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Internal Audit
A Research on the Accounts Payable Procedures

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ABSTRACT

Recently Van Oord has updated several procedures within the F&A Department. The next step is to create a standard framework which has to be considered a guideline in the process of auditing these procedures. As starting point, the Accounts Payable Procedures had to be audited, as these cover an important financial area for Van Oord.

The main goal in this research is to determine whether the process of the Accounts Payable Department is in line with the procedures by creating an internal audit framework and performing an audit with this audit framework. Therefore, the research main question is defined as follows:

"Are the Van Oord Accounts Payable working methods in line with the guidelines and other conditions that apply on these?"

In order to answer the research main question the TARGET-situation is compared with the ACTUAL-situation. The TARGET-situation is set by analyzing literature in the Accounts Payable Procedures and Van Oord Procedures and also by requesting advice of a specialist. These are translated to an audit framework which consists a set of audit criteria to measure the process within the Accounts Payable Department.

Also, an analysis is done to check whether invoices are registered and paid twice in one or more Van Oord entities. Therefore, a control framework including action plan had to be created by researching the registered invoices of 2013. The focus of this thesis lies within the first goal (i.e. creating an internal audit framework and performing the audit). Therefore, the research of registered received invoices is briefly described in a separate chapter.

The results of the audit are as follows:
- Comparing the user rolls with the job description it is concluded that the employees of the Accounts Payable Department (not including the Team Leader) have more rights in the financial application than necessary;
- The Manager Accounting Department did not check the mutation lists of creditor details on a regular basis;
- Within the workflow of the financial application personnel could be added freely by any of the F&A Employees.

The corrective actions/suggestions are following:
- The rights in the financial application could be made more specific to the daily tasks of the user;
- The mutation list of the Accounts Payable Master Data needs to be checked and approved by the Manager Accounting Department daily;
- Adding personnel to the workflow will lead to longer workflow chains. Therefore, a restricted workflow could be implemented in the financial system, per example adding a maximum. Though, as long as the payment process takes place within the terms of payment, no urgent corrective actions need to be taken.

PREFACE

In order to complete the course module FBEAFS0444 of my Bachelor's degree Business and Economics at Rotterdam University I had to do a research internship. I applied at Van Oord Dredging and Marine Contractors (hereafter: Van Oord) and they offered me a chance to do an assignment of internal auditing on their Accounts Payable Department. Hence, I started as an intern at the department of Financial Systems & Internal Audits in October 2013. This thesis is the result of my research project.

The reason for this research was aimed on analyzing whether the working method at the Accounts Payable Department corresponds with the Accounts Payable Procedures. An assessment on the Accounts Payable Procedure was needed to maintain and improve the quality of the Accounts Payable Procedures. During my time as an intern I have not only conducted a research on the Accounts Payable Procedure, but I have also immersed myself in other Finance & Administration Procedures, such as:

- Accounts Receivable Procedures;
- Financial Stock Procedures;
- Financial Management Procedures;
- Authorization Procedures;
- Financial Management of Equipment Procedures;
- Financial Application Management Procedures.

I would like to thank Mr. M. van Beurden and Mr. J. Oostdijk for their kind contribution in guidance during this research. Also, I would like to thank my former colleagues of the Accounts Payable Department and the ABW Competence Centre for their cooperation and support during my research.

Rotterdam, 8 July 2014

U.S. Bhola

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LIST OF ABBREVIATIONS AND DEFINITIONS

The tables below gives an overview of the abbreviations and definitions which are relevant for this research.

ABBREVIATIONS

The used abbreviations in this thesis are:

GAAP	Generally Accepted Accounting Principle
ABW	Agresso Business World
COSO	Committee of Sponsoring Organizations of the Treadway Commission
F&A	Finance and Administration
ISO	International Organization for Standardization
QHSE	Quality, Health, Service and Environment
VOMS	Van Oord Management System
IIA	Institute of Internal Auditors
COBIT	Control Objectives for Information and related Technology
ISACA	Information Systems Audit and Control Association

DEFINITIONS

The table below gives a description of the used definitions in this thesis. Most of these definitions are based on standard terms[1].

1st Party Audit (internal)	Are conducted by, or on behalf of, the organization itself for management review and other internal purposes.
2nd Party Audit (external)	Are conducted by parties having an interest in the organization, such as customers or by other persons on their behalf.
3rd Party Audit (external)	Are conducted by external, independent auditing organizations, such as those providing certification/registration of conformity to ISO 9001:2008 or ISO 14001:2004, etc.
Audit	Systematic independent and documented process for obtaining audit evidence and evaluating it objectively to determine the extent to which the audit criteria are fulfilled.
Audit conclusion	The outcome of an audit, after consideration of the audit objectives and all audit findings.
Audit criteria	Set of policies, procedures or requirements used as reference.
Audit findings	Results of the evaluation of the collected audit

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[1]These definitions are based on terms listed in ISO 9000:2005 (Fundamentals and Vocabulary) and ISO 19011:2011 (Guidelines for Auditing Management Systems). For complete definitions, Visit their website at www.asq.org.

	evidence against audit criteria.
Audit plan	The description of the activities and arrangements for an audit.
Audit scope	The extent and boundaries of an audit.
Auditee	The organization being audited.
Auditor	A person who conducts an audit.
Competence	The ability to apply knowledge and skills to achieve intended results.
Conformity	The fulfillment of a requirement.
Contingency theory	A behavioral theory that claims that there is no single best way to design organizational structures.
Continual improvement	The recurring activity to increase the ability to fulfill requirements.
Corrective action	The action taken to eliminate a detected non-conformity.
Effectiveness	The extent to which planned activities are realized and planned results achieved.
Efficiency	The relationship between the result achieved and the resources used.
Non-conformity	Means an observed situation where objective evidence indicates the non-fulfillment of a specified requirement.
Observation	Means an area of concern, process, document or activity that is currently conforming that may, if not improved, result in a non-conforming system or product service. An observation shows potential risk of non-conformity.
Organization	The group of people and facilities with an arrangement of responsibilities, authorities, and relationships between people.
Preventive action	The action taken to eliminate the cause of a potential non-conformity or other potentially undesirable situation.
Procedure	Specified way to carry out an activity or a process.
Process	A set of interrelated or interacting activities which transform inputs into outputs.
Quality	The degree to which a set of inherent characteristics fulfills requirements.
Recommendations for improvement	These are suggestions to improve the effectiveness and/or efficiency of the procedure or instruction.
Requirement	A need or expectation that is stated, generally implied, or obligatory.
Status	Means the state of an audit criteria/audit key issue, which can be OK (conform procedures), NC (not conform procedures), OB (observation) or NA (not applicable).

1. INTRODUCTION

This first chapter introduces the research topic: *'An Internal Audit on the Accounts Payable Procedures'*. This chapter describes the problem indication, problem statement, research questions and scope. The last paragraph contains a thesis outline.

1.1. PROBLEM INDICATION

Recently Van Oord has updated several procedures within the F&A Department. The next step in internal auditing is to create a standard framework which has to be considered as a guideline in the process of auditing these procedures. Internal audits are conducted by, or on behalf of, the organization itself for management review and other internal purposes. These serve to evaluate or assess the quality of a process or system.

However, there are no direct guidelines available on the moment for the F&A Department regarding internal auditing. Therefore, an internal audit framework needs to be compiled for all F&A Procedures:

F&A - Procedures
1. Accounts Payable Procedures
2. Accounts Receivable Procedures
3. Financial Stock Procedures
4. Financial Management Procedures
5. Authorization Procedures
6. Salary & Wages Procedures
7. Financial Management of Equipment Procedures
8. Fiscal Procedures
9. Financial Application Management Procedures
10. Interfacing Procedures
11. Reporting Procedures

Image 1: Van Oord F&A Procedures as per January 2014

This thesis describes the research on the Accounts Payable Procedures, as these procedures cover an important financial area for Van Oord. The Accounts Payable Procedures consist the following sub-procedures:

- Managing Accounts Payable Master Data;
  The objective of this procedure is to ensure that the supplier details are entered, controlled and managed in accordance with the legally established guidelines. It also ensures that the supplier details are efficiently registered.
- Processing of Purchase Invoices;
  This procedure is designed to ensure that all received invoices are registered in accordance with the company policy. It should also ensure that invoices are efficiently registered.
- Preparing Remittance Proposal Accounts Payable.
  This procedure describes how the registered invoices are made available for payment to the supplier in a correct and timely way.

