results based on the observations and interviews conducted. E-invoicing is still not used in the case company. That is why most of the research results are about paper invoices.

The types and content of paper invoices of Ruukki Rus LLC are demonstrated and main processes are described. Furthermore, the situation with electronic invoices at Ruukki Rus LLC and in Russia in general is presented in the end of this chapter.

### 4.1 Types and content of paper invoices at Ruukki Rus LLC

This subchapter shows the types and content of paper invoices at Ruukki Rus LLC and answers the following investigative questions:

IQ1: What are the types of invoices in Russia?

IQ2: What is the structure of invoices in Russia?

The main activities of Ruukki Rus LLC in Saint-Petersburg are buying of goods from outside Russia and selling them inside Russia. There are also additional activities such as, buying/selling services and buying materials inside Russia. It means that there are following invoices existing in the company:

- Purchase invoice (import of goods, domestic purchases)
- Sales invoice (domestic sales, services sales).

The same types of invoices were mentioned by Horngren (2009, 74). However, import and domestic invoices have totally different formats. In particular, import invoices, which Ruukki Rus LLC gets from outside Russia, contain almost the same information, which was mentioned by Hurt (2013, 212), Horngren (2009, 275) and European Commission's Taxation and Customs Union (2013) (attachment 5).

European Commission's Taxation and Customs Union (2013) informs that signatures are not required on invoices, whereas all Ruukki's import invoices have signature and stamp of the seller. According to the Interview 1 with the Head of Planning, purchas-

ing and transportation department (04 Jun 2013) it is a requirement of Russian customs.

At the same time, the import invoice is not an essential document to tax authorities as was mentioned by Arendsen et al. (2011). In Russia, and particularly at Ruukki Rus LLC, VAT-related audits and collection processes rely on a Cargo Customs Declaration (SAD), which is shown in attachment 4.

All domestic invoices have the same format, as it was approved by the government of Russian Federation in December 2011 (attachments 2, 3) (ConsultantPlus 2013b). This is very important for the company and must be followed strictly, as the VAT reimbursement may depend on it. If there are errors in invoice-facture, the company may be refused in VAT return (Interview 12). The example of domestic Ruukki's sales invoice-facture is shown in attachment 11.

The company does not have many correction invoices, which were ratified by Russian Government in December 2011 (ConsultantPlus 2013b). Despite this, accountants still prefer to replace incorrect invoices with the correct ones, especially if the mistake is noticed within the same period.

Nevertheless, Ruukki's domestic invoices differ from each other, as the format, approved by government, is used just for VAT invoices, which can be issued after receipt of payment or partial payment, shipment of goods or transferring of property rights. (ConsultantPlus 2013a.). For example, if the company is going to sell goods on a prepaid basis, it sends to the buyer the "schet na oplatu", which can be translated as bill for payment (attachment 13). Just after the goods are paid or shipped, the invoice-facture will be issued. Thus, bill for payment and invoice-facture could be considered as an equivalent of sales invoice.

Furthermore, Ruukki's purchase invoices can differ from the format, approved by the Russian government. The reason for this could be the companies that operate without VAT. Hence, these companies cannot issue the VAT invoice. Ruukki mostly buys ser-

vices without VAT. In such a case, the Act and bill for payment are received. Act can be translated as acceptance certificate. The bill for payment is not considered as legal document and usually is not archived. The example of this package of documents is shown in attachments 6, 7, 8, 9 and 10. The summary table below shows different types of sales and purchasing documents, depending on the transaction.

Table 3. Invoice and its equivalents

<b>Transaction</b>	<b>Purchases</b>	<b>Sales</b>
<b>Import (goods)</b>	Invoice	-----
<b>Prepayment</b>	Bill for payment	Bill for payment + Invoice-facture for advance payment
<b>Goods (domestic) with VAT</b>	Invoice-facture+Consignment note	Invoice-facture + Consignment note + Waybill
<b>Services (domestic) with VAT</b>	Invoice-facture + Act	Invoice-facture + Act + Bill for advance payment
<b>Services (domestic) without VAT</b>	Act (+Bill for payment)	-----

Table 3 clearly shows that at Ruukki invoices exist in the form, as stated by Horngren et al. (2012, 393), only when importing goods. Other invoices are presented in domestic formats. If companies collaborate on a prepaid base, the bill for payment is sent. Moreover after the advanced payment is made, Ruukki usually sends the invoice-facture for advanced payment to the customer. It has the same content as the normal invoice-facture, except for 2 items (payment document, addition), which are specified in the invoice-facture for advanced payment. The Ruukki's examples of bill for payment and invoice-facture for advanced payment are presented in attachment 12 and 13.

Furthermore, invoice-facture does not exist as separate document, it is usually included to the package of documents. For example, when goods are purchased or sold with VAT, the package includes invoice-facture and "tovarnaya nakladnaya", which can be translated as consignment note. Also when company sells the goods, the "tovarno-transportnaya nakladnaya", which can be translated as waybill, is prepared. The

consignment note as well as waybill have approved forms. These documents are shown in Attachment 14.

As was mentioned before, when Ruukki buys or sells services domestically, usually invoice-facture and act are issued. Only in the case the goods are purchased without VAT, the invoice-facture is not delivered. The reason is that companies, which operate without VAT, do not release invoice-factures.

It could be concluded that in Ruukki as well as in Russia there is no single invoice document. Russian invoice-facture could be equivalent of invoice, but it does not exist separately from other documents. Thus, when one speaks about invoice-facture, it could be also referred to such documents as bill for payment, invoice-facture for advance payment, consignment note, waybill and act. The processes concerning these documents will be described in the next chapters.

## 4.2 Purchase invoice processes at Ruukki Rus LLC

This subchapter analyses the main purchase invoice processes at Ruukki Rus LLC and answers to the investigative question 4: What are the steps when company receives invoices?

### 4.2.1 Import of goods

Purchase invoice process, when company buys goods outside of Russia, is one of the main processes of Ruukki Rus LLC. Usually the goods are delivered from Ruukki Oy in Finland. The general process is shown in Figure 8.

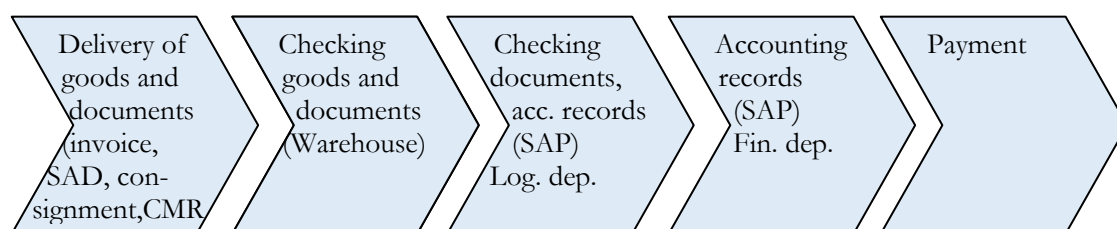


Figure 8. Purchase invoice (import of goods)

Usually there are two departments involved into this process. Planning, purchasing and transportation department is responsible for import the goods. Ruukki Finance Service department in Eastern Europe (RFS EE) is responsible for the accounting part. The detailed process is presented in Attachment 16.

### **Planning, purchasing and transportation department**

First, the purchase order is made by Planning, purchasing and transportation department (later Logistics department). After the goods are received, they are checked in warehouse against the copy of consignment, which arrives with the truck. Then all the copies of the documents (SAD, consignment, CMR, invoice) are brought from warehouse to Logistics department.

A specialist from the department checks all the documents, for example, customs duties, corresponding of prices and volumes in the invoice with SAD and the purchase order. If there is no invoice in the documents, it is printed out from the Ruukki's intranet. The purchase order can be changed, if needed. The time, spent for checking, depends on the number of articles in the dispatch. It can be 4-15 min. (Interview 9.)

After the documents are checked, Stock Controlling specialist checks documents once again. For instance, whether the amount in invoice complies with the amount in SAD. Then the delivery is recorded in SAP (4-10 min) (Interview 10). Depending on the type of goods, they are recorded on Debit of Account 41 ("Goods") or Account 10 ("Materials") and crediting Account 15 ("Acquisition of assets"):

June 09	Goods (Account 41) or Materials (Account 10)	982,101.12	
	Acquisition of assets (Account 15)		982,101.12

The example of how the transaction is reflected in SAP is shown in Figure 9.



