

Sample Internal Audit Checklist

FOR HOTELS

1. Legal Compliance and Licensing

Registrations and Licenses

- ☐ Valid Hotel Operating License from local municipal authority
- ☐ FSSAI license/registration
- ☐ Liquor license (if applicable)
- ☐ Police license/registration
- ☐ Fire safety NOC
- ☐ Trade license from local municipal corporation
- ☐ Shop and establishment license
- ☐ Tourism department registration/license
- ☐ Lift operation certificate (if applicable)
- ☐ Swimming pool operation permit (if applicable)
- ☐ Pollution Control Board clearance

Legal Documentation

- ☐ GST registration and compliance
- ☐ PAN documentation
- ☐ TAN documentation
- ☐ Professional tax registration
- ☐ ESI registration
- ☐ PF registration

- ☐ Updated Form C submissions to FRRO (for foreign guests)
- ☐ Trademark registrations (for hotel name and logos)
- ☐ Entertainment license (if applicable for events)
- ☐ Music license (PPL/IPRS) for public performance

2. Front Office Operations

Guest Registration

- ☐ Proper guest registration process with Form C for foreign nationals
- ☐ Valid ID proof collection and verification process
- ☐ Guest information storage compliant with data protection laws
- ☐ Proper key/access card control procedures
- ☐ Check-in/check-out procedures documentation

Revenue Management

- ☐ Room rate integrity and authorized discount procedures
- ☐ Daily revenue reconciliation process
- ☐ Complimentary room authorization process
- ☐ Advance payment procedures
- ☐ No-show and cancellation policy implementation
- ☐ Credit card processing and data security

Reservation Systems

- ☐ Reservation system access controls
- ☐ Booking process documentatione reconciliation process
- ☐ Group booking procedures
- ☐ OTA (Online Travel Agency) commission reconciliation
- ☐ Rate parity compliance across channels



3. Finance and Accounting

General Accounting

- ☐ Chart of accounts maintenance
- ☐ Daily revenue audit procedures
- ☐ Monthly financial statement preparation
- ☐ Bank reconciliation process
- ☐ Petty cash management
- ☐ Fixed asset register maintenance
- ☐ Capital expenditure approval process

Taxation

- ☐ GST collection and filing compliance
- ☐ TDS (Tax Deducted at Source) compliance
- ☐ Advance tax payments
- ☐ Input tax credit reconciliation
- ☐ Luxury tax compliance (if applicable)
- ☐ Annual tax filing process

Accounts Payable/Receivable

- ☐ Vendor payment approval process
- ☐ Vendor master maintenance procedures
- ☐ Credit management for corporate accounts
- ☐ Aging analysis of receivables
- ☐ Collection procedures for outstanding balances
- ☐ Invoice verification process



4. Human Resources

Employment Compliance

- ☐ Employment contracts for all staff
- ☐ Proper documentation of casual/temporary workers
- ☐ Working hours compliance with Shops and Establishment Act
- ☐ Contract labor compliance (if applicable)
- ☐ Minimum wage compliance as per state regulations
- ☐ Maintenance of required employment registers

Employee Benefits

- ☐ PF contribution and filing
- ☐ ESI contribution and filing
- ☐ Gratuity provision calculation
- ☐ Leave policy implementation
- ☐ Bonus payment as per Payment of Bonus Act
- ☐ Overtime calculation and payment

Training and Development

- ☐ Staff training records
- ☐ Mandatory training compliance (fire safety, first aid, etc.)
- ☐ Performance evaluation process
- ☐ Skill development programs
- ☐ Training effectiveness assessment



5. Food and Beverage Operations

Kitchen Operations

- ☐ HACCP implementation
- ☐ Daily food cost calculation
- ☐ Menu engineering and pricing strategy
- ☐ Recipe standardization
- ☐ Portion control procedures
- ☐ Quality testing of received goods

Restaurant Service

- ☐ POS system controls and access rights
- ☐ Bill settlement procedures
- ☐ Complimentary food and beverage authorization
- ☐ Service quality standards
- ☐ Upselling procedures
- ☐ Guest feedback collection

Bar Operations

- ☐ Liquor inventory control
- ☐ Standard recipe compliance
- ☐ Liquor license display and renewal
- ☐ Bar reconciliation process
- ☐ Age verification procedures
- ☐ Excise duty compliance



6. Housekeeping and Maintenance

Room Maintenance

- ☐ Room inspection procedures
- ☐ Preventive maintenance schedule
- ☐ Room readiness reporting
- ☐ Deep cleaning schedule
- ☐ Pest control management
- ☐ Linen and amenity inventory control

Public Area Maintenance

- ☐ Cleaning schedule for public areas
- ☐ Swimming pool maintenance (if applicable)
- ☐ Landscaping maintenance
- ☐ Waste management procedures
- ☐ Recycling program implementation

