

Audit Report for Audit ID - AU00104-1

VA-Fixed Assets Management

Audit Score

29/100

Details

Audit	AU00104
Scheduled Audit	AU00104-1
Location	Hyderabad
Hotel	AVASA Hotel
Department	VA-Finance & Accounts
Checklist	VA-Fixed Assets Management
Audit Type	External
Auditor	Saritha C
Start Date	15-03-2018
End Date	15-04-2018
Submitted Date	30-04-2018
Status	Completed
Assigned By	Administrator Account
Non-Compliance	7
Chronic Issues	0

Comparison

AVASA HOTEL VA-FIXED ASSETS MANAGEMENT				
VA-FIXED ASSETS MANAGEMENT		Mar 2018	VARIANCE	% of Increase / Decrease (-/ +)
S.No	Sections	SCORE OBTAINED		
1	Fixed Assets Management	29	-	-
Audit Score		● 29	-	-

	80-100 = Green	Good / Excellent
	61-79 = Yellow	Average
	60 below is Red	Poor / Fair

Non-Compliance

Section: Fixed Assets Management

Subsection: Capital Expenditure Controls

1: Is there a CAPEX requirement plan made for the unit as a whole? **NC**

Rating: 7

Observation Text :

This procedure is not in place as on date. The unit intimates the corporate as and when required and procures after adequate approval.

2: Whether the items purchased are capitalized under relevant asset classification or expensed off as per SOP? **NC**

Rating: 6

Attachments :

Book1_20180430_132448.xlsx

Observation Text :

Delay of 38 to 352 days were observed in capitalizing the assets in ledgers and FAMS as on 28-03-18 in 44 instances.

Section: Fixed Assets Management

Subsection: Control on Fixed Assets

1: Whether all the Assets are tagged? **NC**

Rating: 0

Observation Text :

No tags on the assets purchased during the audit period.

2: Whether all the departments have a list of assets under their usage, updated with all the inclusions and deletions during the year? **NC**

Rating: 0

Observation Text :

FA list not available with the departments.

3: Whether such details are shared with the accounts department for their yearly consolidation and update in the Fixed Assets register? **NC**

Rating: 0

Observation Text :

No such details were available.

4: What is the frequency of taking physical verification of the assets by each of the department and accounts department? **NC**

Rating: 0

Observation Text :

No such details were available.

5: When was the last physical verification done by the departments and the Finance department and whether the variance are debited to the department service charge for short variance. **NC**

Rating: 0

Observation Text :

Last physical verification done in Jan'17.

Chronic

No chronic issues found

Audit Questionnaire

Section: Fixed Assets Management

Subsection: Capital Expenditure Controls

1: Is there a CAPEX requirement plan made for the unit as a whole? **NC**

Rating: 7

Observation Text :

This procedure is not in place as on date. The unit intimates the corporate as and when required and procures after adequate approval.

2: Is there an approved budget available and whether the expenses are within or above the budget? ☒ Not Applicable

3: Whether expenses incurred over the budget have the necessary ratification? ☒ Not Applicable

4: Whether the items purchased are capitalized under relevant asset classification or expensed off as per SOP? **NC**

Rating: 6

Attachments :

Book1_20180430_132448.xlsx

Observation Text :

Delay of 38 to 352 days were observed in capitalizing the assets in ledgers and FAMS as on 28-03-18 in 44 instances.

Section: Fixed Assets Management

Subsection: Insurance

1: Whether all the assets that are purchased and sold during the year are communicated to the insurance company for inclusion and exclusion in and from insurance coverage?

Rating: 10

Section: Fixed Assets Management

Subsection: Control on Fixed Assets

1: Whether all the Assets are tagged? **NC**

Rating: 0

Observation Text :

No tags on the assets purchased during the audit period.

2: Whether all the departments have a list of assets under their usage, updated with all the inclusions and deletions during the year? **NC**

Rating: 0

Observation Text :

FA list not available with the departments.

3: Whether such details are shared with the accounts department for their yearly

consolidation and update in the Fixed Assets register? **NC**

Rating: 0

Observation Text :

No such details were available.

4: What is the frequency of taking physical verification of the assets by each of the department and accounts department? **NC**

Rating: 0

Observation Text :

No such details were available.

5: When was the last physical verification done by the departments and the Finance department and whether the variance are debited to the department service charge for short variance. **NC**

Rating: 0

Observation Text :

Last physical verification done in Jan'17.

6: In case of excess variance, whether the list of assets are tallied with the opening numbers, additions and deletions and approvals are documented? ☒ Not Applicable

7: Who authorizes the no further usage condition and whether documentations are available with the department head signature and the authority defined as per SOP? ☒ Not Applicable

8: Whether scrap note is raised and quotations are obtained and approved as per SOP? ☒ Not Applicable

9: Are there any unusual delays in approving the scrap note, and whether proper follow-up done for the early clearance of the same? ☒ Not Applicable

10: Whether scraps are disposed off at agreed rates only and in case of variance, whether the same are adjusted and ratified? ☒ Not Applicable

11: Whether the proceeds are properly accounted without any delay? ☒ Not Applicable