



# Cisco-Ukraine Country Enablement

## Business Challenge

The client faced deficiencies with the closing documents processed in the statutory accounts and possible risk of their disallowance as tax deduction. All the finance transactions (including payroll, employee expenses, procurement, payables, fixed assets taxes, etc.) and related accounting entries for operations in Ukraine country) were handled through an outsourced model handled by Ernst & Young (E&Y). Related local reporting is also handled by them. For US GAAP reporting, the accounting balances for this entity are uploaded during consolidation process into Ukraine entity

## Technology Used

R12 Global Financials Support and Enhancements , 1C

## Technology Solution

Moved the accounting activity from the external vendor to the new local Cisco team and leveraged Cisco Accounting processes and tools or systems. Set up of Ledgers including CoA, Calendar, functional currency for both local GAAP and US GAAP. Implemented 1C system to support local accounting reporting requirement and have the ability to generate accounting transactions that can be used to support local accounting requirements. All this was delivered to the client using an On-shore or Off-shore model from our Delivery Center in Bangalore, India & Inirus office, US

## Implementation challenges

- Mapping of local GAAP & US GAAP Chart of Accounts
- Language barrier as business team uses limited English. Their day to day business is done in Ukrainian language
- Co-ordination with different teams & time zones; Business team – Ukraine, Oracle IT- Bangalore, 1C IT – Russia, Project management team – USA

## Benefits

- This change of accounting activity from outsourced partner E&Y to Cisco team, leveraging Cisco accounting processes will help in reducing risk of the local Cisco management
- Savings of 135K USD annually by converting Ukraine from an Outsourced entity with a risk remediation model to a Local team one/in house one
- Reduction in the risk exposed to Cisco with better controlled environment by Cisco

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