

# Audit Report for Audit ID - AU0084-2

## Purchase Department Audit

Audit Score

77/100

### Details

Audit	AU0084
Scheduled Audit	AU0084-2
Location	Visakhapatnam
Hotel	GreenPark Hotel- GPV
Department	Purchase
Checklist	Purchase Department Audit
Audit Type	Internal
Auditor	Naveen Seth
Start Date	01-06-2019
End Date	30-06-2019
Submitted Date	28-06-2019
Status	Completed
Assigned By	Administrator Account
Non-Compliance	19
Chronic Issues	8

## Comparison

### GREENPARK HOTEL- GPV PURCHASE DEPARTMENT AUDIT

PURCHASE DEPARTMENT AUDIT		Jan 2018	Jun 2019	VARIANCE	% of Increase / Decrease (-/ +)
S.No	Sections	SCORE OBTAINED	SCORE OBTAINED		
1	Purchases Review	67	71	4	5.97%
2	Meetings & Market Survey	63	80	17	26.98%
3	Policy Compliance and Documentation	62	78	16	25.81%
4	Receiving	56	77	21	37.5%
5	Stores	90	79	-11	-12.22%
Audit Score		● 68	● 77	9	13.24%

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

# Non-Compliance

## Section: Purchases Review

### Subsection: Purchase Requisition

- 1: Review of Pending Indents at Regular intervals **NC**

Rating: 5

Observation Text :

not being reviewed

- 2: Closing of Not Required Requisitions **NC**

Rating: 5

Observation Text :

user department should give in writing ideally user department should do this

## Section: Purchases Review

### Subsection: Purchase Orders

- 1: Comparative and upload scan copy along with PO **NC**

Rating: 7

Observation Text :

approved copy of comparative needs to be uploaded

- 2: E-mail of Purchase order to Vendor working in PMS **NC**

Rating: 7

Observation Text :

it's being done offline

- 3: Review of Cancelled Purchase orders **NC**

Rating: 7

Observation Text :

reason of closing PO is not mentioned

- 4: Cash purchases not to exceed Rs.10000 **NC**

Rating: 6

Observation Text :

need to curtail

## Section: Meetings & Market Survey

### Subsection: Committee Meeting and Market Survey

- 1: Market Survey conducted in 1st week of month **NC**

Rating: 7

Observation Text :

all concerned need to approve

- 2: Recording of Observations of market survey as per SOP guidelines **NC**

Rating: 6

Observation Text :

all concerned need to approve

**Section:** Policy Compliance and Documentation

**Subsection:** Policy Compliance

- 1: Time spent by vendor in the hotel monitored **NC**

Rating: 6

Observation Text :

no proof available

**Section:** Receiving

**Subsection:** Receiving

- 1: IP camera when interrupted generating Alerts **NC**

Rating: 6

Observation Text :

no alert

- 2: Random Check of atleast 5 items by F&B Controller **NC**

Rating: 6

Observation Text :

not happening regularly

- 3: Authorization form for items received without PO is attached to GRN **NC**

Rating: 6

Observation Text :

not happening

- 4: Supply timing of Vendor monitored by using vendor-ID punch report **NC**

Rating: 7

Observation Text :

it's being pushed however not been monitored

**Section:** Stores

**Subsection:** Stores

- 1: Non Moving Items Valued for more than 60 days - F&B stores **NC**

Rating: 6

Observation Text :

not being done

- 2: Non Moving Items Valued for more than 60 days - General Store **NC**

Rating: 7

Observation Text :  
sharing stock above 180 days

- 3: Non Moving Items Valued for more than 60 days - Engineering Stores **NC**  
Rating: 5

Observation Text :  
not doing

- 4: Non Moving Items Valued for more than 60 days - Kitchen Stewarding Stores **NC**  
Rating: 6

Observation Text :  
not happening

- 5: Non Moving Items Valued for more than 60 days - Liquor Store **NC**  
Rating: 5

Observation Text :  
not happening

- 6: Non Moving Items Valued for more than 60 days - Soft drink Stores **NC**  
Rating: 5

Observation Text :  
not happening

# Chronic

## Section: Purchases Review

### Subsection: Purchase Orders

- 1: Comparative and upload scan copy along with PO **NC**  
Rating: 7

Observation Text :  
approved copy of comparative needs to uploaded

- 2: E-mail of Purchase order to Vendor working in PMS **NC**  
Rating: 7

Observation Text :  
it's being done offline

## Section: Meetings & Market Survey

### Subsection: Committee Meeting and Market Survey

- 1: Market Survey conducted in 1st week of month **NC**  
Rating: 7

Observation Text :  
all concerned need to approve

- 2: Recording of Observations of market survey as per SOP guidelines **NC**  
Rating: 6

Observation Text :  
all concerned need to approve

## Section: Policy Compliance and Documentation

### Subsection: Policy Compliance

- 1: Time spent by vendor in the hotel monitored **NC**  
Rating: 6

Observation Text :  
no proof available

## Section: Receiving

### Subsection: Receiving

- 1: IP camera when interrupted generating Alerts **NC**  
Rating: 6

Observation Text :  
no alert

- 2: Authorization form for items received without PO is attached to GRN **NC**  
Rating: 6

Observation Text :  
not happening

- 3: Supply timing of Vendor monitored by using vendor-ID punch report **NC**  
Rating: 7