Обзор документа - просмотр

ВидДокум : WE ( Поступл. материала ) Обычный документ

№ документа 61007741 БЕ RU10 финансовГод 2013  
 Д/докум. 24.07.2013 Дата проводки 24.07.2013 Период 07  
 Расчет налога   
 Ссылка 0012877  
 ВалютаДокум RUB

Поз	КП	К	АльтСчет	Счет	Краткий текст счета	Судья	Влт	Судья во ВВ	ВнВал	Пл	КомпПр	МБЗ	Заказ	МБП	#нСд	ДокВарапн	Присвоение
1	89		4100146100	416100	Товары авт		RUB		RUB	FI1050				79199			006100774120
7	89		4100146100	416100	Товары авт		RUB		RUB	FI1050				79199			006100774120
8	89		4100146100	416100	Товары авт		RUB		RUB	FI1050				79199			006100774120
19	89		4100146100	416100	Товары авт		RUB		RUB	FI1050				79199			006100774120
*				416100					RUB								
2	96		1500244120	244120	ПМ/ПС авт.		RUB		RUB	FI1050				79199			450060016400
8	96		1500244120	244120	ПМ/ПС авт.		RUB		RUB	FI1050				79199			450060016400
14	96		1500244120	244120	ПМ/ПС авт.		RUB		RUB	FI1050				79199			450060016400
20	96		1500244120	244120	ПМ/ПС авт.		RUB		RUB	FI1050				79199			450060016400
*				244120					RUB								
5	96		1500244150	244150	ПМ/ПС тамож.пошл,Авт		RUB		RUB					79199			450060016400
11	96		1500244150	244150	ПМ/ПС тамож.пошл,Авт		RUB		RUB					79199			450060016400
17	96		1500244150	244150	ПМ/ПС тамож.пошл,Авт		RUB		RUB					79199			450060016400
23	96		1500244150	244150	ПМ/ПС тамож.пошл,Авт		RUB		RUB					79199			450060016400
*				244150					RUB								
3	40		Z222401110	401110	Приобр.тов, маг, авт		RUB		RUB	FI1050				79199			006100774120
6	40		Z222401110	401110	Приобр.тов, маг, авт		RUB		RUB	FI1050				79199			006100774120
9	40		Z222401110	401110	Приобр.тов, маг, авт		RUB		RUB	FI1050				79199			006100774120
12	40		Z222401110	401110	Приобр.тов, маг, авт		RUB		RUB	FI1050				79199			006100774120
15	40		Z222401110	401110	Приобр.тов, маг, авт		RUB		RUB	FI1050				79199			006100774120
18	40		Z222401110	401110	Приобр.тов, маг, авт		RUB		RUB	FI1050				79199			006100774120
21	40		Z222401110	401110	Приобр.тов, маг, авт		RUB		RUB	FI1050				79199			006100774120
24	40		Z222401110	401110	Приобр.тов, маг, авт		RUB		RUB	FI1050				79199			006100774120
*				401110					RUB								
4	50		Z222491110	491110	Изм.на складе мат.		RUB		RUB	FI1050				79199			006100774120
10	50		Z222491110	491110	Изм.на складе мат.		RUB		RUB	FI1050				79199			006100774120
16	50		Z222491110	491110	Изм.на складе мат.		RUB		RUB	FI1050				79199			006100774120
22	50		Z222491110	491110	Изм.на складе мат.		RUB		RUB	FI1050				79199			006100774120
*				491110					RUB								
**								0,00	RUB								

Equivalent of Account 41 in SAP

Equivalent of Account 15 in SAP

Figure 9. The reflection of transaction in SAP (Planning, purchasing and transportation department)

The original documents are usually processed by a trainee of the Logistics department. Usually the next day after the goods are released by customs, the original documents are delivered by courier. They are checked by the employee (for example, quantity in SAD and invoice) and the list of SAD is made (1 min per SAD) in order to pass the documents to RFS EE department. Some documents (Construction) are copied and scanned. Then they are sent to accounting department in Obninsk. (copy 2 min, scan 2 min, sending 2 min, archiving 2 min). The original documents are delivered to RFS EE department. The list of SADs is signed. (Interview 11.)

**Ruukki Finance Service department in Eastern Europe**

Ruukki Finance Department in Eastern Europe (RFS EE) receives the package of documents from Logistics department. Each package includes the following documents: Cargo Customs Declaration (SAD), invoices, Waybill (CMR), consignment. It can be 20-30 packages a day. The employees (usually 2 persons) of RFS EE depart-

ment check these documents. All the figures and numbers should be the same in the SAD and the invoice. RFS EE department proceeds with the invoice and SAD, other documents are not used.

Furthermore, the Logistics department provides with bills from service providers, such as brokerage services for preparing SAD and temporary storage warehouse. These bills are also checked by the RFS EE department and all costs are allocated for each SAD.

Then received documents are recorded in SAP. The following transactions are usually made: invoice, freight, customs duties, customs charges, VAT, brokerage services and temporary storage warehouse services. They are recorded as follows:

1. Invoice

June 10	Acquisition of assets (Account 15)	982,101.12	
	Accounts payable (Account 60)		982,101.12

2. Freight

June 10	Goods (Account 41) or Materials (Account 10)	77,647.02	
	Accounts payable (Account 60)		77,647.02

3. Customs duties

June 10	Acquisition of assets (Account 15)	49,105.06	
	Accounts payable (Customs) (Account 60)		49,105.06

4. Customs charges

June 10	Goods (Account 41) or Materials (Account 10)	1,500	
	Accounts payable (Customs) (Account 60)		1,500

5. VAT

June 10	VAT on acquired assets (Account 19)	185,617.11	
	Accounts payable (Account 60)		185,617.11

## 6. Brokerage services

June 10	Goods (Account 41) or Materials (Account 10)	7,120	
	Accounts payable (Account 60)		7,120

## 7. Temporary storage warehouse services

June 10	Goods (Account 41) or Materials (Account 10)	3,000	
	Accounts payable (Account 60)		3,000

The Figure 10 and 11 are print screens of recording and reflection the invoice in SAP.

The screenshot shows the SAP 'Добавить входящий счет: БЕ RU10' (Add Incoming Invoice: BE RU10) screen. Red callouts highlight the following fields:

- Transaction: Invoice-facture:** Points to the 'Операция' (Operation) field, which is set to 'Счет-фактура' (Invoice).
- Date:** Points to the 'Дата счета' (Invoice Date) field, which is '24.07.2013'.
- Amount:** Points to the 'Сумма' (Amount) field, which is redacted with a black box.
- SAD number:** Points to the 'Текст' (Text) field, which contains the SAD number '10210190/240713/0012877'.
- Amount, quantity, order number:** Points to the table at the bottom of the screen, which lists invoice items with columns for 'Сумма' (Amount), 'Количество' (Quantity), 'Е...' (Unit), 'ЭкзНаПост' (Purchase Order), and 'ТекстЗаказа' (Order Text).

The table at the bottom of the screenshot is as follows:

Сумма	Количество	Е...	ЭкзНаПост	Поз...	Beschaffungsdok.	ТекстЗаказа
[Redacted]	[Redacted]	M2	4500600164	20		S280GD+Z275 0.
[Redacted]	[Redacted]	M2	4500600164	20		S280GD+Z275 0.
[Redacted]	[Redacted]	M2	4500600164	20		S280GD+Z275 0.
[Redacted]	[Redacted]	M2	4500600164	20		S280GD+Z275 0.

Figure 10. Recording the invoice in SAP

Обзор документа - просмотр

ВидДокум : RE ( Счет (брутто) ) Обычный документ

№ документа 71019954 БЕ RU10 финансовГод 2013

Д/докум. 24.07.2013 Дата проводки 24.07.2013 Период 07

Расчет налога

Ссылка 122324877

ВалютаДокум RUB

№	КП	К	АльтСчет	Счет	Краткий текст счета	Сумма	Влт	Сумма во ВВ	ВнВал	Нл	КомпПр	МВЗ	Заказ	МВП	ФнСф	ДокВыравн	Присвоение
2	86	K	1500244120	244120	ПМ/ПС аст.		Р Валюта		RUB	X1	FI1050			79199		34028518	450060016400
3	86	K	1500244120	244120	ПМ/ПС аст.		RUB		RUB	X1	FI1050			79199		34028518	450060016400
4	86	K	1500244120	244120	ПМ/ПС аст.		RUB		RUB	X1	FI1050			79199		34028518	450060016400
5	86	K	1500244120	244120	ПМ/ПС аст.		RUB		RUB	X1	FI1050			79199		34028518	450060016400
*				244120					RUB								
6	93	K	4410404200	404200	Отклонения себестоим		RUB		RUB	X1	FI1050	79101100		79100	FD01		007101995420
*				404200					RUB								
1	86	K	6010246101	1000120	RUUKKI METALS OY		RUB		RUB	X1	FI1050						
*				1000120					RUB								
**								0,00	RUB								

Figure 11. Refelection the invoice in SAP

If the wrong transaction is made, the entry is reversed and the transaction is done once again. If there is a mistake in invoice, the seller sends a credit note or debit memo, which increase or decrease the cost of the goods and the transaction credit note or debit memo is made:

1. Credit note

June 15	Accounts payable (Account 60)	100	
	Goods (Account 41) or Materials (Account 10)		100

2. Debit memo

June 15	Goods (Account 41) or Materials (Account 10)	100	
	Accounts payable (Account 60)		100

If goods are returned, the following transaction is made:

June 15	Accounts payable (Account 60)	10000	
	Goods (Account 41) or Materials (Account 10)		10000

In the end of each day the clearing of account 15 is made. It means that debit and credit of account 15, which balance is zero, are adjusted. (Interview 3.)

Then the documents are scanned (SAD and invoice) (1 min) for representation in SAP, arranged by date and archived (the whole package).

All these actions, which are described above, are usually done by two finance specialists of the RFS EE department. The payments are usually controlled by another finance specialist of the RFS EE department, who monitors the invoices' dates of payments. The list of invoices, that should be paid, is prepared by the employee and given to senior accountant, who pays the invoices by an electronic banking system.