The main goal in this research is to determine whether the process of the Accounts Payable Department is in line with the procedures by creating an internal audit framework and performing an audit with this audit framework.

Also, it is Van Oord's wish to have tools to be able to check on a frequent basis whether invoices are registered and paid twice in one or more Van Oord entities. Therefore, a control framework including action plan has to be created by researching the registered invoices of 2013.

The focus of this thesis lies within the first goal (i.e. creating an internal audit framework and performing the audit). Therefore, the research of registered received invoices is briefly described in a separate chapter (see chapter 3).

1.2. PROBLEM STATEMENT

The problem as defined in the previous paragraph can be defined as following:

"Are the Van Oord Accounts Payable working methods in line with the guidelines and other conditions that apply on these?"

1.3. RESEARCH QUESTIONS

The previous paragraph showed the main research question. In order to answer the main research question, the following sub-questions are defined:

- What types of internal auditing are known and which of these is related to the accounts payable proceedings (chapter 2.1)?
- What are the most general risks regarding Accounts Payable Procedures and to what controls are these related (chapter 2.2)?
- On what way is the process of internal auditing organized within Van Oord (chapter 2.3)?
- To what extent does the Van Oord Accounts Payable Procedure meet the audit checklist (chapter 4)?
- What recommendations follow up in relation to the internal audit results (chapter 6)?

1.4. SCOPE AND LIMITATIONS

As far as invoice processing is concerned, this research covers only the received invoices which are paid by bank. Other payment methods (for example: cash or credit card) are not involved.

Van Oord has many entities around the world which makes it complex to cover all related incoming registered invoices. Thus, a selection is made by the management what entities are included in the process of checking whether invoices are registered and/or paid twice:

- Van Oord Dredging and Marine Contractors BV;
- Van Oord Personeels BV;
- Van Oord Ship Management BV;
- Van Oord Offshore Wind Projects BV;
- Van Oord Offshore BV;
- Offshore Windpark Development Project;
- Van Oord Nederland BV;
- Van Oord Dredging and Marine Contractors Area Offshore Projects (Korea);
- Van Oord Dredging and Marine Contractors Taiwan;
- Van Oord NV.

1.5. THESIS OUTLINE

The outline of this research is as follows:

Chapter two contains the theoretical framework. The first two paragraphs give an overview of existing literature that is supportive in understanding this research, for example: literature about internal auditing and literature about accounts payable procedures. The last paragraph of this chapter provides information about the principles used in Van Oord.

Chapter three gives an overview of the research method. Important data is obtained and described in the research design of this research. Hereafter, the creation of the internal audit framework is discussed. Third, the checklist of the accounts payable procedure is described. The last paragraph contains a detailed overview of the internal audit performance.

Chapter four continues with the findings and analysis from the research which are obtained by applying the research method as described in chapter three. The results of the internal audit framework is described in detail.

Chapter five briefly describes the research of multiple registrations of incoming invoices in three paragraphs: Processing of Data, Working Method and Research Results. This research is included in a separate chapter, as the priority lies within the research of the internal audit framework.

Chapter six concludes with the answer to the main question of this research. Also, encountered limitations during the research are discussed. In addition, this chapter contains a description of given recommendations to Van Oord.

2. THEORETICAL FRAMEWORK

This chapter gives a compact overview about the literature of the research topic. The first two paragraphs give a description of existing literature which is supportive in understanding this research. To start with, literature about auditing and accounts payable procedures are described, followed by methods used in Van Oord.

2.1. INTERNAL AUDITING

An audit can be described as a systematic independent and documented process for obtaining audit evidence and evaluating it objectively to determine the extent to which the audit criteria are fulfilled. Audits can be conducted by several parties:

- 1st party audit (internal);
  Are conducted by, or on behalf of, the organization itself for management review and other internal purposes.
- 2nd party audit (external);
  Are conducted by parties having an interest in the organization, such as customers or by others on their behalf.
- 3rd party audit (external).
  Are conducted by external, independent auditing organizations, such as those providing certification/registration of conformity to ISO 9001:2008 or ISO 14001:2004, etc.

External audits are not relevant for this research and are, therefore, not described in this thesis.

2.1.1. TYPES OF INTERNAL AUDITS

As described in the previous chapter, internal audits are conducted by, or on behalf of, the organization itself for management review and other internal purposes. These serve to evaluate or assess the quality of a process or system.

Even though internal auditing has one purpose, several forms[2] of this management tool are known. The book *Internal Auditing Een Managementkundige benadering* by *Driessen, A.J.G and Molenkamp A.* describes seven forms. See the illustration on the next page for these.

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[2]Driessen, A.J.G., Molenkamp, A. (2012) *Internal Auditing Een Managementkundige Benadering,* 5th edition, Deventer, Kluwer describes these seven forms of internal auditing in more detail. Reference is made to the book for more information.
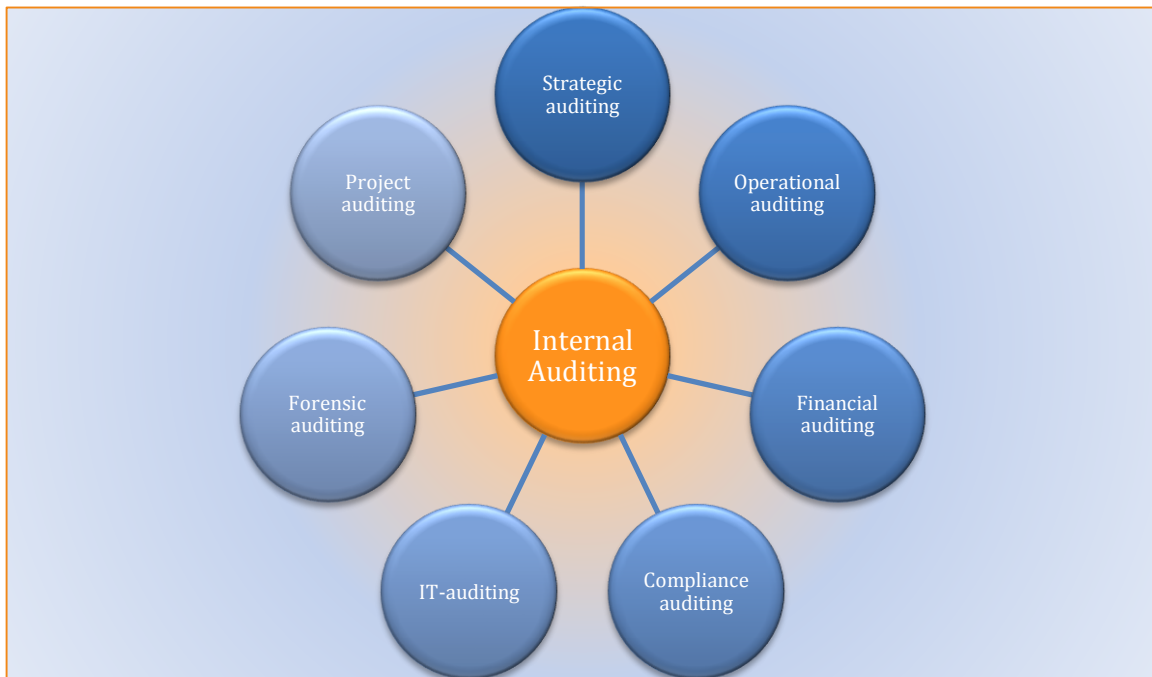
Image 2: Several types of internal auditing

The forms of internal auditing have one purpose and are, therefore, (in)directly connected with each other. In a company with many departments all forms may be present. In small companies forensic auditing may be very little or not at all present.

