

# Audit Report for Audit ID - AU00370-2

## VA-Purchase Commercial & Accounting

Audit Score

76/100

### Details

Audit	AU00370
Scheduled Audit	AU00370-2
Location	Hyderabad
Hotel	AVASA Hotel
Department	Purchase
Checklist	VA-Purchase Commercial & Accounting
Audit Type	External
Auditor	Saritha C
Start Date	09-05-2019
End Date	14-05-2019
Submitted Date	14-05-2019
Status	Completed
Assigned By	Administrator Account
Non-Compliance	6
Chronic Issues	2

## Comparison

### AVASA HOTEL VA-PURCHASE COMMERCIAL & ACCOUNTING

VA-PURCHASE COMMERCIAL & ACCOUNTING		Jan 2019	May 2019	VARIANCE	% of Increase / Decrease (-/ +)
S.No	Sections	SCORE OBTAINED	SCORE OBTAINED		
1	Commercial Accounting	79	76	-3	-3.8%
Audit Score		● 79	● 76	-3	-3.8%

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

## Non-Compliance

### Section: Commercial Accounting

#### Subsection: Purchase Requisitions

1: Whether all the Purchase requisitions made are approved by the user department head **NC**

Rating: 7

Attachments :

QUE66\_DOC\_20190514\_140325.xlsx

Observation Text :

In 263 instances, Purchase Requisitions were not authorised as on 22-Dec-18 and the same pending from 12 to 196 days (Sample Size: 01-Oct-18 to 18-Apr-19)

2: Whether all the PR's are serially numbered and in case of missing number, whether the reasons are documented with approvals? **NC**

Rating: 7

Attachments :

QUE67\_DOC\_20190514\_140400.xlsx

Observation Text :

In 29 instances PRs were missing (Sample Size: 01-Oct-18 to 18-Apr-19)

3: Whether all the PR's are converted to PO's and if not whether reasons are documented with approvals? **NC**

Rating: 7

Attachments :

QUE68\_DOC\_20190514\_140454.xlsx

Observation Text :

In 533 instances purchase requisitions are pending vide delay ranging from 127 to 199 days as on 18-Apr-19. (Sample Size: 01-Oct-18 to 18-Apr-19)

4: whether appropriate reasons are documented with approvals for any unusual delay in converting PR's to PO's? **NC**

Rating: 7

Attachments :

QUE69\_DOC\_20190514\_140538.xlsx

Observation Text :

In 1021 instances delay ranging from 11 to 146 days were observed in converting PRs to POs. (Sample Size: 01-Oct-18 to 18-Apr-19)

### Section: Commercial Accounting

#### Subsection: Purchase Orders

1: Whether all the PO's are serially numbered and in case of missing number, whether the reasons are documented with approvals? **NC**

Rating: 7

Observation Text :

In 3 instances (vide S.No.23816, 23817 & 25825) POs were missing in seriality.  
(Sample Size: 01-Oct-18 to 18-Apr-19)

2: Whether all the Purchase Orders made are approved by the user department head &  
Unit head **NC**

Rating: 7

Attachments :

QUE72\_DOC\_20190514\_140601.xlsx

Observation Text :

In a couple of instances, Purchase Orders were not authorised as on 18-Apr-19, but  
material received amounting to Rs.12,675/-. (Sample Size: 01-Oct-18 to 18-Apr-19)

## Chronic

**Section:** Commercial Accounting

**Subsection:** Purchase Requisitions

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# Audit Questionnaire

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**Subsection:** Purchase Requisitions

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Observation Text :

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5: Whether all unwanted PR's are closed at a frequency as defined by the SOP? ☒  
Not Applicable

**Section:** Commercial Accounting

**Subsection:** Purchase Orders

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the reasons are documented with approvals? **NC**

Rating: 7

Observation Text :

In 3 instances (vide S.No.23816, 23817 & 25825) POs were missing in seriality.  
(Sample Size: 01-Oct-18 to 18-Apr-19)

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Rating: 7

Attachments :

QUE72\_DOC\_20190514\_140601.xlsx

Observation Text :

In a couple of instances, Purchase Orders were not authorised as on 18-Apr-19, but material received amounting to Rs.12,675/-. (Sample Size: 01-Oct-18 to 18-Apr-19)

3: Whether regular follow-ups made with the vendors are documented, if the materials are not supplied within the agreed time as per PO?

Rating: 8

Observation Text :

Satisfactory (Sample Size: Jan'19-Mar'19)

4: Any delay in approving the Pos?

Rating: 8

Observation Text :

Satisfactory (Sample Size: Jan'19-Mar'19)

5: Any delay in raising the PO after the material receipt

Rating: 8

Observation Text :

Satisfactory.

6: For any of the emergency purchases, whether reasons are documented with appropriate approvals? Any delay in raising the GRN after the material receipt

Rating: 8

Observation Text :

Satisfactory (Sample Size: Feb'19-Mar'19)

7: Any delay in raising the GRN after the material receipt

Rating: 8

Attachments :

QUE77\_DOC\_20190514\_140634.xlsx

Observation Text :

In a solitary instance delay of 3days was observed in raising GRN after receiving the material. Note- Delay after deducting buffer 2days. (Sample Size: Jan'19-Mar'19-30%)

8: Any difference in stock as per GRN and Bill

Rating: 8

Observation Text :

Satisfactory (Sample Size: Feb'19-Mar'19-30%)

9: Any Short / Excess charged as per PO and bill

Rating: 8

Observation Text :

Satisfactory (Sample Size: Feb'19-Mar'19-30%)

10: Whether any material pending to be received from the vendors towards POs raised

☒ Not Applicable

**Section:** Commercial Accounting

**Subsection:** Material Inwarding Controls

1: Whether the unit has the practice to inward expired gas cylinders as per information or guidelines regarding the expiry date of the cylinders mentioned in the SOP. ☒ Not Applicable

2: Whether GRN accounted into corresponding account head.

Rating: 8

Observation Text :

Satisfactory.