After the goods are paid, the following transaction is made:

June 20	Accounts payable (Account 60)	1,059,748.14	
	Current Account (Account 51)		1,059,748.14

After the payment, the clearing of Account 60 is made, checking if the invoices are paid correctly. (Interview 7.) The further sales of goods are made by Planning, purchasing and transportation department, which is described in the chapter “Sales invoice with down payment”.

#### 4.2.2 Purchases of materials

This subchapter is based on the Interview 14 of the Finance specialist (Account Payables) of Ruukki Finance Department in Eastern Europe (RFS EE). The general process is shown in Figure 12; the detailed process is presented in Attachment 17.

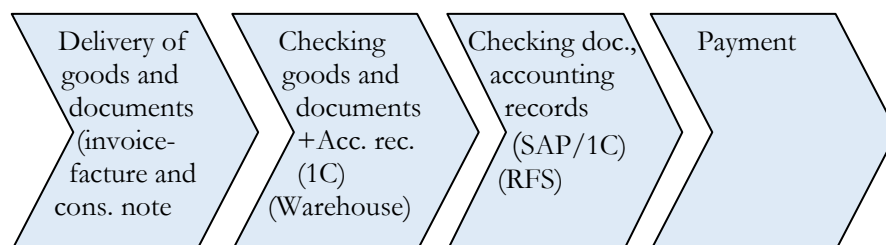


Figure 12. Purchase invoice-facture (Materials)

Materials may include the following items: petrol, office supplies, packing materials and etc. The company buys them mostly with VAT on a post payment basis; it means that

invoice-facture and consignment note are usually received with the goods (attachment 11). The consignment note is signed by the person, which receives the goods and has the right to sign the documents. Then the documents are handed on to the RFS EE department, where they are checked and necessary transactions are made. The supplier's documents are sent by post and Ruukki's documents are archived.

Materials are those items, which are managed, controlled and analyzed on Account 10, according to Russian accounting law. This account has several control accounts, such as:

- 10.1 – “Raw-materials”
- 10.3 – “Petrol”
- 10.4 – “Packing materials”
- 10.5 – “Spare parts”
- 10.6 – “Other materials”, etc.

Materials are usually recorded in SAP, as well as in 1C at Ruukki. The reason for this is Russian accounting law, according to which materials (Account 10) must be recorded and analyzed by nomenclature. For example, in SAP all materials are recorded to Account 10 to different control account, whereas in 1C they are also divided by different types. This is mostly done for Ruukki's possible audits, in particular for tax audits. Usually the materials for production are recorded in 1C by an employee of the warehouse, whereas such materials as office supplies are recorded by the finance specialist of the RFS EE department in 1C and SAP. Figure 13 demonstrates the example of transaction made in 1C and Figure 14 – in SAP.

Общество с ограниченной ответственностью "Руукки Рус"

Поступление материалов № 000001276 от 15.05.13

Валюта: Вид: Руб, Дата курса: 15.05.13, Курс: 1.00000, Всего в руб: [redacted]

Поставщик: [redacted], МОЛ: СПб Склад материалов с 01.04.11

Основание: [redacted], Давальческое сырье:

Дополнительные расходы:  (расходы относятся на дорожные как услуги)

Документ-основание: [redacted], Списывать в производство комплектующие:  Перенос: [redacted]

Комментарий: Т.Н. 11 с.Ф.11

№	Материалы	Ед.	Кол-во	Цена	Сумма	НДС	НДСруб	Всего	ВсегоРуб
1	Поддон PS-879.076	шт	40.000	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
2	Поддон PS-150.300	шт	10.000	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
3	Поддон PS-125.300	шт	20.000	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
4	Поддон PS-125.200 (П240*2000)	шт	18.000	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
5	Поддон PS-150.430	шт	10.000	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
6	Поддон PS-125.430	шт	10.000	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
7	Поддон PS-150.280	шт	5.000	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
8	Поддон PS-150.200	шт	3.000	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
9	Поддон PS-150.170	шт	1.000	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
10	Поддон под 10 т. рулоны (переделка)	шт	100.000	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]

Number and date of document

Materials(name), quantity, Price, Summa, VAT, Total.

Figure 13. Records of purchase invoice-factures for materials in 1C

Ввести счет от кредитора: БЕ RU10

Образцы вкл. | Балансовая единица | Сохранить временно | Моделирование | Предварительная регистрация

Операция: Счет-фактура | Сальд: 0,00

Основные данные | Платеж | Подробно | Налог | Заметка

Кредитор: 3044034 | Код ОГК: [redacted]

Дата счета: 15.05.2013 | Ссылка: 11

Дата проводки: 15.05.2013 | Период: 5

Общий номер: [redacted]

Сумма: [redacted] RUB |  Расчет налога

Сумма налога: [redacted]

Текст: СПб ТМЦ 10.04 Поддоны

БЕ: RU10 ООО "Ruukki Rus" Obninsk

№	ОсновСчет	Краткий т...	Д/К	Сумма в вал. ...	Сумма во ВВ	К.. К/...	Б	Присвоение	Текст
1	141170		Дебет	[redacted]	0,00	2F			СПб ТМЦ 10...
2	165101		Дебет	[redacted]	0,00	2F			
3			Дебет		0,00				
4			Дебет		0,00				
5			Дебет		0,00				
6			Дебет		0,00				

Transaction: Invoice-facture

Invoice date, transaction date.

Summa

Equivalent of Account 10 in SAP

Equivalent of Account 19 in SAP

Figure 14. Records of purchase invoice-factures for materials in SAP

In 1C materials are divided to different types, as stated in documents (invoice-facture, consignment note), VAT is allocated for each position. In SAP the total amount of goods as well as VAT are recorded to specific account, without division to different types.

In general, this transaction can be presented as follows:

June 25	Materials (Account 10)	158,103.39	
	Accounts payable (Account 60)		158,103.39

June 25	VAT on acquired goods (Account 19)	28,458.61	
	Accounts payable (Account 60)		28,458.61

Figures 15 and 16 demonstrate how this transaction is reflected in 1C and SAP.

№	Дт	СубконтоДт	Кт	СубконтоКт	Валюта Курс	Кол-во Сод.Пров.	Вал.Сум.	Сумма	НЖ
1	10.04		60.1						
2	19.3		60.1						

Figure 15. The transaction reflected in 1C

Поз	КП	К	АльтСчет	Счет	Краткий текст счета	Сумма	Влт	Сумма во ВВ	ВнВал	Нл	КомпПр	МВП
1	31		6010244101	3044034			RUB			2F		
2	40		1004141170	141170	Тара и упаковочные м		RUB			2F		79100
3	40		1910165101	165101	Входящий НДС по ТМЦ		RUB			2F		79000

Figure 16. The transaction reflected in SAP



In addition, the consignment note is stamped with the number of document in 1C and SAP. Next step is the documents' archiving. Normally the invoice-facture and consignment note are filed separately, to different folders.

After the goods are paid, the following transactions are made:

June 26	Accounts payable (Account 60)	186,562	
	Current Account (Account 51)		186,562
June 26	General corporate expenses (Account 26)	158,103.39	
	Materials (Account 10)		158,103.39

June 26	Tax payables (Account 68)	28,458.61	
	VAT on acquired goods (Account 19)		28,458.61

Record of received and issued invoice-factures, as well as purchase and sales registers are formed in Obninsk once in three months.

### **4.3 Sales invoices processes at Ruukki Rus LLC**

This subchapter analyses the main sales invoice processes at Ruukki Rus LLC and answers to the investigative question 3: What are the steps when company sends invoices?

#### **4.3.1 Sales of goods with down payment**

This subchapter is based on observations and interviews in the RFS EE, Sales and Customer service departments (Interview 2, 5, 6, 13).

This process of selling goods is another main process at Ruukki Rus LLC. In the company this process can be with down payment or without (Figure 17, 18). This chapter will present the process with down payment (attachment 18).

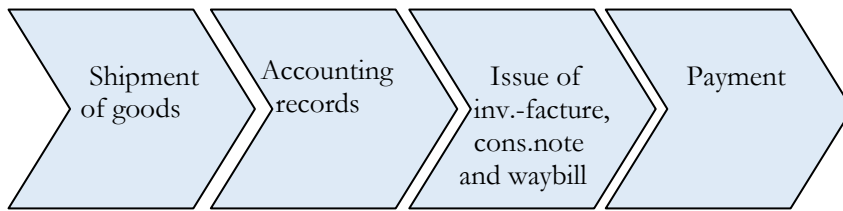


Figure 17. Sales invoice-facture (Goods)