Engineering and Maintenance

- ☐ Preventive maintenance program for all equipment
- ☐ Energy conservation measures
- ☐ Water conservation measures
- ☐ HVAC system maintenance
- ☐ Electrical system maintenance
- ☐ Plumbing system maintenance
- ☐ Generator and UPS maintenance



7. Procurement and Inventory

Purchasing

- ☐ Vendor selection and evaluation process
- ☐ Purchase order authorization
- ☐ Competitive bidding process for major purchases
- ☐ Contract management
- ☐ Procurement policy compliance
- ☐ Sustainable purchasing practices

Inventory Management

- ☐ Regular inventory counts
- ☐ Par stock level maintenance
- ☐ Perishable goods management
- ☐ Storage conditions monitoring
- ☐ First-in-first-out (FIFO) implementation
- ☐ Inventory reconciliation with accounting

8. Health, Safety and Security

Fire Safety

- ☐ Fire fighting equipment maintenance
- ☐ Evacuation plan posting
- ☐ Fire drill records
- ☐ Fire alarm system testing
- ☐ Staff fire training records
- ☐ Emergency lighting checks



Guest Safety

- ☐ CCTV system functionality
- ☐ Security staff training
- ☐ Key card system security
- ☐ Safe deposit box procedures
- ☐ Swimming pool safety measures (if applicable)
- ☐ First aid kit availability and maintenance

Staff Safety

- ☐ Personal protective equipment availability
- ☐ Accident reporting procedure
- ☐ Workers' compensation insurance
- ☐ Kitchen safety measures
- ☐ Chemical handling procedure
- ☐ Heavy lifting guidelines

9. IT and Data Security

System Security

- ☐ Access control for property management system
- ☐ User access rights review
- ☐ Password policy implementation
- ☐ Data backup procedures
- ☐ Antivirus/firewall maintenance
- ☐ System update procedures



Payment Security

- ☐ PCI-DSS compliance for credit card processing
- ☐ Secure payment gateway implementation
- ☐ Credit card information handling procedures
- ☐ Cash handling procedures
- ☐ Electronic payment reconciliation

Data Privacy

- ☐ Guest data protection procedures
- ☐ Employee data protection procedures
- ☐ Data retention policy
- ☐ Privacy policy implementation
- ☐ CCTV footage storage and access controls

10. Marketing and Guest Relations

Brand Standards

- ☐ Brand standard compliance
- ☐ Marketing material approval process
- ☐ Social media policy implementation
- ☐ Website content accuracy
- ☐ Rate display compliance

Guest Feedback

- ☐ Guest complaint handling procedure
- ☐ Guest satisfaction measurement
- ☐ Review response procedures



- ☐ Corrective action implementation
- ☐ Guest feedback analysis

Loyalty Program

- ☐ Loyalty program point calculation accuracy
- ☐ Member benefit delivery
- ☐ Member data security
- ☐ Program financial liability accounting

11. Environmental Compliance

Waste Management

- ☐ Solid waste disposal compliance
- ☐ Hazardous waste handling procedures
- ☐ E-waste disposal compliance
- ☐ Recycling program implementation
- ☐ Kitchen waste management

Energy and Water

- ☐ Energy consumption monitoring
- ☐ Water consumption monitoring
- ☐ STP (Sewage Treatment Plant) operation (if applicable)
- ☐ ETP (Effluent Treatment Plant) operation (if applicable)
- ☐ Rainwater harvesting system maintenance (if applicable)
- ☐ Solar panel maintenance (if applicable)

Pollution Control

- ☐ Air pollution control measures
- ☐ Noise pollution control measures
- ☐ Compliance with Pollution Control Board norms
- ☐ Chimney/exhaust system maintenance
- ☐ Diesel generator emission compliance

12. Additional India-Specific Requirements

Tourism Department Requirements

- ☐ Star rating compliance (if applicable)
- ☐ Tourism department fee payments
- ☐ Tourism promotional activities compliance
- ☐ Tourist facilitation services

Cultural and Religious Considerations

- ☐ Temple/prayer room maintenance (if applicable)
- ☐ Cultural sensitivity training for staff
- ☐ Religious holiday accommodations
- ☐ Special dietary offerings (vegetarian, Jain, etc.)

Local Community Relations

- ☐ CSR (Corporate Social Responsibility) activities
- ☐ Local employment initiatives
- ☐ Community engagement programs
- ☐ Local vendor development



13. Audit and Compliance Oversight

Internal Audit

- ☐ Scheduled internal audit program
- ☐ Surprise audit procedures
- ☐ Audit finding documentation
- ☐ Corrective action tracking
- ☐ Management review of audit findings

External Compliance

- ☐ Third-party audit management
- ☐ Government inspection readiness
- ☐ Health inspector compliance
- ☐ Safety inspector compliance
- ☐ Star rating inspection readiness