STRATEGIC AUDIT

This form of audit is meant to do research on the controls regarding the realization of the strategy of a company. According to COSO (2004) the management defines the strategy and goals on the basis of the mission and vision of the company. Performing a strategic audit is no natural task for an internal auditor because the strategies which are made by the management can hardly be criticized by one working under the management. Thus, in most cases another manager gives their opinion about the strategy and overall control framework.
Conducting a strategic audit requires experience, as company strategies might be complex due to the presence of many internal and external factors.

OPERATIONAL AUDIT

Operational audits explicitly assesses the controls which need to guarantee the planned ratio or balance between all product criteria (timeliness, accuracy, completeness, etc.). Thus, this form of internal auditing tests the management objectivity and how this is worked out to ensure that all product criteria optimally interact. It should be noted that the several product criteria may be in conflict with each other. The company priorities are decisive for their choice or preference. This form of internal auditing leads usual to performance improvements of the company for which the internal auditor plays an advisory role.

FINANCIAL AUDIT

The financial audit can be described as monitoring the financial statement and is conducted to determine whether the overall financial statements (the information being verified) are stated in accordance with specified criteria such as GAAP[3]. Within this form of internal audit it is common to cooperate with an external party, such as an accountant. The helpfulness of an internal auditor towards the external party is dependent on few factors:

- Ratio of independency of the internal auditor towards the objectivity of the audit;
- Knowledge and experience of the internal auditor;
- Quality of the performed tasks.

COMPLIANCE AUDIT

A compliance audit tests the cooperation to laws, rules, procedures and/or other prescriptions. These types of audits are mostly used in large companies and financial companies, as these are confronted on a regular basis to detailed laws or regulations. Most financial companies, such as insurance companies and banks, therefore, have their own Compliance Department. Compliance audits can give the following results:

- Insight in compliance risks and the effectiveness of taken controls;
- Criticizing of the current controls of the organization;
- Recommendations to improve the compliance to laws, rules, procedures and/or other prescriptions.

IT AUDIT

Technology changes from time to time, while offering splendid opportunities to companies. Nowadays, operating in a market without having automated systems is impossible. IT audit requires specific knowledge of an internal auditor regarding planning, development, management and use of automated systems for information that is needed inside the organization. In general, there are many IT controls. An internal auditor may categorize these controls as:

- Preventive (probability of occurrence) and repressive (minimize damage or costs);
- Organizational (such as regulations, procedures, etc. related to IT, but also software and hardware);
- Application controls (measurements regarding a specific information sources).

Internal Auditors who conduct an IT audit work with a framework named COBIT[4] instead of the common COSO.

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[3]GAAP refers to the Generally Accepted Account Principles which are the standard framework of guidelines for financial accounting.
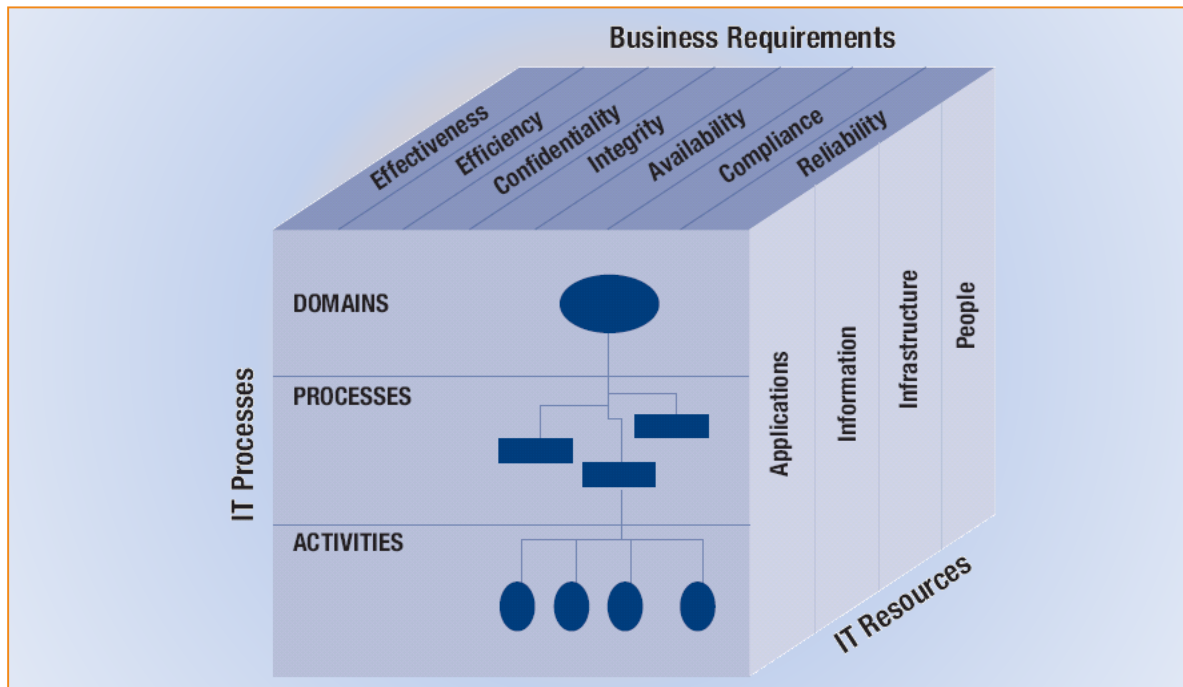[4]COBIT is developed by the ISACA. Referring to www.isaca.org/cobit for more information.

Image 3: COBIT model

FORENSIC AUDIT

Fraud can be described as any illegal act characterized by deceit, concealment, or violation of trust[5]. Fraud is something every organization faces. Obviously, organizations have an interest in minimizing the risk of fraud. Internal auditors assess the measurements taken to prevent fraud. Improving and evaluating these measurements are part of the forensic audit as well. According to the IIA (2009) the focus might be related to following:

- Auditing the management controls related to fraud (control environment, risk-indications, preventive and detective measurements, monitor procedures and guidelines, etc.);
- Monitor procedures susceptible to fraud with means to observe the fraud indicators;
- Integrating fraud (risks) in each audit;
- Conduct advisory tasks which are focused on management support related to identification and estimation of risks within the control management.

PROJECT AUDIT

Projects are started in almost every organization. These may have a(n) (in)direct relation to the company's core business or no relation at all. The investment in these projects has at least one goal: saving time, saving money or improving quality. A project audit measures whether a project results as below, meets or above expectations. A project audit can add value to the management decisions before and after the project. A project audit before starting a project may give an overview what results are expected or whether the start of the project is relevant for the company, while a project audit after completion of a project gives insight about what the company results are obtained and whether starting similar projects in the future are in the company's favor or disfavor.

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[5]Defined by IIA, 2011.

2.1.2. INTERNAL AUDIT IN RELATION TO ACCOUNTS PAYABLE PROCEDURES

Conducting an internal audit on the accounts payable procedures means to verify if the activities at the Accounts Payable Department are compliant with the requirements as stated in the F&A Procedures. Therefore, a form of compliance audit is needed.

2.1.3. CONTINGENCY THEORY

The reason that several forms of internal auditing are developed from time to time is quite simple. Every company has its own special characteristics and therefore needs more customized solution in the field of costing & profit pricing, decision calculation, and keeping control of business procedures[6]. The most compelling features are:

- The type of business and/or business activities;
- The size of the organization;
- The uncertainties a company has to deal with;
- The culture of the organization.

THE TYPE OF BUSINESS AND/OR BUSINESS ACTIVITIES

Companies make profit by transforming their inputs and selling their outputs. In general, companies can be classified[7] by following:

- Agricultural companies,
- Industrial companies;
- Trading companies;
- Service providing companies.

Every company has their own transformation method from production to consumption. The cause of these dissimilarities are the size, composition, time, location of production and consumption which vary per company classification and company.

THE SIZE OF THE ORGANIZATION

Small companies like sole proprietorships will most likely not work with complex business procedures. Most of the main activities are carried out by the Chief Executive Officer. Though, large companies and multinationals need these business procedures to operate in an efficient and effective way. The more a company grows, the more the need arises to keep a certain structure in a formalized system.