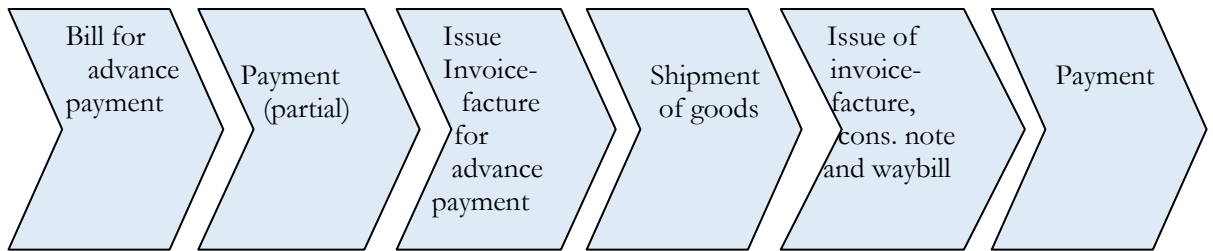
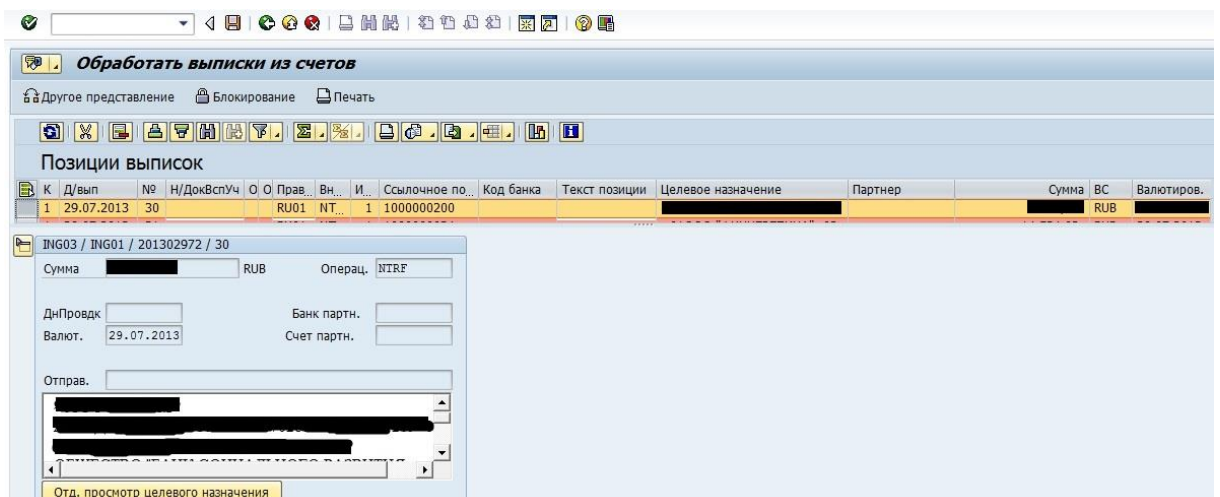


Figure 18. Sales invoice-facture with down payment (Goods)

The process starts in the Sales department, which receives the request from the buyer and makes the sales order (SO) and down payment request (DPR) in SAP. Sales order is blocked at this stage. Furthermore, bill for advance payment (attachment 13) is prepared in SAP and specification is prepared in Word format. These documents are signed and stamped. Then they are sent to the buyer, which confirms the specification by signing and sending it back. The buyer starts the payment process.

After the advance payment is received to a bank account, the finance specialist of the RFS EE department (Cash management) uploads it to SAP. So, another RFS specialist (Account receivables) can see the following information in SAP:



The RFS specialist (Account receivables) posts the advance payment on DPR. The following record is made:

July 25	Sales (Account 62)	2,537.76	
	Current account (Account 51)		2,537.76

If the amount of advance payment is not equal to amount of DPR, then the specialist sends the notification to Sales department about the necessity of new DPR. If the advance payment is equal to amount of DPR, the sales order is unblocked and information is sent to the Sales department.

Later on the RFS specialist (Account receivables) prints out, signs, stamps and envelopes the invoice-facture for advance payment (attachment 12). Usually the list of letters is made, signed and stamped. Then it is handed on to the receptionist, who registers the list in the journal. Then the courier delivers the documents to the post office.

After the Sales order is unblocked by the finance specialist of the RFS EE department (Account receivables). The Sales department agrees on the date of shipment with the customer and the warehouse. The truck is coming for loading on the agreed day. After the truck is loaded, a specialist of the Customer service department prepares the documents: invoice-facture, consignment note and waybill (attachment 14).

The following transactions are made:

June 25	Sales (Account 90)	189,460.80	
	Finished goods (Account 43)		189,460.80

June 25	Account receivables (Account 62)	160,560	
	Sales (Account 90)		160,560

June 25	Account receivables (Account 62)	28,900.80	
	Tax payables (Account 68)		28,900.80

The print screen of recording invoice-facture in SAP is shown in Figure 19.

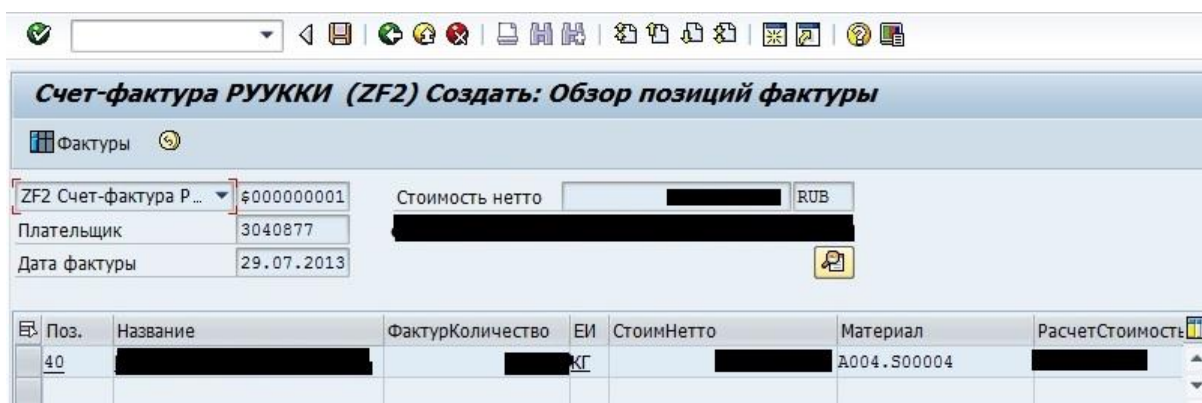


Figure 19. Recording invoice-facture in SAP.

The documents are printed out (two copies of invoice-facture, three copies of consignment note and 3-4 copies of waybill), signed by the Customer service department specialist and the driver. Moreover, the consignment note is stamped by the specialist. Then the documents are sorted out:

- One copy of invoice-facture and one copy of consignment note are staying in the company. These documents are archived in the Customer service department.
- One copy of invoice-facture and two copies of consignment note are going with the driver. Later one copy of consignment note should be returned to Ruukki by post with the signature and stamp of the second company. (15-20 min)

After every dispatch, the following documents are staying at Ruukki and archived:

- Invoice-facture with a signature of the Customer service department's specialist
- Consignment note with a signature of the Customer service department's specialist and the stamp of Ruukki. Moreover, it has the signature of the driver.

According to Russian accounting law, the consignment note should have the original signature and the stamp of the second company. It means that one of the copies of consignment note, which was sent with the driver, should be returned to Ruukki with a signature and a stamp. Usually it takes 1-3 months to get the documents back. It means

after receiving the signed and stamped copies, the documents should be re-archived. The folder of each document and exact documents should be found and the copy should be added to the right place. The extra copies, which are not drawn in the right way, should be thrown away. It takes around 5 minutes for each document to be re-archived. It seems that re-archiving is a time-consuming process in the company. The Customer service departments has huge amount of documents, beginning from January 2012. It means that documents for 1.5 years should be re-archived.

But if there is a letter of attorney with the original stamp, the original stamp on the consignment note is not needed, the signature of driver is enough in such a case.

### 4.3.2 Rent services on prepayment basis

This subchapter is based on the Interview 15 of the finance specialist (account receivables) of the RFS EE conducted 30.07.2013.

This process includes the following documents: bill for payment, invoice-facture and act (attachment 15). Act is prepared (not consignment note), as services are delivered, not goods. The basic process is shown in Figure 20; the particularized process is demonstrated in Attachment 19.

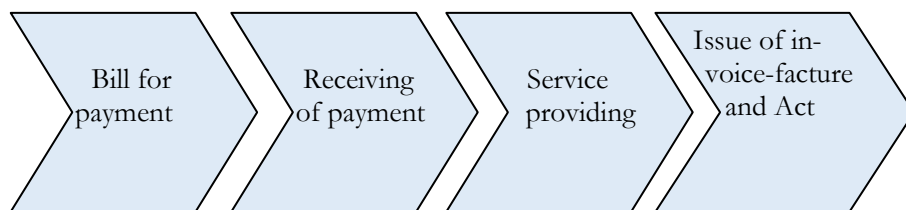


Figure 20. Sales invoice-facture on prepayment basis (Services)

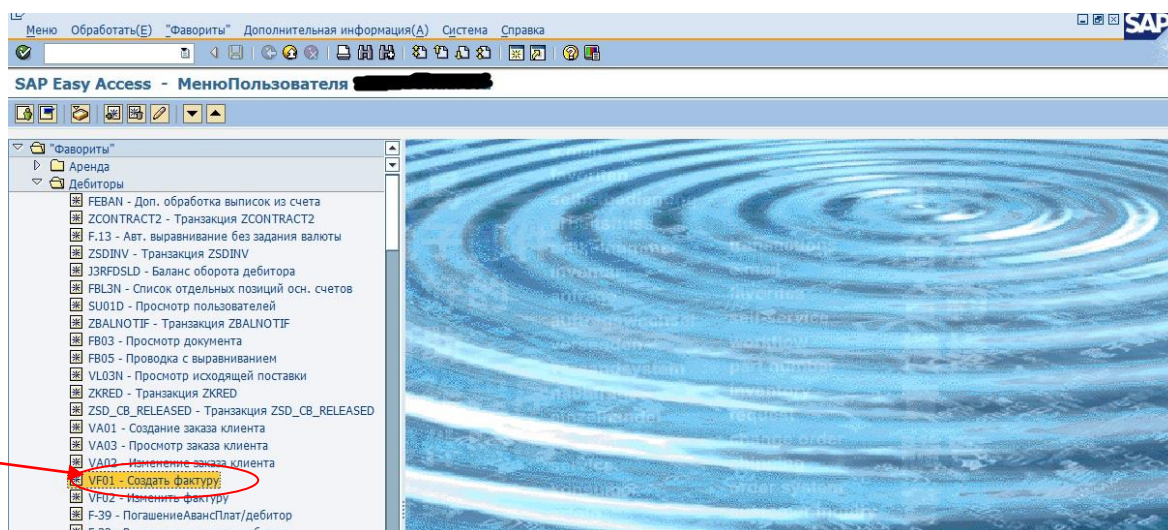
The process usually starts in the beginning of the month, when the bill for advance payment for current month is prepared for the customer. First the Sales order is done; the bill for payment is done based on it.

