

Purchase Card Audit Summary

Period	1 January – 30 April 2020	Report no:	26
Transactions			627
Audited transactions			40
Non-work related transactions			0
Transactions with process issues identified			18
Coding corrections – incorrect account and/or GST classification			23

Preamble

The audit process checked individual transaction details, specifically receipt information and user comments, including if products or services purchased were work related and in compliance with relevant policies. A random sample of 10 transactions per month was selected as all transactions are checked for accuracy of coding on a monthly basis. All account and/or GST coding errors are corrected as part of the month end process which is performed by the Financial Accountant.

Transactions were classified as having either:

- a. no issue
- b. use issue
 - private
- c. process issue
 - no tax invoice for purchases > \$50
 - not in accordance with policy

The monthly review of coding identifies:

- a. GST issue; and/or
- b. account coding issue

Results

The following issues were noted:

- Forty-one instances of an incorrect account and/or GST classification were noted during the monthly checks. These errors were corrected as part of the month end process and are therefore not an area of concern. Pcardholders are notified of the errors with relevant explanations to minimise future errors.
- Two transaction in the audit sample did not have an appropriate tax invoice attached for GST purposes. One receipt has subsequently been provided to Finance and for the other transaction the companies GST number has been confirmed. One transaction had not been identified as sensitive expenditure but was for accommodation, this employee has been notified and resent the purchase card policy and their transaction was appropriately approved.

Figure 1: Overview of Audit Results