THE UNCERTAINTIES A COMPANY HAS TO DEAL WITH

Companies have to deal with uncertainties all the time. The market is not stable and changes continuously. Issues like costumer preferences, competitive companies and changes in legislation force companies to be alert and to make the right decisions.

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[6]Koetzier W., Epe P., (2009), *Management Accounting - Berekenen, Beslissen, Beheersen,* 3rd edition,Houten, Noordhoff Uitgevers Groningen describes the contingency theory in more detail. Reference is made to the book for more information.

[7]Jans E.O.J., Wezeman K., (2007), *Grondslagen Administratieve Organisatie,* 20th edition, Houten, Noordhoff Uitgevers Groningen describes the classification in detail by R.W. Starreveld. Reference is made to the book for more information.

THE CULTURE OF THE ORGANIZATION

The culture of the organization defines how employees intercommunicate with each other and on what way the management dominates and commands the workers below them. In general, a control system of a company adjusts to the company culture. Companies with a strict culture give few opportunities to their employees to come up with own initiative, while companies with a free culture gives their employees enough opportunities. Therefore, companies with a free culture might result in misuse by its employees.

2.2. ACCOUNTS PAYABLE PROCEDURES

The Accounts Payable Department is responsible for the provision of effective and efficient financial and administrative services for various Van Oord entities. This includes registering, processing and monitoring payments and expenditures within established time limits.

A short description of a simple procurement procedure can be found in relation to the accounts payable procedures by the book of Meuwissen, R. and Vaassen, E. (2012) *Interne Beheersing,* 2nd edition, Houten, Noordhoff Uitgevers bv.

PROCUREMENT PROCESS

The Warehouse sends a purchase order request to the Procurement Department. The Procurement Department prepares a purchase order based on the supplier data and the inventory data and sends this to the supplier. The supplier sends a confirmation of the order to the Procurement Department and the Procurement Department sends the confirmation to the Accounts Payable Department. When receiving the ordered goods at the Warehouse, a receipt of these goods are sent to the Accounts Payable Department. The supplier sends an invoice to the Accounts Payable Department which will be matched with the purchase order and the received goods at the Warehouse. If these three documents match with each other, then the Accounts Payable administration and supplier data are updated. At last, a remittance proposal is prepared by the Accounts Payable Department and sent to the procurator in order to authorize the payment.

A simple workflow of the procurement process is illustrated on the next page.
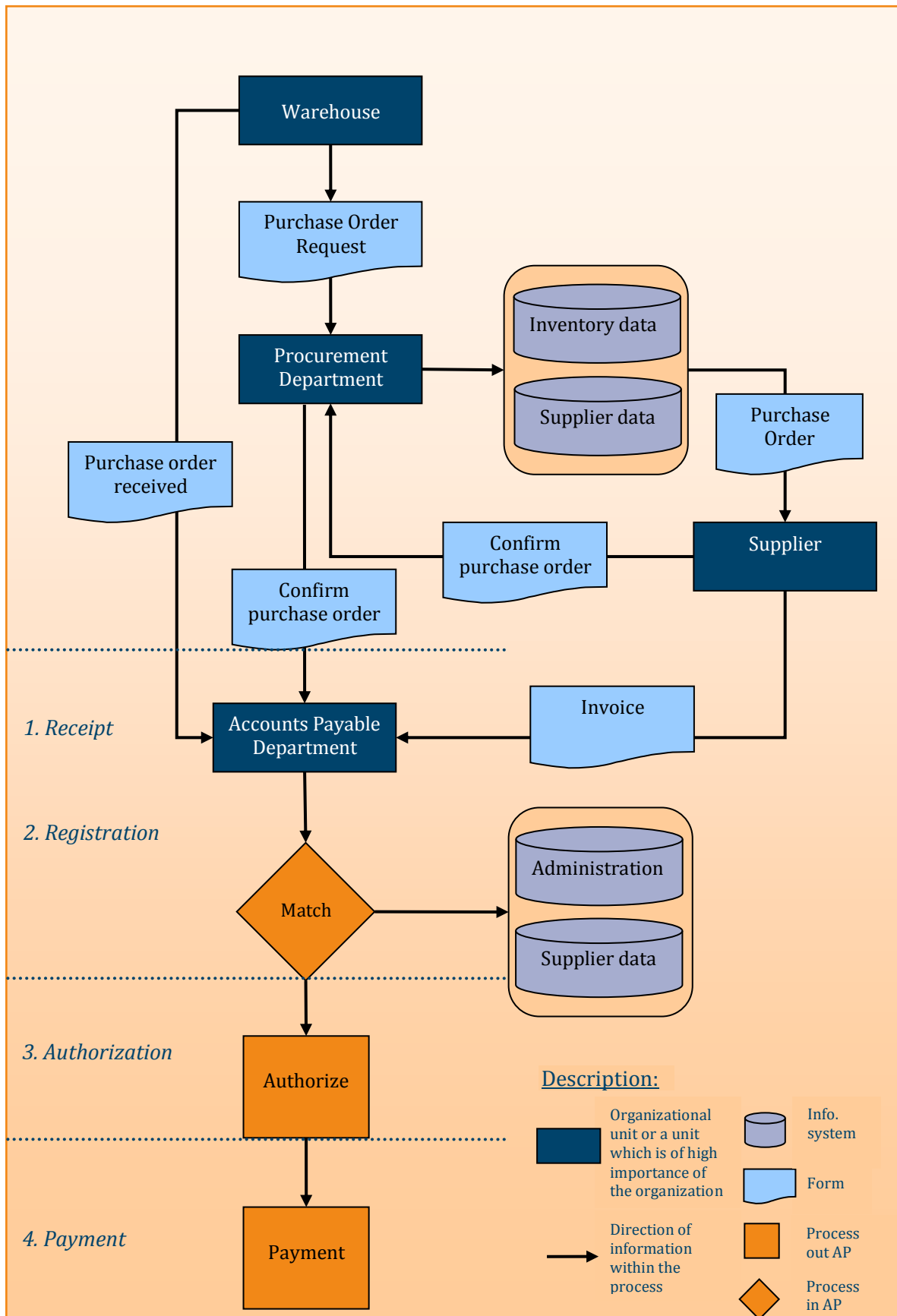
Image 4: Simple workflow of the procurement process

2.2.1. GENERAL RISKS AND CONTROLS

Each process has an objective that is exposed to many uncertainties also known as risks. According to The IIA, a risk is defined as the possibility that an event will occur, which will influence an organization's achievement of objectives. A control is defined as any action taken by management, the board, and other parties to manage risks and increase the likelihood that established objectives and goals will be achieved (The Professional Practices Framework 2004). Risks need to be controlled in order to maintain effectiveness and efficiency in the organization.

COSO has established a general internal control model for which companies and organizations may assess their control systems (see image below). The COSO internal framework consists of five interrelated components. According to COSO[8], these components provide an effective framework for describing and analyzing the internal control system implemented in an organization.
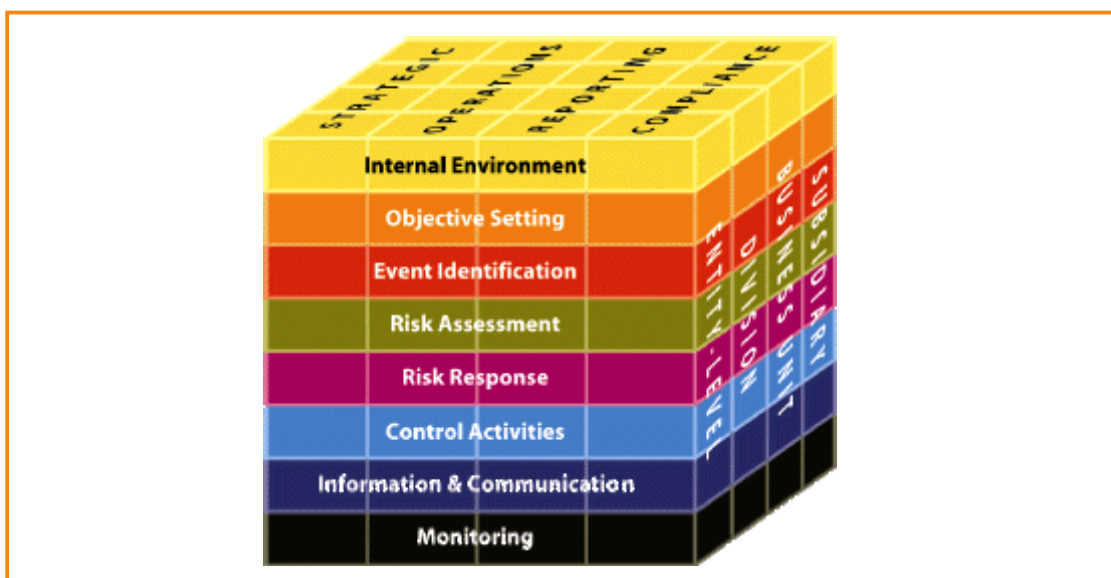
Image 5: COSO model