Based on this bill, the payment is received during this month. This should be reflected in SAP. After the advance payment is received at bank account, the finance specialist

of RFS EE department (Cash management) uploads it to SAP. So, another RFS specialist (Account receivables) can see it in SAP and makes the following transaction:

July 24	Current Account (Account 51)	23,000.01	
	Account receivables (Account 62)		23,000.01

In the end of the month the invoice-facture and act are prepared by another specialist:



The following transactions are made:

July 31	Account receivables (Account 62)	23,000.01	
	Sales/Rent (Account 90.1)		19,491.53
	Sales/VAT (Account 90.1)		3,508.48

June 31	Sales/VAT (Account 90.3)	3,508.48	
	Tax payables (Account 68)		3,508.48

In SAP it is reflected as follows:

The screenshot shows the SAP 'Обзор документа - просмотр' (Document Overview) screen. At the top, there is a header bar with navigation icons and a title bar. Below the header, a summary box displays document details: 'ВидДокум : RV ( Док. фактурирования ) Обычный документ', '№ документа : 73013490', 'БЕ : RU10', 'ФинансовГод : 2013', 'Д/докум. : 31.07.2013', 'Дата проводки : 31.07.2013', 'Период : 07', 'Расчет налога : [checkbox]', 'Ссылка : 0960140469', and 'ВалютаДокум : RUB'. Below this is a table with 14 columns: 'Поз', 'КП', 'К', 'АльтСчет', 'Счет', 'Счет-факт', 'Краткий текст счета', 'Сумма', 'Влт', 'Сумма во ВВ', 'ВнВал', 'Нд', 'МБС', 'Заказ', 'МБП', and 'Присвоение'. The table contains 5 rows of data, with some cells containing redacted information (black bars).

Поз	КП	К	АльтСчет	Счет	Счет-факт	Краткий текст счета	Сумма	Влт	Сумма во ВВ	ВнВал	Нд	МБС	Заказ	МБП	Присвоение
1	01		6210151100	3048998		[REDACTED]	[REDACTED]	RUB	[REDACTED]	RUB	4J				0040005017
2	50		9016391100	391100		Доходы от аренды	[REDACTED]	RUB	[REDACTED]	RUB	4J			79100	00730134902013
3	50		6801261100	261100		Исходящий НДС авт.	[REDACTED]	RUB	[REDACTED]	RUB	4J			1000DUMMY	00730134902013
4	40		9034311109	311109		НДС от реализ.услуг	[REDACTED]	RUB	[REDACTED]	RUB	4J			79000	00730134902013
5	50		9016311119	311119		НДС от реализ.услуг	[REDACTED]	RUB	[REDACTED]	RUB	4J			79000	00730134902013

The invoice-facture and act are prepared in 2 copies each. These documents are signed and stamped by the specialist. One copy of invoice-facture is archived at Ruukki. All other documents are handed on to the specialist responsible for rent services, which delivers documents to the customers. One copy of act, signed by the customer should be returned to Ruukki within 1 month. The document is re-archived, filed together with the appropriate invoice-facture.

#### 4.4 Possibilities of e-invoicing in Russia

This subchapter presents the situation with e-invoicing at Ruukki Rus LLC and in Russia in general. It answers to the investigative question 5: What are the possibilities of e-invoicing in Russia?

E-invoicing started to be possible in Russia in May 2012, but despite this just a few companies in Russia have implemented e-invoicing. Ruukki Rus LLC is one of the first companies in Russian market trying to implement e-invoicing. Immediately in May 2012 Ruukki Rus LLC started to implement it, cooperating with one of the service providers in Russia (Interview 4).

At the moment there are 42 operators of Electronic Document Interchange in Russia, which are included to the web of trust of the Federal Tax Service (FTS of Russia 2013a). PF SKB Kontur is one of them and at the same time provides required tax and legal service and processing to Ruukki Rus LLC.

In May 2012 Ruukki and Tieto together with PF SKB Kontur started a pilot project, the purpose of which was to begin receiving e-invoices by Ruukki Rus LLC from other companies. However, by the summer 2013 no invoices have been received. Then the focus shifted to not only to receive but also to send invoices. Again without any results. (Interview 4.)

There can be several reasons why e-invoicing is still not widely used in Russia. First of all, Russia is still in its initial stage of implementing e-invoicing. Otherwise, the situation with e-invoicing at Ruukki Rus LLC and in general in Russia can be analyzed by using the TOE model (IIMA 2013).

In the case of Ruukki Rus LLC, there are not any problems within the technological or organizational context. The company is interested in e-invoicing, as it will give many advantages such as:

- less paper work
- documents are not lost
- easier to reporting to tax authorities (Interview 4).

The main problems arise when it comes to the environmental context, which includes regulatory influence, partner readiness and service providers (table 4).

Table 4. Difficulties in adoption of e-invoicing in Russia

Environmental context	Difficulties
Regulatory influence	<ol style="list-style-type: none"> <li>1. E-invoices can be used voluntarily</li> <li>2. Technical issues</li> <li>3. Legislation issues</li> </ol>
Partner readiness	<ol style="list-style-type: none"> <li>1. Companies are slow to use e-invoices, as they are not mandatory based</li> <li>2. Companies have to change their processes a lot</li> <li>3. Transparency</li> <li>4. Big role of the paper in Russia</li> </ol>
Service provider	<ol style="list-style-type: none"> <li>1. No roaming between operators (till August 2013)</li> </ol>



The voluntary usage is one of the reasons of slow implementing of e-invoicing in Russia. Certain steps from the government, such as mandatory usage of e-invoicing, could speed up this process. Similar actions have already been taken in Russia before. (Interview 8.)

The technical issues also slow down the process, as the government and governmental organizations technically lag behind the operators. Moreover, the legislation issues do not always help to expedite the implementation. An example of this can be a new law (Federal Law No. 63-FZ “About electronic digital signature” dd. 06.04.2011) about digital signatures, which replaces one digital signature by three new ones. They differ in reliability. The more important document, the more reliable signature should be chosen by the company. The law came into force on 01<sup>st</sup> of July 2013. (Interview 8.)

Furthermore, not many companies hasten to use e-invoices, as they have to make significant changes to their processes. This is a complex and lengthy procedure. Transparency also influences this, as not all companies in Russia are ready to open up their operations. Also the role of the paper is still too big in Russia. (Interview 8.)

Another reason of slow implementing of e-invoicing in Russia is roaming between operators, which did not exist until August 2013. When the first roaming between 2 operators was introduced. (Diadoc 2013b.)

It can be seen that there are still many difficulties in implementing of e-invoicing in Russia. However, Russia is still in its initial stage of implementing e-invoicing. This new technology will affect many parties, such as the government, governmental organizations, companies, operators and individual employees. All these changes are not possible immediately. It will take some time to solve the technical difficulties and adopt the legislation. Moreover, the perception of e-invoicing by every single employee is important. Not many people in Russia know currently about e-invoices and they do not want to have any changes in their work.

## 5 Discussion

The goal of this thesis was to describe the invoice processes in Russia based on experience of one specific company. In fact, mainly the paper invoice processes of Ruukki Rus LLC were described, as e-invoicing is still not used in the company. In addition, the difficulties implementing of e-invoicing by Ruukki Rus LLC and in Russia in general were analysed in this research.

This chapter summarizes the main research results and assesses the theory and the research. Moreover, the future developments and recommendations are discussed. The assessment of my own professional development and learning is done as well in the end of this chapter.

### 5.1 Key findings

Overall, the results of this research show the importance of implementing e-invoicing. Mainly, it will allow automating the processes. For example, to complete the part about import invoice process at Ruukki Rus LLC, 7 employees were interviewed. It means that too many people are involved in handling the paper invoices. Moreover, the archiving seems to be time-consuming process in the company. The example of this is the Customer service departments, which had huge amount of documents, beginning from January 2012. It means that documents for 1.5 years had to be re-archived. The implementing of e-invoicing could make all of these processes more effective.

