

Audit Report for Audit ID - AU00205-1

VA-Stores Function


Audit Score

75/100

Details

Audit	AU00205
Scheduled Audit	AU00205-1
Location	Visakhapatnam
Hotel	GreenPark Hotel- GPV
Department	Finance
Checklist	VA-Stores Function
Audit Type	External
Auditor	Venkat Associates
Start Date	07-09-2018
End Date	14-09-2018
Submitted Date	11-09-2018
Status	Completed
Assigned By	Administrator Account
Non-Compliance	11
Chronic Issues	0

Comparison

GREENPARK HOTEL- GPV VA-STORES FUNCTION				
VA-STORES FUNCTION		Sep 2018	VARIANCE	% of Increase / Decrease (-/+)
S.No	Sections	SCORE OBTAINED		
1	Stores	75	-	-
Audit Score		 75	-	-

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

Non-Compliance

Section: Stores

Subsection: Receiving procedures

- 1: Whether any Back dated GRNs raised ? Any approvals available for the same ? **NC**

Rating: 6

Attachments :

QUE54_DOC_20180911_110606.xlsx

QUE54_DOC_20180911_110614.xlsx

Observation Text :

Option to pass back dated GRN entry is available in receiving ID. In 17 instances, it was observed that GRNs were raised backdated, with a difference of 10 days.

- 2: Whether approvals are documented along with the reasons for any missing seriality?

NC

Rating: 0

- 3: Whether the expiry date is updated in IDS at the time of receipt and tracked by the stores and followed up with the respective departments for their usage? **NC**

Rating: 3

Attachments :

QUE59_DOC_20180911_111055.xlsx

QUE59_DOC_20180911_111106.xlsx

Observation Text :

It was observed that in 511 instances, expiry date not updated for stockable items while raising GRN. As per internal policy, the expiry of the item should not be less than 3 months from the date of receipt of such item. But IDS is accepting Expiry date same as good receipt date and same should be restricted

Section: Stores

Subsection: Indenting Process and Issue Controls

- 1: Whether all the issues that were done after stores working hours as updated in the ODD HOUR register are updated in IDS with all the accurate details on the subsequent day? **NC**

Rating: 7

Attachments :

QUE73_DOC_20180911_113040.xlsx

Observation Text :

Incomplete details in Odd hour register regarding department name, Indent No.

Section: Stores

Subsection: Physical Verification

- 1: Physical verification to be done and variances to be reported **NC**

Rating: 6

Attachments :

QUE77_DOC_20180911_113235.xlsx

Observation Text :

Physical verification of stores was carried out at stores department on 31-Jul-18 and observed short variances amounting to Rs. 31,404/- for General stores items.

Section: Stores

Subsection: Stock levels

1: When was the last date of revision of stock levels made? **NC**

Rating: 0

Observation Text :

Stock level was last revision on 2016

2: Whether all the stock levels are maintained as per levels fixed? - Maximum stock level to be analyzed and reported **NC**

Rating: 6

Attachments :

QUE81_DOC_20180911_113933.xlsx

Observation Text :

Stock below Maximum level - 19 items worth Rs.1.65Lakhs of F&B item, 80 items worth Rs.9.62Lakhs of General item & 8 item worth Rs.0.50/- of Soft drinks have been stacked above the maximum level defined.

3: Whether all the stock levels are maintained as per levels fixed? - Re-order level to be analyzed and reported **NC**

Rating: 6

Attachments :

QUE82_DOC_20180911_113739.xlsx

4: Whether all the stock levels are maintained as per levels fixed? - Minimum stock level to be analyzed and reported **NC**

Rating: 6

Attachments :

QUE83_DOC_20180911_113956.xlsx

Observation Text :

Stock below Minimum level - 52 no's of F&B item, 94 no's of General item and 25 no's of soft drinks items were below than the minimum level defined.