The accounts payable process is part of the procurement process. Therefore, it is necessary to understand the procurement process. A table of ten general risks (Government of Tasmania, 2001) within this process is briefly described in the following table:

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[8] COSO is developed by the Committee of Sponsoring Organizations of the Treadway Commission. Referring to www.coso.org for more information.

| Risks	Direct related to	Controls
Pay more than needed for a good /service	Procurement Department	Detailed research on market for offers
Purchase of goods/service turn out to be of low quality	Procurement Department	Request samples from more than one supplier
Late delivery of the supplier	Warehouse Procurement Department	Pre-fixed agreements/contracts (in case of late delivery, reduction of price etc.)
Non-flexibility of supplier for an urgent purchase	Procurement Department	Warehouse needs to apply stock management for necessary goods
Invoice differs from the purchase order	Procurement Department Accounts Payable Department	Number invoices in order to take a quick look back and analyze differences and discuss these with the supplier and/or Procure Department
Inefficiency of the procurement department	Procurement Department	Regular evaluation of the personnel, such as internal or external auditing
Not enough knowledge and/or experience of the personnel regarding "smart purchasing"	Procurement Department	The purchase of goods needs to be authorized by experienced procurement officers and regular training can be provided
Purchase of undesirable quantities	Procurement Department	Include a maximum of purchases per authorized person. In case of a mass-purchase approval is needed from the upper-management
Inability to cooperate with supplier	Procurement Department	Apply a code of conduct or management integrity policy
Dependency on one supplier	Procurement Department (entire organization in case of a main core business product)	Rely on more than one supplier if possible, otherwise keep more goods than just the minimum stock

Image 6: Risks and controls in the procurement process

SPECIFIC INTERNAL CONTROLS

Segregation of duties is critical to effective internal control (Yale Education, 2008).
This form of internal control has two advantages. The first advantage is that it will be more difficult for employees to get involved or to start a major fraud, as it takes at least two employees. The second advantage is that innocent or small errors might reduce as well, as one employee might check the other. The concept of segregation of duties categorizes these primary tasks as follows (University of Utah, Segregation of Duties, 2008):

- Authorization
  An authorizing function gives one the mandate to approve or verify operations, such as purchase orders, remittance proposals, computer systems, programming changes, etc.
- Recording
  A recording function means that one registers, creates and/or maintains records of invoices. Entering changes in supplier data is also a recording task.
- Custody
  This tasks gives one the responsibility or control of any physical asset, such as cash, goods, etc.
- Reconciliation
  This task means to verify that an operation is properly authorized and registered on a timely basis. Any difference are ought to be identified and need follow-up procedures.

The more the above-mentioned tasks are separated among the employees, the more likely an organization is protected. No one in a company should be able to initiate a transaction, approve a transaction, record a transaction, reconcile balance sheets, handle assets and review reports.

Specific examples of secondary segregation of duties in the procurement process are as follows (Yale Education, 2008):

- The one who requisitions the purchase of goods/services should not be the one approving it;
- The one approving the purchase of goods/service should not be the one who reconciles its monthly reports;
- The one approving the purchase of goods/services should not be able to obtain custody of checks;
- The one maintaining the accounting records should not be able to obtain custody of checks;
- The one who opens received mails and prepares a listing of checks received should not be the one who makes the deposit;
- The one who opens received mail and prepares a listing of checks received should not be the one who maintains the accounts receivable accounting records.

In the case where employees have a combination of any of these above, they should be regularly checked by the upper management. Forms of segregation of duties are also:

- Two signatures principle
  An operation that requires at least two signatures within the organization in order to be completed. For example, the approval of an investment could require the signature of the related manager and a staff director.
- Four eyes principle
  This principle requires two authorized employees whom need to be present when an operation is being carried out. Thus, this is also called two-man rule. For example when invoices need to be approved another person should always be present.

2.2.2. RISK AND CONTROL IN THE ACCOUNTS PAYABLE PROCEDURES

Like any other organizational process, there are risks and controls also in the procurement process. From the very beginning, receipt of invoices, until the end, payment to suppliers, this process is exposed to several risks which need to be controlled by the organization. At first, risks and controls are described within the accounts payable procedure in the following image. To maintain a structure in the research, reference is made to identical internal controls as stated in the audit criteria of the internal audit checklist.

	Risks	Controls
Receipt	Invoices go missing	Collect invoices on one location on a regular basis (daily)
	Employee does not register all invoices	Appoint a leader for surveillance *(See Image 13 Internal audit checklist 2.1 and 2.3)*
	Invoice does not provide complete information	Analyze the received invoices on priority information *(See Image 13 Internal audit checklist 2.2)*
	Delay in informing suppliers	Keep invoices within reach for timely processing *(See Image 13 Internal audit checklist 2.4)*
	Unable to find an invoice	Store invoices for reference *(See Image 13 Internal audit checklist 3.2)*
Registration	Processing an invoice with incorrect supplier details	Supplier may verify whether they had undergo any changes *(See Image 13 Internal audit checklist 3.1 and 3.3)*
	Working with incorrect supplier details	Changed supplier data needs to be verified by an authorized function in the organization other than the one entering it *(See Image 13 Internal audit checklist 3.4)*
	All invoices get an "approved stamp" for personal reasons (such as, less work to do for the day)	The one matching the goods/services is another then the one requesting or reconciling. The one approving a non-match is another than the regular matcher. *(See Image 13 Internal audit checklist 4.2)*
Authorization	One approves an invoice who has no mandate	Divide rolls and include a two-man rule *(See Image 13 Internal audit checklist 5.2)*
Payment	A creditor gets paid who's invoice is not due yet	Only those creditors should be paid whom have had a full approval (either in financial application workflow or manually by mandated persons)
	A creditor gets paid twice regarding the same invoice	Paid creditors should be separated from creditors whom are to be paid yet (including status codes)
	Remittance proposals are incomplete or consistent of errors	Remittance proposal needs to be verified and checked by a mandated person (such as the upper management) *(See Image 13 Internal audit checklist 5.2)*
	A payment has approval from an unqualified person	Verify information and demand signatures from an authorized person *(See Image 13 Internal audit checklist 5.1)*

Image 7: Risks and controls in the Accounts Payable Procedures

The above-mentioned risks and taken controls need to be included in any internal audit checklist. This applies also to the Van Oord internal audit checklist (see image 15).

RECEIPT

Receiving invoices on more than one location increases the risk that invoices might be missing and might also affect the efficiency of the process. It is the best way to receive an invoice on one location. In the case of two types on invoices (digital and paper invoices) it is more efficient to minimize the locations.

When receiving an invoice which does not provide details about the purchase order or the calculation of the amount stated on the invoice the organization might register and/or pay for a good/service which   was not provided by the supplier. When receiving an invoice it should be determined whether the invoice is rightful and correct. This means that the invoice is in line with the purchase order and that amount stated on the invoice is correct. The Account Payable Department can monitor this by looking into the purchase order system, which is updated by the Procurement Department. If the name of the supplier with supplier number and address are identical to the invoice, they may deem an invoice as rightful and correct.

Invoices should be stored within reach of the employees who might need to request details from the supplier. Also, for reference invoices need to be stored. Invoices with deductible expenses might be stored more than six years for tax purposes. When it comes to keeping financial documents such as invoices, a policy of *"better safe than sorry"* applies.

