Increasing the economic efficiency of a petroleum company by purchasing vehicles and factoring services

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Abstract. This article discusses the activities of a large oil product company. The authors propose to increase the economic efficiency of the enterprise by purchasing new vehicles and implementing factoring services. There are two options for purchasing vehicles, with which you can choose the most profitable. The recommendations are quite relevant and reasonable and will find appropriate application in the economic activities of the enterprise.

1. Introduction
In a competitive environment, an enterprise must constantly improve its potential to generate profits in the future. The level of enterprise competitiveness is an integral indicator of this potential. Capacity building implies improving the company's performance. The main criteria for assessing the potential increase are: first - the quality of products, second - the cost price, and third - the ability of the enterprise to fulfill orders on schedule.

Rosneft is the leader of the Russian oil industry and one of the largest public oil and gas companies in the world. The main activities of Rosneft are oil and gas exploration and production, production of petroleum products and petrochemicals, and sales of manufactured products. The company is included in the list of strategic enterprises in Russia. The company successfully implements a strategy of sustainable production growth, including through the introduction of the most modern technologies.

Rosneft seeks to strengthen its position among the world's leading energy corporations, maintain its leading position in terms of operational indicators, and join the group of leaders in terms of financial indicators and shareholder value.

Key conditions for achieving these goals:
- continuous improvement of efficiency in all areas of activity;
- sustainable business growth;
- increasing information transparency and openness;
- high social responsibility;
- development and use of new vehicles and technologies.

The dynamic development of the Company in recent years has created a strong potential for sustainable growth and systematic implementation of strategic objectives. The key components of this are the unique scale and quality of the resource base, highly qualified personnel and an effective system of innovative development.
2. Materials and methods

On the market of oil products of the Yamal-Nenets Autonomous district, Rosneft is represented by the oil product supply company Rosneft-Yamalnefteproduct. The company was formed and has been operating on the market since 1994.

The company carries out sales of motor fuels in the retail market through its own network and wholesale to the customers from the depots. Currently, the Company's tank farm consists of three tank farms:

- Salekhard oil depot of Rosneft - Yamalnefteproduct
- Oil depot of Labytnangsky PJSC Rosneft-Yamalnefteproduct
- Tazovsky oil depot of Rosneft - Yamalnefteproduct

The main activities are:

- Supply and sales activities;
- Storage and transportation of petroleum products;
- Other sales of goods, works, and services.

Since the main activity of the company is services for storage and transportation of petroleum products, which requires high costs for the purchase and maintenance of vehicles and equipment. To save money and increase the efficiency of the enterprise, two options for purchasing vehicles were calculated:

- on a leasing basis;
- on credit.

Leasing is a financial instrument that allows you to get the use of fixed assets without attracting large loans. This instrument provides for periodic repayment of part of the value of the received property and the possibility of repurchasing it at its residual value. In other words, it is a lease with the right to buy out, when the lease payments include partial repayment of the value of the property, and the right to buy out the property at the residual value after the expiration of the lease agreement (table 1-3).

Participants of the leasing transaction are offered a flexible payment scheme. So, the lease term ranges from 1 to 10 years, it does not require the collection of a large volume of documents, a long credit history. In addition, when making a leasing transaction, the buyer does not need to search for equipment and its delivery.

The Gold HYUNDAI fuel tanker is a tanker that is designed for storing and transporting gasoline and all light oil products. Produced by manufacturers in the form of tankers, tankers, tank trailers and tank semi-trailers. So reliable and high-quality machines, and at the same time also economical.

Fuel trucks are available in both multi-section and one-piece versions. A barrel that is divided into a couple of sections is usually three or more universal, since it can simultaneously transport several types of light oil products. Many Korean barrels are made of aluminum, which significantly reduces the weight of the structure itself. The maximum composition of a semi-trailer-tanker includes: pumping installation, lower filling and discharge pipelines, shut-off systems, a valve control platform, a gas recovery line and a system that controls the filling of the container.

The standard size for a 30-cubic barrel is 2.5 m wide, 3.3 m high and 9 m long. However, its own weight is approximately 5.5 tons. They are delivered directly from the factories and are finished with an anti-corrosion mixture on the inner surface of the tank. One of the very important qualities of the current fuel tankers is the reality of the bottom Bay of petroleum products. Actually, this requires individual equipment, both on the car and on the loading and unloading tanks. In General, there are many advantages of this method.

