

# Apex Motors Financial Audit & Triple Match Analysis

## Executive Summary

**Vendor:** Apex Motors Ltd  
**Audit Date:** July 9, 2025  
**Transaction Period:** October 5-13, 2024  
**Status:** ⚠️ DISCREPANCIES IDENTIFIED

## Triple Match Analysis

### Document Overview

Document Type	Document Number	Date	Status
Purchase Order	PO-1002	Oct 5, 2024	✅ Complete
Invoice	INV-8892	Oct 12, 2024	✅ Complete
Receipt	RCPT-7122	Oct 13, 2024	✅ Complete

## Critical Findings

### ● MAJOR DISCREPANCY - PRICE VARIANCE

- **Purchase Order Amount:** \$124,999.90
- **Invoice Amount:** \$130,000.00
- **Variance:** +\$5,000.10 (4.00% increase)
- **Impact:** Unauthorized cost overrun

### ● MAJOR DISCREPANCY - QUANTITY VARIANCE


- **Ordered Quantity:** 10 units
- **Invoiced Quantity:** 10 units
- **Received Quantity:** 8 units
- **Shortage:** 2 units (20% shortfall)
- **Impact:** Incomplete delivery

## Detailed Analysis


### Purchase Order (PO-1002)

- **Date:** October 5, 2024
- **Item:** Hydraulic Pump
- **Quantity:** 10 units
- **Unit Price:** \$12,499.99
- **Total:** \$124,999.90
- **Confidence:** 100% (High accuracy extraction)

## Invoice (INV-8892)

- **Date:** October 12, 2024
- **Reference PO:** PO-1002 
- **Item:** Hydraulic Pump
- **Quantity:** 10 units
- **Unit Price:** \$13,000.00
- **Total:** \$130,000.00
- **Confidence:** 100% (High accuracy extraction)

## Receipt (RCPT-7122)

- **Date:** October 13, 2024
- **Reference PO:** PO-1002 
- **Item:** Hydraulic Pump
- **Quantity Received:** 8 units
- **Confidence:** 60% (Lower accuracy - requires verification)

## Risk Assessment

### High Risk Issues

#### 1. Unauthorized Price Increase

- Invoice unit price (\$13,000) exceeds PO price (\$12,499.99)
- Lacks proper change order authorization
- Could indicate vendor billing error or contract violation

#### 2. Incomplete Delivery

- Only 8 units received vs. 10 units ordered
- Missing 2 units worth \$26,000 (at invoice price)
- Could indicate delivery discrepancy or receiving error

## Medium Risk Issues

### 1. Receipt Document Quality

- Lower parsing confidence (60%) suggests potential data quality issues
- Requires manual verification of received quantities

## Recommendations

### Immediate Actions Required

#### 1. Investigate Price Variance

- Review contract terms with Apex Motors
- Verify if price change was authorized
- Request supporting documentation for price adjustment

#### 2. Resolve Quantity Discrepancy

- Conduct physical inventory count
- Verify receiving records
- Contact Apex Motors regarding missing 2 units

#### 3. Payment Hold

- Do not process payment until discrepancies are resolved
- Consider paying only for verified received quantities (8 units)

## Process Improvements

### 1. Strengthen Controls

- Implement mandatory price variance approval workflow
- Require receiving confirmation before invoice processing
- Enhance document parsing accuracy for receipts

### 2. Vendor Management

- Review Apex Motors' delivery performance
- Establish clearer pricing change procedures
- Consider vendor performance evaluation

## Financial Impact

- **Authorized Amount:** \$124,999.90
- **Invoiced Amount:** \$130,000.00
- **Recommended Payment:** \$104,000.00 (8 units × \$13,000)
- **Potential Savings:** \$26,000.00

## Audit Trail

- **Documents Processed:** 3/3
- **Extraction Method:** PyPDF
- **Data Quality:** Mixed (60-100% confidence)
- **Cross-Reference Status:** PO numbers verified across all documents

## Conclusion

The triple match audit reveals significant discrepancies requiring immediate attention. The transaction should not proceed to payment without resolving the price variance and quantity shortage issues. Strong internal controls and vendor communication are essential to prevent similar discrepancies in future transactions.