REGISTRATION

When during the registration phase is observed that supplier data is changed, this needs to be verified by the supplier. A mandated person has to add or edit supplier data, for which another person has to monitor the changed data and needs to confirm this. This requires segregation of duty.

During the registration phase an invoice needs to be registered. The Employee of the Accounts Payable Department needs to make sure that creditor details are entered correctly as stated on the invoice. Creditors with more than one location may lead to wrong registrations and need to be corrected. A strict segregation has to be maintained between the person entering the creditor details and the person checking the entered creditor details to prevent fraud, but also to ensure a double-check for any errors.

When registrations are created in the financial system, these need to be matched. A three-way-match principle is mostly used for goods. The purchase order need to match with the invoice and the received order. The person who matches these should only be able to match when these three are all approved by the person who is authorized to approve these in the workflow. When there is a direct match, this can be registered by the Accounts Payable Department. Though, when a non-match is detected, a responsible person should explain the difference in order to prevent fraud. Thus, segregation of duty is most necessary between the person who performs the match and the person who eventually is responsible for approving in the workflow.

AUTHORIZATION

A table of limitations per function gives a description of who is authorized to approve an invoice up to what level. The authorization of an invoice goes through the workflow. In order to control the risk that one approves a registered invoice that is above his/hers power, segregation of duty should be included in the financial system and should be up to date. An example of such a table of limitations per function is:
- All fixed asset purchase up to €1,500 should be authorized by one manager;
- All fixed asset purchase above €1,500 should be authorized by two managers.

PAYMENT

In the phase of payment a remittance proposal is printed of invoices which are due. Only those creditors should be paid whom have fulfilled the terms and thus are suffice to the entire workflow in the financial application. Financial systems provide a notification of all invoices which are due and need to be paid. These should be printed and paid regularly in order to keep up with the payment conditions and to prevent risks, such as delay of payment or fines.

Remittance proposals should be consisted of the total quantity of invoices and the total amount stated on the invoices. With the help of these criteria payments can be done in an effective method. Paid invoices have to be marked with the status code of "paid", so that these are separated from the invoices which are still to be paid. When status codes are not involved in the payment phase, there might be a chance that invoices are paid multiple times. Also, to reverse such payments might be associated with extra administrative costs.

Remittance proposals should be only paid when this is signed by a mandated person. This can be done by multiple signatures from various verified employees depending on the total amount of the invoices. The maximum amount that gives one the power to approve a remittance proposal should be described in a table of limitations per function. Before signing the remittance proposal, a verified person has to assure whether the remittance proposal is rightful and correct and can be controlled by checking specific totals on the remittance proposal, payment order. These totals include the total quantity of invoices, the total amount stated on the invoices and the total of bank account numbers. Payments need to be inserted in a payment program and need to be approved by a verified person. Segregation of duty is needed between the person who registers the payment and the person who approves the payment to prevent fraud.

In the case of emergency payments communicated from the organization to the bank, the bank is obliged to verify the payment order to the verified person to prevent misuse or fraud. Passwords between the bank and the organization may be used in order to control this risk or the organization can opt to fill in a transfer form signed by the verified person. The transfer form should give information about the date, type and the amount to be transferred. Emergency payments via phone needs to be recorded and the status should change also when paying the invoice.

COMPUTER

In order to access a computer system a username and password should be required. Important folders or files need to be restricted for which permission should only be granted when an authorized person gives access. Computer systems may automatically be locked when it is not used for a certain time. This maintains the protection.

APPLICATIONS

When applications are active and sessions do not close themselves automatically, one may use another's access to the application. A general form of application controls are time out sessions and automatically created logs. Logs gives details about when a person was logged in. This may be linked to a maximum amount of allowed users in order to keep a quick conspectus among the users.

2.2.3. ACCOUNTS PAYABLE PROCEDURES AT VAN OORD

The Accounts Payable Department is responsible for the provision of effective and efficient financial and administrative services for various Van Oord entities. This includes registering, processing and monitoring payments and expenditures within established time limits.

As mentioned before, Van Oord has divided the Accounts Payable Procedures in three sub-procedures. The workflow of these sub-procedures are illustrated in the following three images.
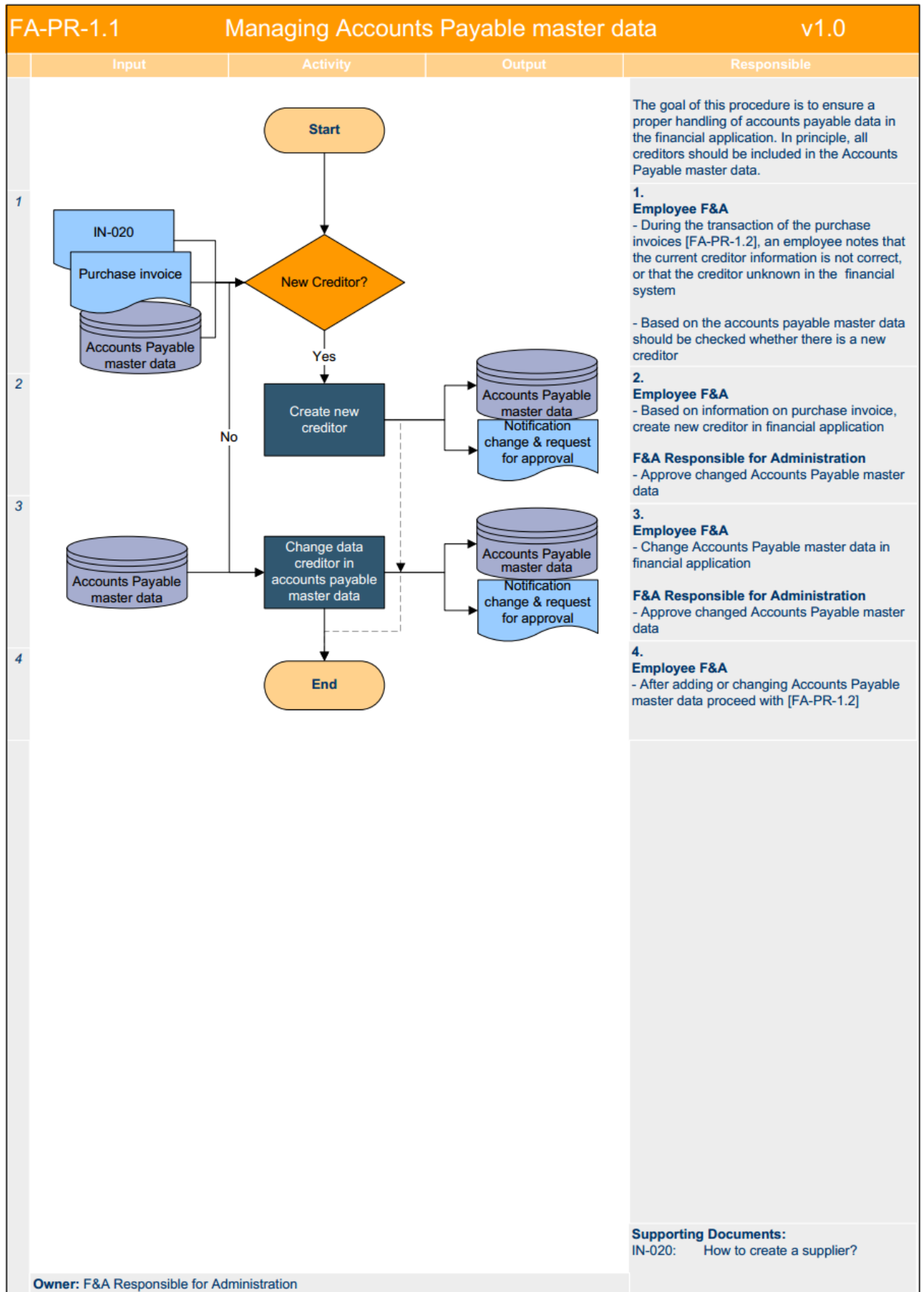
FA-PR-1.1 **Managing Accounts Payable master data** **v1.0**

Input	Activity	Output	Responsible

Start

1. IN-020 / Purchase invoice / Accounts Payable master data → **New Creditor?**

Yes

No

2. **Create new creditor** → Accounts Payable master data / Notification change & request for approval

3. Accounts Payable master data → **Change data creditor in accounts payable master data** → Accounts Payable master data / Notification change & request for approval

4. **End**

Responsible column:

The goal of this procedure is to ensure a proper handling of accounts payable data in the financial application. In principle, all creditors should be included in the Accounts Payable master data.