Observation Text :  
it's being pushed however not been monitored

# Audit Questionnaire

## Section: Purchases Review

### Subsection: Purchase Requisition

- 1: Online Purchase Requisition with 2 Level Authorisation

Rating: 8

- 2: Daily Perishable order through online

Rating: 8

Observation Text :

by whatsapp

- 3: Review of Pending Indents at Regular intervals **NC**

Rating: 5

Observation Text :

not being reviewed

- 4: Closing of Not Required Requisitions **NC**

Rating: 5

Observation Text :

user department should give in writing ideally user department should do this

## Section: Purchases Review

### Subsection: Purchase Orders

- 1: Comparative and upload scan copy along with PO **NC**

Rating: 7

Observation Text :

approved copy of comparative needs to be uploaded

- 2: Online Purchase orders with 3 level Authorization

Rating: 9

- 3: E-mail of Purchase order to Vendor working in PMS **NC**

Rating: 7

Observation Text :

it's being done offline

- 4: Pending Purchase orders Review

Rating: 8

Observation Text :

done during PC meeting

- 5: Closing of not required purchase orders

Rating: 8



Observation Text :

reason need to be mentioned

6: Review of Cancelled Purchase orders **NC**

Rating: 7

Observation Text :

reason of closing PO is not mentioned

7: Cash purchases not to exceed Rs.10000 **NC**

Rating: 6

Observation Text :

need to curtail

### **Section:** Meetings & Market Survey

#### **Subsection:** Committee Meeting and Market Survey

1: Purchase Committee meeting by 15th of Month

Rating: 9

2: Market Survey conducted in 1st week of month **NC**

Rating: 7

Observation Text :

all concerned need to approve

3: Market survey has representatives of Finance, Kitchen and Purchase

Rating: 9

4: Recording of Observations of market survey as per SOP guidelines **NC**

Rating: 6

Observation Text :

all concerned need to approve

5: Purchase committee meeting minutes recorded as per SOP guidelines - twice in a month

Rating: 9

6: Approvals for Price Increase by Committee

Rating: 8

### **Section:** Policy Compliance and Documentation

#### **Subsection:** Policy Compliance

1: Debit note raised for short Supplies

Rating: 8

2: Time spent by vendor in the hotel monitored **NC**

Rating: 6

Observation Text :

no proof available

**Section:** Policy Compliance and Documentation

**Subsection:** Documentation

- 1: Purchase order office copy files with relevant attachments

Rating: 9

- 2: All cheques dispatched to supplier in time

Rating: 8

Observation Text :

most done by RTGS

- 3: Recording of late supplies and quality issues to supplier through mail

Rating: 8

Observation Text :

being done by Whatsapp since some of vendors do not use email

**Section:** Receiving

**Subsection:** Receiving

- 1: Online Integration of Weighing scale with PMS to Pickup Weight automatically

Rating: 9

- 2: Weighing of material using our hotel crates only and not of Vendor

Rating: 8

- 3: Online Print of GRN

Rating: 8

- 4: Photo of Item being Weighed captured in PMS

Rating: 8

- 5: IP camera when interrupted generating Alerts **NC**

Rating: 6

Observation Text :

no alert

- 6: Kitchen representative present while receiving the Vegetables, Fruits, Mutton, Chicken, Fish and other perishables

Rating: 8

- 7: Random Check of atleast 5 items by F&B Controller **NC**

Rating: 6

Observation Text :

not happening regularly

- 8: All Stockable items are received in the presence of user department representative

Rating: 8

- 9: Vegetables and Fruits are Pre-washed before weighing

Rating: 8

Observation Text :

need based being done

- 10: Temperature Check of Frozen, Dairy and meat products

Rating: 9

- 11: Vendor ID Cards are issued and checked

Rating: 9

- 12: Authorization form for items received without PO is attached to GRN **NC**

Rating: 6

Observation Text :

not happening

- 13: Supply timing of Vendor monitored by using vendor-ID punch report **NC**

Rating: 7

Observation Text :

it's being pushed however not been monitored

#### **Section:** Stores

#### **Subsection:** Stores

- 1: All Stores Ledgers are processed till last month

Rating: 9

- 2: Physical stock check and updation in PMS

Rating: 9

- 3: Physical Stock Variance Report Signed by FM

Rating: 9

- 4: Non Moving Items Valued for more than 60 days - F&B stores **NC**

Rating: 6

Observation Text :

not being done

- 5: Non Moving Items Valued for more than 60 days - General Store **NC**

Rating: 7

Observation Text :

sharing stock above 180 days

- 6: Non Moving Items Valued for more than 60 days - Engineering Stores **NC**

Rating: 5

Observation Text :

not doing

7: Non Moving Items Valued for more than 60 days - Kitchen Stewarding Stores **NC**

Rating: 6

Observation Text :

not happening

8: Non Moving Items Valued for more than 60 days - Liquor Store **NC**

Rating: 5

Observation Text :

not happening

9: Non Moving Items Valued for more than 60 days - Soft drink Stores **NC**

Rating: 5

Observation Text :

not happening

10: Store Closing stock of Last month - F&B Stores

Rating: 9

11: Store Closing stock of Last month - General

Rating: 9

12: Store Closing stock of Last month - Engineering

Rating: 9

13: Store Closing stock of Last month - Kitchen Stewarding

Rating: 9

14: Store Closing stock of Last month - Liquor Stores

Rating: 9

15: Store Closing stock of Last month - Soft drinks

Rating: 9

16: Stock out items are monitored

Rating: 9

17: Issue of material only against Indent

Rating: 9

18: Odd hour issues from stores are taken in the presence of Security and user department and recorded

Rating: 9