5: Status of non-moving stock to be reported and to check and report whether any Non Moving stock was re-purchased during audit period **NC**

Rating: 7

Attachments :

QUE84_DOC_20180911_114128.xlsx

Observation Text :

During the review of Non-moving items as on 01-Aug-18 , observed that in F&B & Soft drinks item 2 & 1 instance was not moved for more than 250 & 700 days amounting Rs.1,139/- & Rs.2,600/- and in general item 38 instances was not moved

up to a maximum of 3410days amounting Rs. 1.23lakhs.

6: Are there any stocks that are not tagged with appropriate levels? **NC**

Rating: 6

Attachments :

QUE85_DOC_20180911_114146.xlsx

Chronic

No chronic issues found

Audit Questionnaire

Section: Stores

Subsection: Receiving procedures

1: Whether the cameras at receiving area and stores in working condition ?

Rating: 9

2: Whether date and GRN serial numbers are in seriality?

Rating: 8

Attachments :

QUE53_DOC_20180911_110526.xlsx

Observation Text :

Missing GRNs in 4 instances were observed. Note: No pjr made against these missing grn.

3: Whether any Back dated GRNs raised ? Any approvals available for the same ? **NC**

Rating: 6

Attachments :

QUE54_DOC_20180911_110606.xlsx

QUE54_DOC_20180911_110614.xlsx

Observation Text :

Option to pass back dated GRN entry is available in receiving ID. In 17 instances, it was observed that GRNs were raised backdated, with a difference of 10 days.

4: Whether approvals are documented along with the reasons for any missing seriality?

NC

Rating: 0

5: Are the department personnel available during the Inward of materials pertaining to respective department ?

Rating: 9

6: Whether returns, shortages, rejections are informed to purchase and accounts departments so that debit notes are raised accordingly and such returns, shortages , rejections are acknowledged by the vendor?

Rating: 9

7: Whether all receipt of materials are made along with Delivery challans and invoices, acknowledged by the receiver and surprise verification to be done during the audit for receipt of materials without invoices and rating to be given on such basis.

Rating: 8

Attachments :

QUE58_DOC_20180911_110907.xlsx

Observation Text :

In some cases they did not received the invoices, which they will receive in next 2 days and they will document it. Also, there is No separate register to track these kind

of cases In 26 instances, Receiver person sign was not available in the GRN.

8: Whether the expiry date is updated in IDS at the time of receipt and tracked by the stores and followed up with the respective departments for their usage? **NC**

Rating: 3

Attachments :

QUE59_DOC_20180911_111055.xlsx

QUE59_DOC_20180911_111106.xlsx

Observation Text :

It was observed that in 511 instances, expiry date not updated for stockable items while raising GRN. As per internal policy, the expiry of the item should not be less than 3 months from the date of receipt of such item. But IDS is accepting Expiry date same as good receipt date and same should be restricted

9: As per SOP, F & B Controller has to raise the GRN for perishables items using weighing scale for the items received after office hours, paid holidays and on all sundays. Is this followed?

Rating: 9

10: Any delay in raising GRN on receipt of materials?

Rating: 9

11: Are there any receipt of material without Purchase order and whether the same are authorized by the Unit head in the specific "Authorization Form" and whether the same are attached with the PO/GRN.

Rating: 9

12: Whether any material received on Sundays / holidays or after Working hours such as before 9am and after 6pm, were received jointly in the presence of Security and user department and whether the same were authorized by the Purchase, Finance Manager and Unit Head in the "ODD Hour Receipts- Authorization Form".

Rating: 9

13: Is the security guard present during the receipt of material ?

Rating: 9

14: Security seal affixed on the invoice during the receipt of material ?

Rating: 9

15: Whether the material type and quantity of goods matching as per the security inward register and GRN and is the inward of material updated in security material inward register with complete details ?

Rating: 9

16: Whether payments are made only for the received quantity?

Rating: 9

17: Are there any GRN's that are raised before PO and on same date also?

Rating: 8

Attachments :

QUE68_DOC_20180911_112343.xlsx

Observation Text :

In 7 instances, PO and GRN are raised on the same date. No instances were observed for PO's raised after GRN.