1.
Employee F&A
- During the transaction of the purchase invoices [FA-PR-1.2], an employee notes that the current creditor information is not correct, or that the creditor unknown in the financial system

- Based on the accounts payable master data should be checked whether there is a new creditor

2.
Employee F&A
- Based on information on purchase invoice, create new creditor in financial application

F&A Responsible for Administration
- Approve changed Accounts Payable master data

3.
Employee F&A
- Change Accounts Payable master data in financial application

F&A Responsible for Administration
- Approve changed Accounts Payable master data

4.
Employee F&A
- After adding or changing Accounts Payable master data proceed with [FA-PR-1.2]

Supporting Documents:
IN-020:   How to create a supplier?

Owner: F&A Responsible for Administration

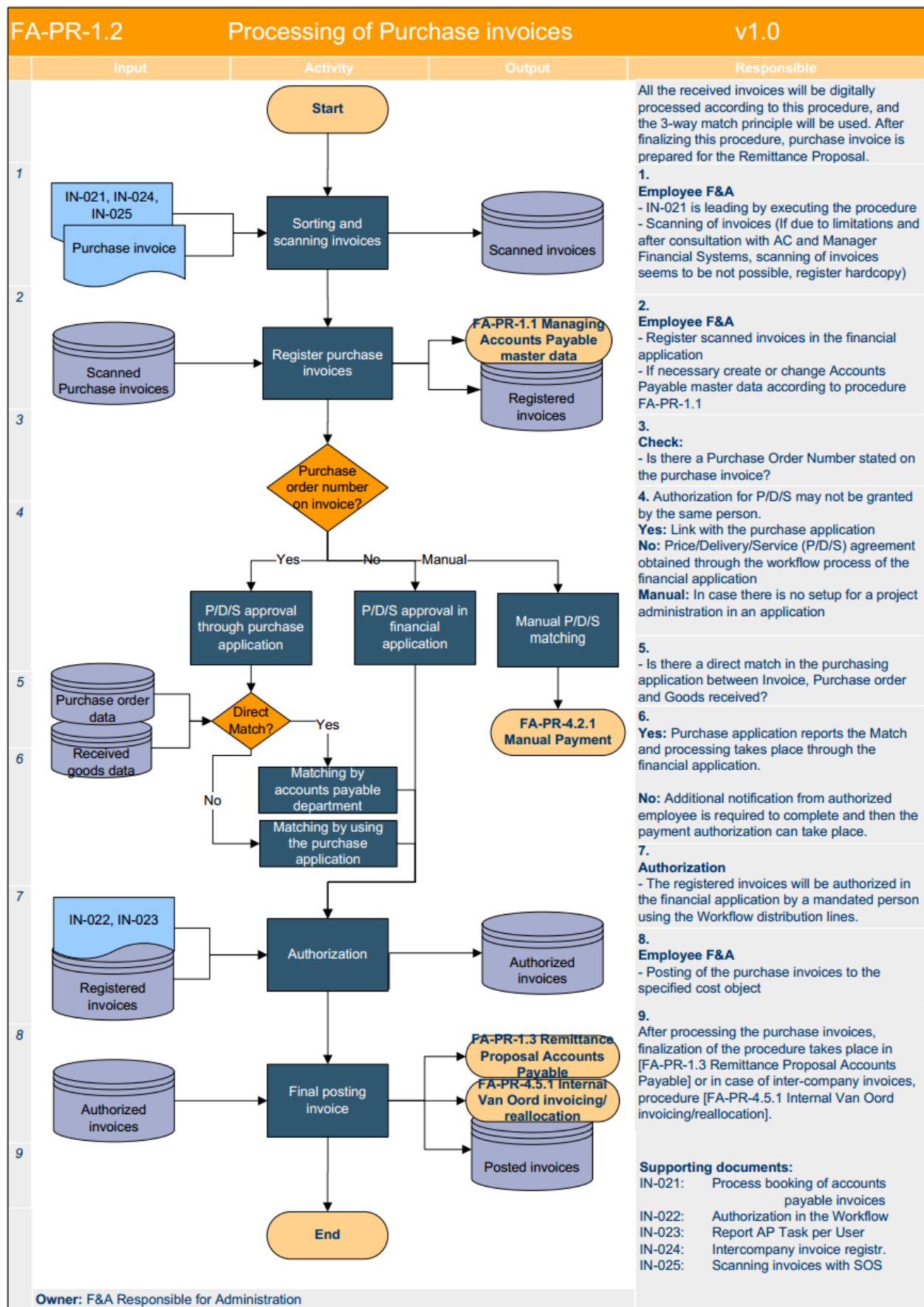*Image 8: Work flow Van Oord; Managing Accounts Payable Master Data*

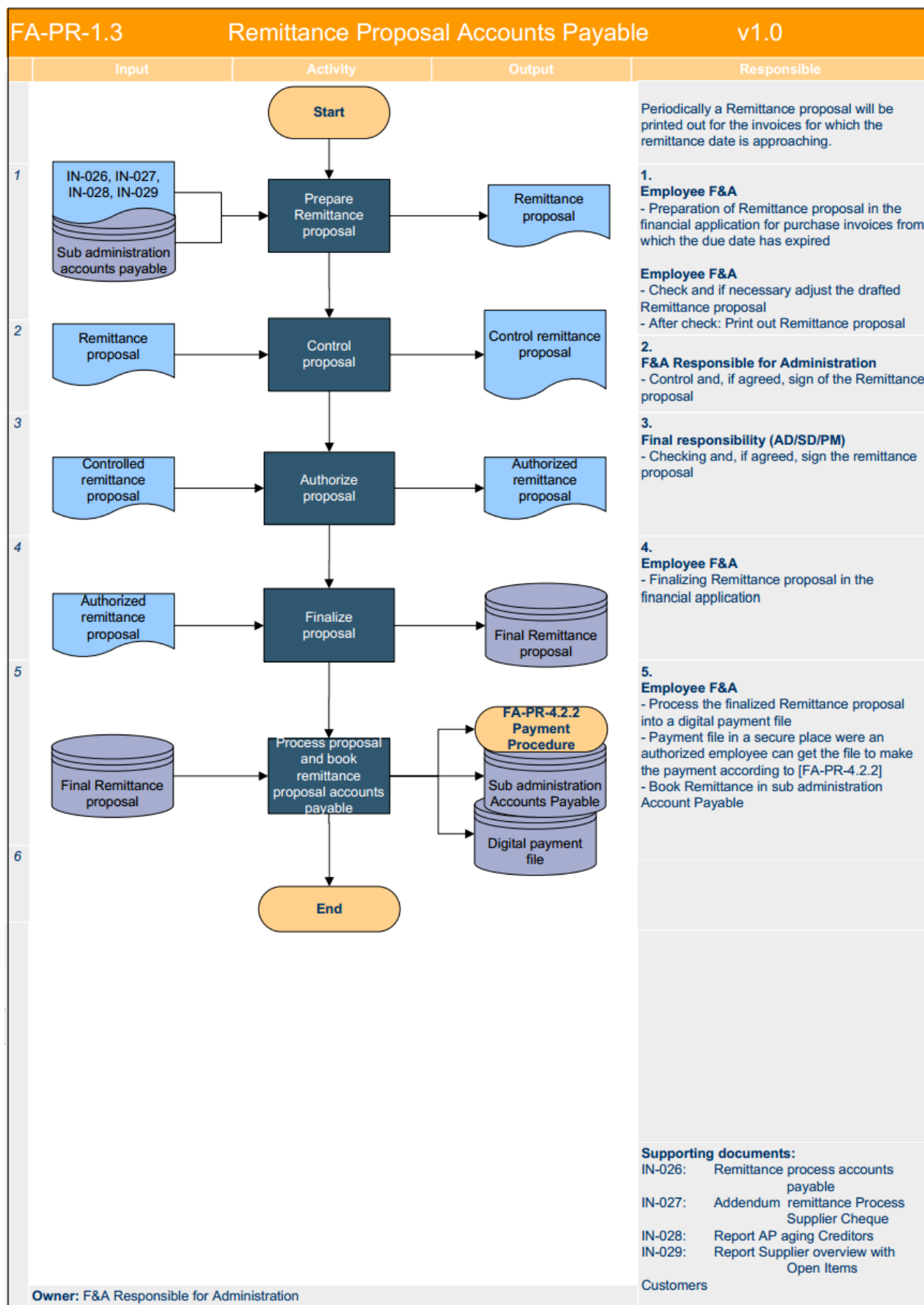*Image 9: Work flow Van Oord; Processing of Purchase Invoices*