According to GOST of the Russian Federation at the bottom filling in the tank should be mounted: a recovery valve, a breathing mechanism, a device for non-filling docking, a bottom valve, filling limiters, a design for gas removal. Moreover, each of the compartments must be equipped with a hatch through which various maintenance work is carried out. This hatch must be closed with a special cover, which has a gap for the breathing device, filling, limiter, and recovery valve.
Table 1. Acquisition on a leasing basis.

| Indicators                                      | Leasing term, months | Cost of the leasing object, rubles |
|------------------------------------------------|----------------------|-----------------------------------|
| Leasing interest, %                            | 10                   | 2000000                           |
| Initial deposit for an object, %               | 25                   |                                   |
| One-time Commission, %                         | 1                    |                                   |
| Depreciation (monthly), %                       | 3.33                 |                                   |
| The monthly amount of payments, rubles         | 55108.04             |                                   |
| Total amount of payments, rubles                | 2228281.56           |                                   |
| including interest, rubles                      | 208281.56            |                                   |
| the cost of the project, rubles                 | 2000000.00           |                                   |
| the fee, rubles                                 | 20000.00             |                                   |

Table 2. Purchase of equipment on credit.

| Indicators                                      | The loan amount, rubles | Loan term, months | Interest rate, % | Monthly payment amount, rubles | Overpayment of interest on a loan, rubles | Total overpayment including commissions, rubles | Total loan amount, rubles |
|------------------------------------------------|-------------------------|-------------------|-----------------|--------------------------------|--------------------------------------------|----------------------------------------------|--------------------------|
| The loan amount, rubles                         | 2000000                 | 36                | 18.5            | 72807                          | 621067                                     | 641067                                        | 2621067.43               |

Table 3. Assessment of the economic efficiency of purchasing a vehicle.

| Indicators                                      | Leasing     | Credit     |
|------------------------------------------------|-------------|------------|
| The loan amount, rubles                         | 2000000     | 2000000    |
| Loan term, months                              | 36          | 36         |
| Interest rate, % (annuity accrual scheme)       | 10          | 18.5       |
| Monthly payment amount, rubles                  | 55108.04    | 72807      |
| Total overpayment including commissions, rubles | 208281.56   | 641067     |
| Total amount of payments, rubles                 | 2228281.56  | 2621067.43 |

According to the table, it is clear that the company is profitable to purchase this equipment in leasing, since the overpayment will amount to 208281.56 rubles, which is 432785.4 rubles less than the purchase via consumer credit.

Factoring is a set of services that a factor provides to a client in exchange for the assignment of receivables.

Factoring has proven to be an effective tool for improving the finances of enterprises and improving the state of monetary settlements. Using factoring, you immediately get up to 95% of the delivery amount for sales of goods or services with deferred payment, and the factoring company is engaged in checking the real solvency Of your old and new customers, collecting debts of Your customers.

According to article 826 of the Civil Code of the Russian Federation, the subject of a factoring agreement is a monetary claim that is assigned for the purpose of obtaining financing.
The scheme of interaction of participants in the factoring agreement is quite simple and consists of only eight short steps:

1. The Supplier and the buyer enter into a contract of sale of goods (works, services).
2. The factoring company and the supplier enter into a factoring agreement.
3. The supplier informs the buyer about the deal. The relevant documents are signed, in which the supplier and the buyer confirm their agreement that the buyer will pay for the previously concluded contract of sale of goods (works, services) - the main contract - to the account of the factoring company.
4. The Supplier delivers the goods (works, services) to the buyer and issues it with an invoice.
5. The Supplier submits to the factoring company the original invoices, i.e. documents confirming the accounts receivable of the buyer.
6. The factoring company makes the first (advance) financing of the supplier in the amount of up to 90% against the buyer’s receivables assigned by the supplier.
7. The Buyer shall pay the factoring company the full cost of the goods delivered to it earlier (works performed, services rendered) within the period previously established by the main contract with the Supplier.
8. Factoring company pays the supplier the remaining amount after deduction of the Commission.

We suggest applying the factoring service scheme of Rosneft-Yamalnefteproduct (figure 1).

![Diagram of factoring service scheme](image_url)

**Figure 1.** Factoring service scheme.

3. Results
The conducted research confirmed the objective need to purchase vehicles on a leasing basis. Since this is much more profitable for the company than purchasing using borrowed funds, but it is more expensive than using cash.
Having considered the factoring service scheme, it can be concluded that the company saves money on working with receivables, provides a quick refund from debtors, and increases working capital.

The proposed measures are justified and will find appropriate application in the economic activities of the enterprise.

4. Discussion

Every company strives to increase profits and reduce costs. One of the most effective ways to reduce costs is to save resources, including transport.

It is known that new vehicles are more productive and reliable in operation, equipped according to the requirements of life safety and convenient to manage and operate, do not require repair and maintenance costs, consume less fuel and lubricants, provide better quality of work and meet the requirements of the latest technologies, do not require quick replacement.