18: Whether all the issues that were done after stores working hours are updated in the ODD HOUR register with all the relevant details?

Rating: 9

19: Whether PO and GRN quantity are matched and if not Whether short received PO's are closed after confirming the inability to supply and reasons are documented?

Rating: 9

Section: Stores

Subsection: Segregation of duties

1: Whether proper segregation of duties are made for receiving and approving the GRN and payment and no single person has a complete control over all the activities?

Rating: 8

Section: Stores

Subsection: Indenting Process and Issue Controls

1: "Whether all the materials issued from stores have proper indents signed by both the receiver and the issuer and wherever such documents are not available, whether such issues were updated in the register signed as per SOP and updated in IDS the subsequent day?

Rating: 8

2: Whether all the issues that were done after stores working hours as updated in the ODD HOUR register are updated in IDS with all the accurate details on the subsequent day? **NC**

Rating: 7

Attachments :

QUE73_DOC_20180911_113040.xlsx

Observation Text :

Incomplete details in Odd hour register regarding department name, Indent No.

3: Are there any pending indents? Status of the same to be given here

Rating: 9

Section: Stores

Subsection: Physical Verification

1: Whether 100% physical verification is carried out on monthly basis with all issues and receipts freezed?

Rating: 8

2: Wherever variances are derived (short / excess), whether such variances are authorized, and action taken are documented?

Rating: 8

- 3: Physical verification to be done and variances to be reported **NC**

Rating: 6

Attachments :

QUE77_DOC_20180911_113235.xlsx

Observation Text :

Physical verification of stores was carried out at stores department on 31-Jul-18 and observed short variances amounting to Rs. 31,404/- for General stores items.

- 4: Any expired stock found during the Physical verification of Stores and whether the same are disposed properly?

Rating: 9

- 5: Are the expired and damaged material placed in separate rack ?

Rating: 9

Section: Stores

Subsection: Stock levels

- 1: When was the last date of revision of stock levels made? **NC**

Rating: 0

Observation Text :

Stock level was last revision on 2016

- 2: Whether all the stock levels are maintained as per levels fixed? - Maximum stock level to be analyzed and reported **NC**

Rating: 6

Attachments :

QUE81_DOC_20180911_113933.xlsx

Observation Text :

Stock below Maximum level - 19 items worth Rs.1.65Lakhs of F&B item, 80 items worth Rs.9.62Lakhs of General item & 8 item worth Rs.0.50/- of Soft drinks have been stacked above the maximum level defined.

- 3: Whether all the stock levels are maintained as per levels fixed? - Re-order level to be analyzed and reported **NC**

Rating: 6

Attachments :

QUE82_DOC_20180911_113739.xlsx

- 4: Whether all the stock levels are maintained as per levels fixed? - Minimum stock level to be analyzed and reported **NC**

Rating: 6

Attachments :

QUE83_DOC_20180911_113956.xlsx

Observation Text :

Stock below Minimum level - 52 no's of F&B item, 94 no's of General item and 25

no's of soft drinks items were below than the minimum level defined.

5: Status of non-moving stock to be reported and to check and report whether any Non Moving stock was re-purchased during audit period **NC**

Rating: 7

Attachments :

QUE84_DOC_20180911_114128.xlsx

Observation Text :

During the review of Non-moving items as on 01-Aug-18 , observed that in F&B & Soft drinks item 2 & 1 instance was not moved for more than 250 & 700 days amounting Rs.1,139/- & Rs.2,600/- and in general item 38 instances was not moved up to a maximum of 3410days amounting Rs. 1.23lakhs.

6: Are there any stocks that are not tagged with appropriate levels? **NC**

Rating: 6

Attachments :

QUE85_DOC_20180911_114146.xlsx

Section: Stores

Subsection: Material code creation

1: Whether authority to create code is only with the Finance team?

Rating: 8

2: Are there any duplicate code created and used for the same material and whether such codes are made passive?

Rating: 8

Section: Stores

Subsection: Weight Calibration

1: Whether valid calibration certificates are available for all the weighing machines used at the unit?

Rating: 8