However, this research gives a better understanding of invoice processes not only at Ruukki Rus LLC but also in Russia in general. First of all, invoice format in Russia, as it is known in Finland, exists only when importing or exporting goods. Although there are some differences even here, signature and stamp of the seller are required. Moreover, these invoices are not the essential documents to tax authorities, as VAT-related audits and collection processes rely on a Cargo Customs Declaration (SAD).

Russian invoice-facture could be the equivalent of invoice. All invoice-factures have the same format, as it is mandated by the government. This format must be followed strictly, as the VAT reimbursement may depend on it. Additionally, the invoice-facture does not exist as a separate document, it is usually included in the package of documents. Thus, when one speaks about invoice-facture, they should know that it is always accompanied by one or more of the following documents: bill for payment, invoice-facture for advance payment, consignment note, waybill and act.

When implementing e-invoicing in Russia, it is important to understand about accounting software there. The most popular accounting software is 1C, which is not obligatory, but it is tailored for companies to report to tax authorities. It means that it is easier for a company with 1C to report to tax authorities, but it is not so good for a company's own needs. This is one of the reasons why some of the transactions are made twice at Ruukki Rus LLC, in 1C and SAP.

The role of the paper is still too big in Russia and not all the companies are transparent there. Many things are still to be done before the full implementation of e-invoicing there. This new technology will affect many parties, such as the government, governmental organizations, companies, operators and individual employees. All these changes are not possible immediately. It will take some time to solve the technical difficulties and adopt the legislation. Moreover, the perception of e-invoicing by every single employee is important. Not many people in Russia know currently about e-invoices and they do not want to have any changes in their work.

## **5.2 Theory assessment**

To find theoretical source material was one of the main difficulties of this thesis. Most of the accounting books include just general information about invoices and the invoice processes. It took some time to find the right sources.

Furthermore, finding theoretical material about processes in Russia was another obstacle of this report. Reliable material about processes in Russia does not exist in Finland.

This part was completed mostly in Russia after the observations and interviews were done.

### **5.3 Research assessment**

Combining the research with work placement, observations and 15 interviews helped to make an in-depth study about invoice processes in Russia. The thesis was mainly concentrated on the invoice processes of Ruukki Rus LLC, in particular paper invoice processes, as e-invoicing is still not used at the company.

However, this research gives a better understanding of invoice processes not only at Ruukki Rus LLC but also in Russia in general. The results can be beneficial for the commissioning company and Finnish companies that operate in Russia. As documents and processes are totally different there, and as was mentioned before, it is difficult to find theoretical material in Finland.

### **5.4 Future developments**

The scope of this research is wide. There are still many topics to cover for future researchers, especially, as there is not much information available about processes in Russia. For instance, further research could look at the invoice processes in other companies. It can be for example retail companies in Russia. In addition, the processes in the companies, where e-invoicing is already implemented, could be examined. All this will give a better understanding about operations, processes and documentation in Russia.

### **5.5 Self-assessment**

While working on this thesis I have learned many different things. The whole process has taken almost a year. During this time I have met many interesting people, I have learnt a lot about e-invoicing in Russia. Furthermore, the biggest learning experience was combining the thesis with the work placement. It gave me an opportunity to understand better the processes and documentation in Ruukki Rus LLC and in Russia in

general. Moreover, I had an opportunity to connect the theory studied during the accounting specialization to real business life.

As was mentioned before, there were some difficulties with completing the theory part. The empirical part was much wider than was expected before, as there were many people involved in the processes and many interviews had to be conducted. Despite these issues, valuable research has been done and the main invoice processes have been mapped. A Microsoft Visio tool was utilised and helped to visualize the processes.

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# Attachments

## Attachment 1 Gantt chart

	March				April				May				June				July				August				September				October				November				December							
	W 1	W 2	W 3	W 4	W 5	W 6	W 7	W 8	W 9	W 10	W 11	W 12	W 13	W 14	W 15	W 16	W 17	W 18	W 19	W 20	W 21	W 22	W 23	W 24	W 25	W 26	W 27	W 28	W 29	W 30	W 31	W 32	W 33	W 34	W 35	W 36	W 37	W 38	W 39	W 40				
Theory																																												
Inter- view design																																												
Inter- nship																																												
Data collecti- on																																												
Observa- tion																																												
Inter- views																																												
Data analysis																																												
Evaluati- on																																												
Conclu- sions																																												
Presen- tation																																												

Attachment 2. The form of invoice-facture (in Russian)

ФОРМА СЧЕТА-ФАКТУРЫ,  
 ПРИМЕНЯЕМОГО ПРИ РАСЧЕТАХ ПО НАЛОГУ НА ДОБАВЛЕННУЮ  
 СТОИМОСТЬ, И ПРАВИЛА ЕГО ЗАПОЛНЕНИЯ

1. форма счета-фактуры, применяемого при расчетах  
 по налогу на добавленную стоимость

СЧЕТ-ФАКТУРА N \_\_\_\_\_ от " \_\_\_\_ " \_\_\_\_\_ (1)  
 ИСПРАВЛЕНИЕ N \_\_\_\_\_ от " \_\_\_\_ " \_\_\_\_\_ (1а)

Продавец \_\_\_\_\_ (2)  
 Адрес \_\_\_\_\_ (2а)  
 ИНН/КПП продавца \_\_\_\_\_ (2б)  
 Грузоисправитель и его адрес \_\_\_\_\_ (3)  
 Грузополучатель и его адрес \_\_\_\_\_ (4)  
 К платежно-расчетному документу N \_\_\_\_\_ от \_\_\_\_\_ (5)  
 Покупатель \_\_\_\_\_ (6)  
 Адрес \_\_\_\_\_ (6а)  
 ИНН/КПП покупателя \_\_\_\_\_ (6б)  
 Валюта: наименование, код \_\_\_\_\_ (7)

Наименование товара (описание выполненных работ, оказанных услуг), имущественного права	Единица измерения	Коли- чество (объем)	Цена (тариф) за единицу измерения	Стоимость товаров (работ, услуг), имуществен- ных прав без налога - всего	В том числе сумма акциза	Нало- вая ставка	Сумма налога, предъяв- ляемая покупателю	Стоимость товаров (работ, услуг), имуществен- ных прав с налогом - всего	Страна происхождения товара	Номер тамо- женной декла- рации		
											код обозна- чение (нацио- нальное)	цифро- вой код
1	2	2а	3	4	5	6	7	8	9	10	10а	11
Всего к оплате					X							

Руководитель \_\_\_\_\_ Главный бухгалтер \_\_\_\_\_  
 организации или иное \_\_\_\_\_ или иное \_\_\_\_\_  
 уполномоченное лицо \_\_\_\_\_ уполномоченное лицо \_\_\_\_\_  
 (подпись) (ф.и.о.) (подпись) (ф.и.о.)

Индивидуальный \_\_\_\_\_ (реквизиты свидетельства  
 предприниматель \_\_\_\_\_ о государственной регистрации  
 (подпись) (ф.и.о.)

Attachment 3. The form of invoice-facture (translated into English by author)

FORM OF INVOICE-FACTURE  
USED IN CALCULATING THE VALUE ADDED TAX AND RULES OF ITS FILLING

INVOICE-FACTURE N \_\_\_\_\_ dd. " \_\_\_\_ " \_\_\_\_\_ (1)  
CORRECTION N \_\_\_\_\_ dd. " \_\_\_\_ " \_\_\_\_\_ (1a)

Seller \_\_\_\_\_ (2)  
Address \_\_\_\_\_ (2a)  
Seller's INN/KPP \_\_\_\_\_ (2b)  
The shipper's name and address \_\_\_\_\_ (3)  
The consignee's name and address \_\_\_\_\_ (4)  
To payment document N \_\_\_\_\_ dd. \_\_\_\_\_ (5)  
Buyer \_\_\_\_\_ (6)  
Address \_\_\_\_\_ (6a)  
Buyer's INN/KPP \_\_\_\_\_ (6b)  
Currency: name, code \_\_\_\_\_ (7)

Name of goods (works, services)	Unit measure		Quantity (Volume)	Price (rate) per unit	Cost of goods (works, services) excluding tax	Including the amount of excise duty	Tax rate	Tax amount for the buyer	Cost of goods (works, services) including tax - total	Country of origin of goods		Number of custom declaration	
	code	Symbol (national)								digital code	Short title		
1	2	2a	3	4	5	6	7	8	9	10	10a	11	
Total of payment											X		

Head of the organization or another authorized person \_\_\_\_\_ (signature) \_\_\_\_\_ (full name)  
Chief accountant or another authorized person \_\_\_\_\_ (signature) \_\_\_\_\_ (full name)

Sole proprietor \_\_\_\_\_ (signature) \_\_\_\_\_ (full name) \_\_\_\_\_ (details of state registration certificate of sole proprietor)

#### **Attachment 4. Cargo Customs Declaration (SAD)**

*The case company considers this document as sensitive information. Thus, it is not published in the library version of the thesis.*

## **Attachment 5. Import Invoice**

*The case company considers this document as sensitive information. Thus, it is not published in the library version of the thesis.*

## **Attachment 6. Invoice-facture. Purchasing of services**

*The case company considers this document as sensitive information. Thus, it is not published in the library version of the thesis.*



## **Attachment 7. Act. Purchasing of services**

*The case company considers this document as sensitive information. Thus, it is not published in the library version of the thesis.*