The purchase of vehicles on lease has a number of advantages that the company can take advantage of all the advantages of this product and get the greatest benefit:

- Reduction of tax payments.
- Maintaining investment attractiveness.
- The ability to update or purchase fixed assets without large one-time costs.
- Deal structuring.
- Opportunity to participate in various state subsidy programs.
- The sharing of risks.

Factoring service plays an important role in the company's activities. Factoring allows you to increase sales several times in a short period of time and allows the company to develop more effectively than with lending.

Using factoring, the company immediately receives up to 95% of the delivery amount when selling goods or services with deferred payment, and the factoring company is engaged in checking the real solvency of your old and new customers, collecting debts of your customers.

Most often, a factoring organization assumes the following obligations for managing accounts receivable:

- analysis of the financial condition of the debtor;
- analysis of current accounts receivable;
- analysis of debtors' payments;
- formation of reports necessary for making decisions on the need for debt collection in some cases, the work itself on compulsory collection.

Thus, the company receives additional working capital. You can use the received funds in any direction: for the purchase of raw materials, wages, taxes, current expenses, the purchase of new vehicles and equipment, etc.

5. Conclusion

Increasing the economic efficiency of the enterprise can be achieved by profitable purchase of vehicles and factoring services. As a conclusion, we can cite the SWOT matrix for the proposed measures, compiled for Rosneft-Yamalnefteproduct.

Consider a SWOT analysis for a possible vehicle leasing purchase (table 4).

| Strength: | Weakness: |
|-----------|-----------|
| Loan security and collateral. In leasing, the security is the vehicle being financed – no additional collateral is required. | Making a down payment. In leasing, the standard down payment is 5%. When taking a non-purpose loan for the purchase of a vehicle, there is no initial payment for a legal entity. |
| Taxation. Lease payments, including advance payments, property and transport taxes, insurance, | |
and so on, are included in the cost price. A company that leases vehicles gets the opportunity to select advance and lease payments in such a way that the profit tax will be reduced to a minimum.  

**Time spent on the transaction.** In leasing, taking into account reduced risks, the package of required documents is reduced, and the application is processed promptly – within 1-3 days.

| Opportunities: | Menaces: |
|----------------|----------|
| **Getting a discount on a vehicle.** | **Withdrawal of the vehicle in case of non-fulfillment of obligations.** If there are significant delays in payments, the leasing company has the right to terminate the contract and withdraw the vehicle out of court. As in the case of a creditor, the leasing company has the right to write off the debtor's funds. At the same time, the subject of leasing is the property of the leasing company for the entire term of the contract, so the property received in leasing is not subject to seizure or seizure by creditors. The leased item can continue to be operated and generate revenue. |
| In leasing, most vehicles are sold at a discount from the market value. Large leasing companies themselves receive huge discounts from car manufacturers due to regular purchases of equipment. And to increase the competitiveness of their offer, they share them with customers. | |
| **Balance sheet indicators and the possibility of additional financing.** When leasing, it is possible to remove the amount of debt from the balance sheet (it goes to the balance of the leasing company itself), opening the way for additional credit financing. | |
| **Complementary services.** A leasing company that provides not only financing and insurance services, but also registration, service, and provides profitable fuel and roadside assistance programs. In addition, it is possible to conclude an operational leasing agreement, when at the end of the contract period the client does not need to buy the vehicle and sell it on the secondary market independently. In this case, the customer pays only part of the cost of the vehicle, and leasing payments will be up to two times less than financial leasing and credit. Also, the leasing company can fully take over the function of managing the company's fleet, providing timely service and fuel payment, providing replacement vehicles. | |

As can be seen from the SWOT-analysis, most parameters indicate that the purchase of a vehicle is much more profitable on lease than on credit, which once again confirms the study. As a recommendation of Rosneft-Yamalnefteproduct, we suggest that you evaluate your capabilities and, based on this, choose the appropriate type of financing.

Let's consider a SWOT analysis of the possibility of using factoring services in an enterprise (table 5).
Table 5. SWOT analysis of factoring application.

| Strength: | Weakness: |
|-----------|-----------|
| - quick refund from debtors; | - high cost of maintenance; |
| - no need for re-crediting; | - a large number of documents to submit to the Bank. |
| - saving money on working with accounts receivable. | |

| Opportunities: | Menaces: |
|----------------|----------|
| - increase in working capital; | - risk of losing existing or scaring off potential counterparties. |
| - work only with reliable counterparties; | |
| - improving relations with the bank. | |

Having considered the factoring service scheme, it can be concluded that the company saves money on working with receivables, provides a quick refund from debtors, and increases working capital.

Due to the research, the goal of the work has been achieved, the economic efficiency of the proposed measures is justified, which at this stage is relevant and significant for the economic entity.

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