

Audit Report for Audit ID - AU00148-1

VA-Purchase Commercial & Accounting

Audit Score

82/100

Details

Audit	AU00148
Scheduled Audit	AU00148-1
Location	Visakhapatnam
Hotel	GreenPark Hotel- GPV
Department	Purchase
Checklist	VA-Purchase Commercial & Accounting
Audit Type	External
Auditor	Venkat Associates
Start Date	09-06-2018
End Date	14-06-2018
Submitted Date	11-06-2018
Status	Completed
Assigned By	Administrator Account
Non-Compliance	2
Chronic Issues	0

Comparison

GREENPARK HOTEL- GPV VA-PURCHASE COMMERCIAL & ACCOUNTING				
VA-PURCHASE COMMERCIAL & ACCOUNTING		Jun 2018	VARIANCE	% of Increase / Decrease (-/ +)
S.No	Sections	SCORE OBTAINED		
1	Commercial Accounting	82	-	-
Audit Score		● 82	-	-

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

Rating: 0

Observation Text :

No practice of documented the reasons for any unusual delay in converting PR's to PO's. Response: Some times user departments raising double times Audit Rejoinder: Documentation to be maintained for verification.

2: Whether all unwanted PR's are closed at a frequency as defined by the SOP? **NC**

Rating: 0

Observation Text :

No practice of closing the unwanted PR's. Response: We discussed in PC meeting and closed unwanted PRs with approval of user dept. HODs. Audit Rejoinder: Documentation to be maintained for verification.

Chronic

No chronic issues found

Audit Questionnaire

Section: Commercial Accounting

Subsection: Purchase Requisitions

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

Rating: 10

Observation Text :

All the purchase requisition are approved by the department head.

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

Rating: 10

Observation Text :

PR's are serially numbered and documented with approval.

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

Rating: 8

Attachments :

QUE63_DOC_20180611_130440.xlsx

Observation Text :

In 102 instances, requisitions were pending to be converted to orders. Response :
Response provided in Annexure

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

Rating: 0

Observation Text :

No practice of documented the reasons for any unusual delay in converting PR's to PO's. Response: Some times user departments raising double times Audit Rejoinder: Documentation to be maintained for verification.

5: Whether all unwanted PR's are closed at a frequency as defined by the SOP? **NC**

Rating: 0

Observation Text :

No practice of closing the unwanted PR's. Response: We discussed in PC meeting and closed unwanted PRs with approval of user dept. HODs. Audit Rejoinder: Documentation to be maintained for verification.

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?

Rating: 10

Observation Text :

All PO's are serially number and reason are documented with approval.

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

Rating: 10

Observation Text :

All the purchase orders are approved by the department head and unit head.

- 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: 10

Observation Text :

Regular follow-ups are made with vendor are documented.

- 4: Any delay in approving the Pos?

Rating: 10

Observation Text :

No delay in approving the PO's.

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

Rating: 10

Observation Text :

No delay in raising the PO after the material receipts.

- 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: 10

Observation Text :

For emergency purchases, reasons are documented with approval.

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

Rating: 8

Attachments :

QUE72_DOC_20180611_132029.xlsx

Observation Text :

In 11 instances, delay ranging from 4-14 days was observed in raising GRN from material receipt date. Response: Materials directly taken by the engineering department and later bills submitted to stores, now briefed to the engineering team, hence forth bills will be submitted immediately.

- 8: Any difference in stock as per GRN and Bill

Rating: 10

Observation Text :

No difference in stock as per GRN and Bill.

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

Rating: 10

Observation Text :

No short/Excess charged as per PO and bill.

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

Rating: 8

Attachments :

QUE75_DOC_20180611_132316.xlsx

Observation Text :

In 28 instances, material was pending to be received towards POs with delay ranging from 10-112 days. Response: Response provided in annexure.

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.

Rating: 8

Attachments :

QUE76_DOC_20180611_132644.xlsx

Observation Text :

Number of instances reduced. Found 3 instances given one for sample in the exhibit.

Response: We have informed the team and henceforth it will not repeat

2: Whether GRN accounted into corresponding account head.

Rating: 8

Observation Text :

In a solitary instance, material (Name badges-worth Rs.540/-)received vide GRN No.42335/29-Jan-18 was accounted into "GIFTS TO GUEST STOCK" instead of "STAFF UNIFORM EXPENSES". Response: We will rectify and brief the team. Henceforth it will not repeat