## **Attachment 8. Bill for payment. Purchasing of services**

*The case company considers this document as sensitive information. Thus, it is not published in the library version of the thesis.*

## **Attachment 9. Act. Purchasing of services**

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**Attachment 10. Bill for payment. Purchasing of services**

*The case company considers this document as sensitive information. Thus, it is not published in the library version of the thesis.*

**Attachment 11. Invoice-facture, consignment note. Purchasing of materials**

*The case company considers this document as sensitive information. Thus, it is not published in the library version of the thesis*

## **Attachment 12. Invoice-facture for advanced payment. Selling of goods**

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### **Attachment 13. Bill for advanced payment. Selling of goods**

*The case company considers this document as sensitive information. Thus, it is not published in the library version of the thesis.*

**Attachment 14. Invoice-facture, consignment note, waybill. Selling of goods**

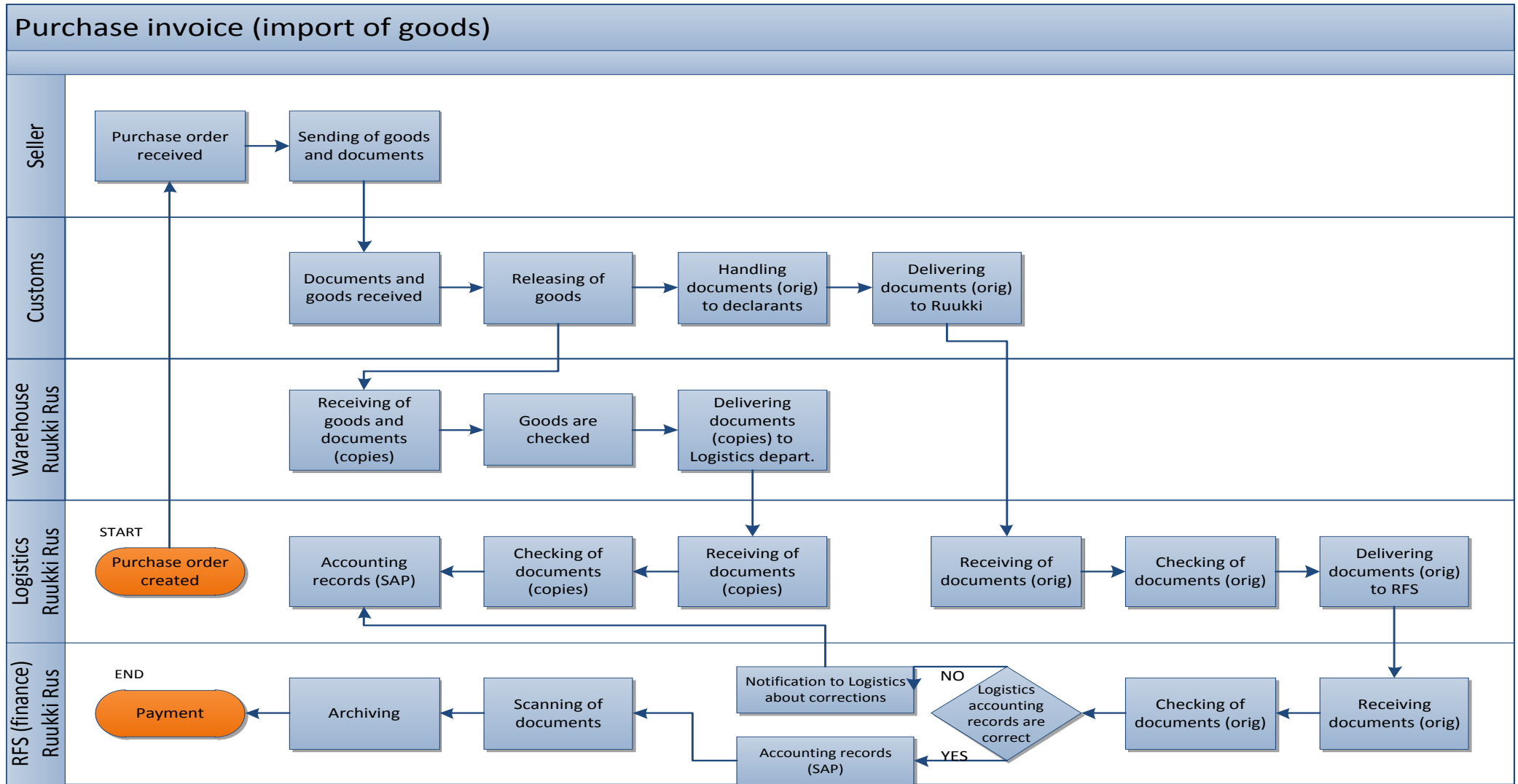
*The case company considers this document as sensitive information. Thus, it is not published in the library version of the thesis.*



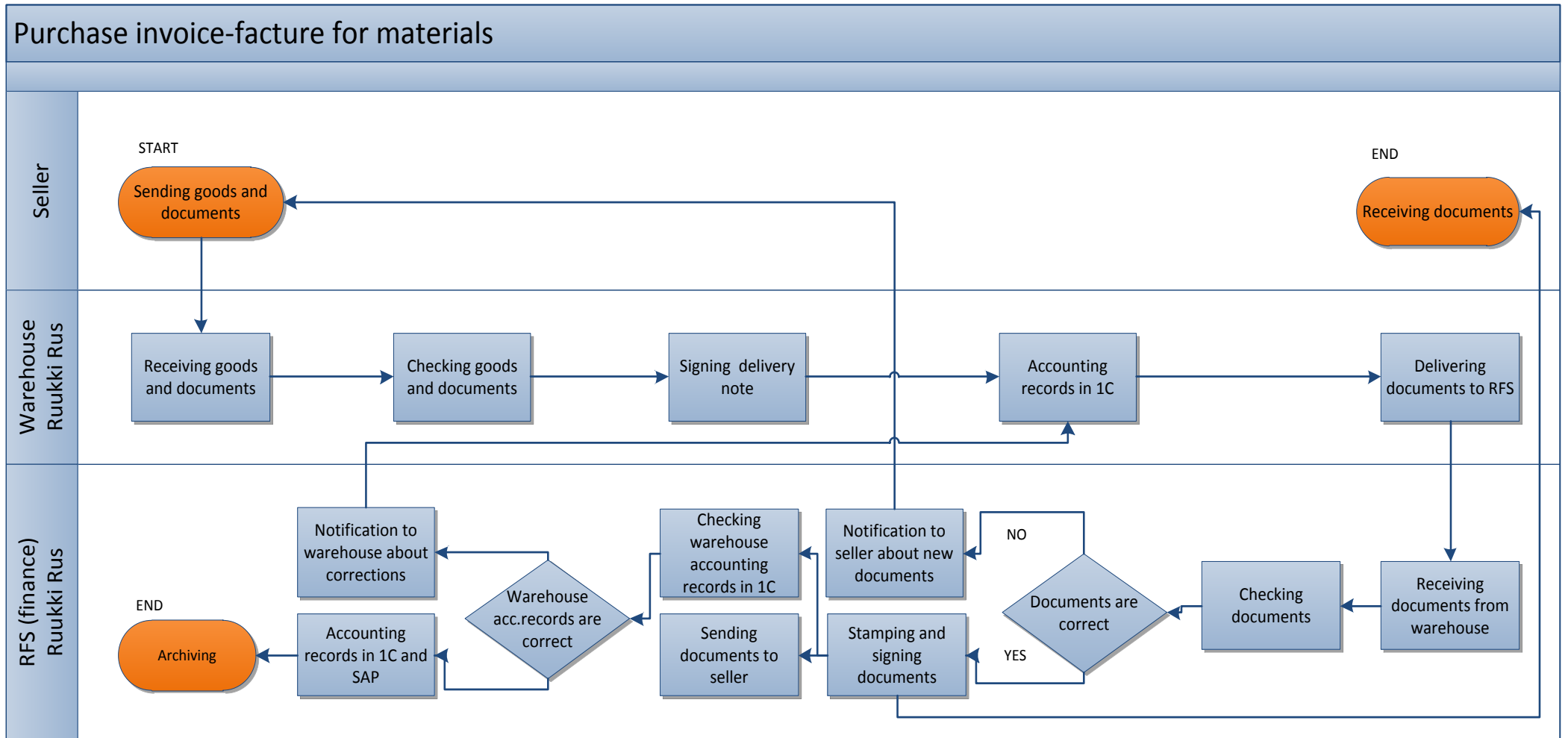
## **Attachment 15. Bill for payment, invoice-facture and act. Sales of services**

*The case company considers this document as sensitive information. Thus, it is not published in the library version of the thesis.*

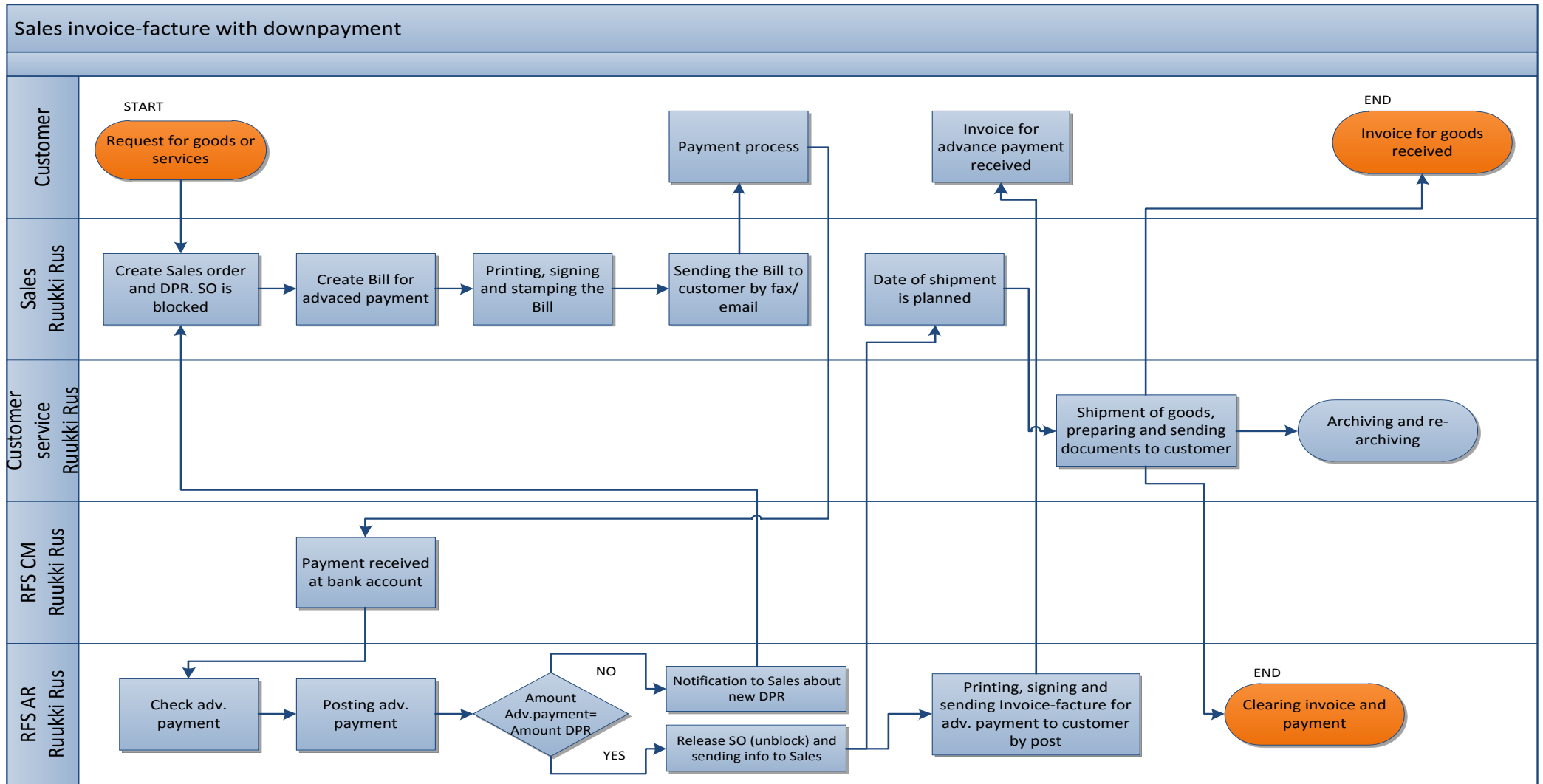
Attachment 16. Purchase invoice (import of goods) (process map)



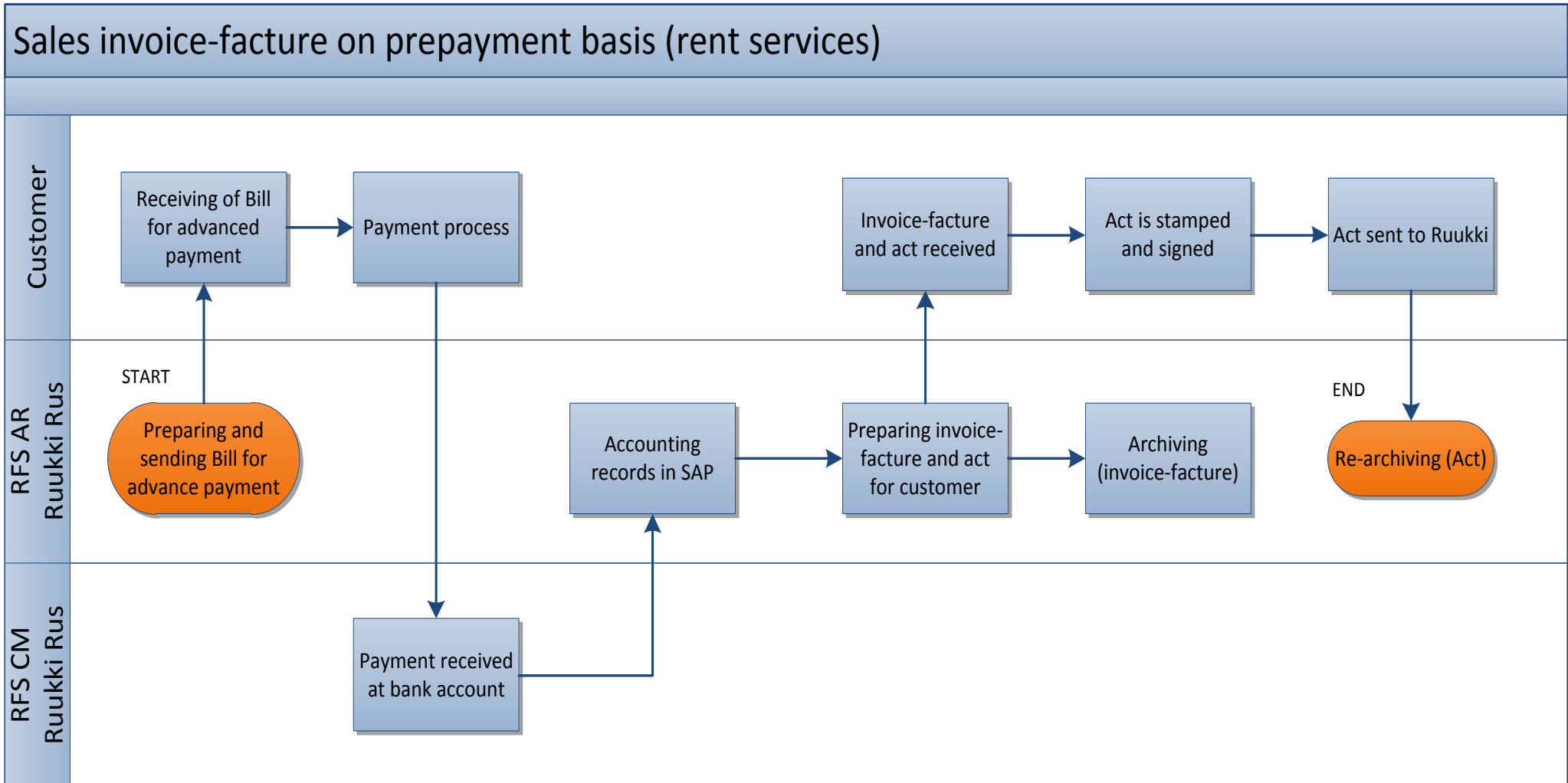
Attachment 17. Purchase invoice-facture for materials (process map)



### Attachment 18. Sales invoice-facture with downpayment (process map)



Attachment 19. Sales invoice-facture on prepayment basis (process map)



## Attachment 20. Schedule of interviews

Name of interview	Company's name	Interviewee's position	Date of interview	Interview's duration	Interview's location
Interview 1	Ruukki Rus LLC	Head of planning, purchasing and transportation	04.06.2013	1 hour	Saint-Petersburg
Interview 2	Ruukki Rus LLC	Customer service specialist	05.06.2013	1 hour	Saint-Petersburg
Interview 3	Ruukki Rus LLC	Finance specialist	17.06.2013	2 hours	Saint-Petersburg
Interview 4	Ruukki Rus LLC	Site Manager	19.06.2013	1 hours	Saint-Petersburg
Interview 5	Ruukki Rus LLC	Customer Service Specialist	20.06.2013	30 min	Saint-Petersburg
Interview 6	Ruukki Rus LLC	Customer Service Specialist	20.06.2013	20 min	Saint-Petersburg
Interview 7	Ruukki Rus LLC	Senior accountant	20.06.2013	20 min	Saint-Petersburg
Interview 8	PF SKB Kontur	Head of Diadoc project in Saint-Petersburg	03.07.2013	2 hours	Saint-Petersburg
Interview 9	Ruukki Rus LLC	Planning&purchasing specialist	04.07.2013	10 min	Saint-Petersburg
Interview 10	Ruukki Rus LLC	Stock controlling specialist	04.07.2013	20 min	Saint-Petersburg
Interview 11	Ruukki Rus LLC	Transportation & customer trainee	04.07.2013	15 min	Saint-Petersburg
Interview 12	Ruukki Rus LLC	Chief accountant	11.07.2013	1,5 hours	Saint-Petersburg
Interview 13	Ruukki Rus LLC	Finance Specialist	18.07.2013	20 min	Saint-Petersburg
Interview 14	Ruukki Rus LLC	Finance Specialist	18.07.2013	1 hour	Saint-Petersburg
Interview 15	Ruukki Rus LLC	Finance Specialist	30.07.2013	30 min	Saint-Petersburg