Image 10: Work flow Van Oord; Remittance Proposal Accounts Payable

2.3. INTERNAL AUDITING AT VAN OORD

The VOMS provides documents of how audits are planned, executed, documented and followed-up within Van Oord.
Audits are conducted to verify if the activities of Van Oord, including its subcontractors and suppliers, are compliant with the requirements as stated in the VOMS.

As mentioned before, there are no specific procedures available for the F&A Department. Therefore, the procedures of the QHSE Department will be described, as it is Van Oord's wish to have comparative procedures for the F&A Department.

Van Oord works with a schematic procedure to conduct internal audits:

Audit planning → Audit preparation → Audit execution → Audit closure → Audit analysis

Image 11: Internal audit procedure at Van Oord

AUDIT PLANNING

A general planning is prepared yearly by the QHSE Coordinator and identifies audit criteria. The most recent version of the frequencies of internal audits are:

Location	Frequency
Branch offices with branch manual in place	2 yearly
Headquarter Rotterdam	Annual
Vessels which are under International Safety Management/International Ship & Port Facility Code	Annual
Stationary equipment which are in operation and are in the possession of the Standing Instructions	Annual
Projects	When a project is in operation >1 year, it will be audited on a yearly basis or whenever deemed necessary
Suppliers ✂ Crewing agents; ✂ Preferred suppliers - in cooperation with Van Oord Procurement; ✂ Preferred dry docks (nominated by Ship Management Department/Plant Department ✂ Ship builders nominated by Ship Management Department/Plant Department	Annual 2 yearly 2 yearly At start of work
Subcontractors ✂ Contractors with frame agreement ✂ Contractors without frame agreement	 2 yearly During execution of work

Image 12: VOMS-PR-1.08 Instruction Audits

The previous table shows the most recent internal audit planning. Though, it does not give insight in what departments the internal audits are to be conducted, as this is only done when deemed necessary.

AUDIT PREPARATION

Before starting any audit, an audit number is necessary for the proper registration of the audit, which is requested from the QHSE Administrator/Secretariat. After this, an audit notification including agenda has to be issued to the auditee in a minimum of five working days. Prior to the audit an audit checklist has to be prepared with audit criteria. There standard audit checklists available as starting point on the Intranet of Van Oord.

AUDIT EXECUTION

The internal audit performance knows different phases:

- Opening meeting

  Audits are always started with an opening meeting. The following topics must be covered during:
  - Introduction of the participants;
  - Audit objectives, scope and criteria;
  - Time schedule and announcement of the closing meeting;
  - Methods and procedures to be used;
  - Any other relevant information such as communication channels after the audit, language, resources and facilities, matters related to confidentiality, safety and emergency instructions during the audit, method of reporting and grading of non-conformities and follow-up.

- Collecting and verifying information

  The audit is performed according to the applicable audit checklist and preparations. The audit is preferably executed on location by means of interviews with the auditee, observation of activities and verification of documents as objective factual evidence, such as:
  - Something the auditor sees (documents, work practices, etc.)
  - Something the auditor is told be a crew member or office personnel that describes their own understanding of operating procedures or work practices;
  - In authenticating factual evidence it is helpful for the auditor to provide further information, such as authentic documents, statements, reports, etc.

- Fundamentals of non-conformity reporting

  Audit findings are generated by evaluating the audit evidence against the audit criteria. Audit findings can indicate a non-conformity with an audit criteria. In addition, recommendations for improvement and observations are generated and recorded.

- Audit conclusions

  Prior to defining the audit conclusions the following should be carried out with the audit team:
  - Review audit findings against audit objectives and criteria;
  - Agreement on the conclusions;
  - Prepare recommendations;
  - Discuss the follow-up.

AUDIT CLOSURE

After the audit, an audit report needs to be prepared to summarize the findings of the audit. A closing meeting should be held in a suitable way depending on the situation.

When closing the audit the following have to adhere to:

- All reports should be discussed with and signed by the auditee at the end of the audit;
- Formulate the audit report according to the audit template;
- The audit report is filed in e-docs conform placement list;
- The audit checklist is included;
- The non-conformity/improvement report are prepared if applicable;
- The root-cause of the non-conformity is determined.

AUDIT ANALYSIS

The objective of the audit analysis is to verify if the audit objectives in the audit planning are reached and to improve the overall audit program and the VOMS. The audit analysis is used as input for the annual management reviews and QHSE year plan.

3. RESEARCH METHOD

This chapter gives an overview of the research design. Important data had to be obtained, which is described in the first paragraph. In the second paragraph the creation of the internal audit framework is discussed. The third paragraph describes the creation of the accounts payable checklist. The last paragraph contains a detailed overview of the internal audit performance.

3.1. RESEARCH DESIGN
In order to answer the research main question a research model is used (see Appendix A). The illustration in this appendix shows the ingredients which are used as reference during this research. These references have led to more specific objects and study variables and give insight to the TARGET-situation. Compared with the ACTUAL-situation an analysis or measurement can be done which leads to the answer of the research main question.

3.1.1. INGREDIENTS
The ingredients used as reference for this research are as follows:
- Literature Accounting Information System of Accounts Payable Procedures;
- Literature Internal Control;
- Literature Internal Auditing;
- Van Oord Procedure FA-PR-1.0; F&A Supporting Documents Regarding Accounts Payable Procedures
- Interview Mr. L. Heida;
- Interview Mr. M. van Beurden;
- Interview Mr. D. Hanssens.

3.1.2. APPROACH AND OBJECTS
The audit approach describes how in this research the audit objects are positioned (see Appendix B).

3.1.3. RESEARCH APPROACH
A research approach is dependent on the research question and elements such as time, available sources and the requested type of research.

This research requires qualitative research. Literature research, case study and strategy research will be done in the form of content analysis, open interviews and observations in order to gain trustworthy research results as illustrated on the next page:

Research questions	Sources	Approach
What types of internal auditing are known and which of these is related to the Accounts Payable proceedings?	✂ Literature study about internal auditing; ✂ Literature study about accounts payable procedures.	Content analysis Content analysis

What are the most general risks regarding accounts payable procedures and to what controls are these related?	✂ Literature study about Accounts Payable Procedures
	✂ Intranet Van Oord:
	  ○ VOMS-PR1.08-IN-01, Instruction Audits;
	  ○ VOMS-PR1.08-IN-02, Instruction Performing Internal Audits;
	  ○ VOMS-PR1.08-TE-01, Template Audit Notification;
	  ○ VOMS-PR1.08-FO-01, Template Audit Report;
	  ○ VOMS-PR1.09-FO-01, Form Improvement/NCR Report.
		Content analysis
		
		Content analysis

	✂ Mr. M. van Beurden, Manager Financial Systems & Internal Audit ✂ Mr. L. Heida	Open interview Open interview

On what way is the process of internal auditing organized within Van Oord?	✂ FA-PR-1.0 Supporting Documents Regarding Accounts Payable Procedure:
	  ○ FA-PR-1.1 Managing Accounts Payable Master Data;
	  ○ FA-PR-1.2 Processing of Purchase Invoices;
	  ○ FA-PR-1.3 Preparing Remittance Proposal Accounts Payable.
	✂ Work instructions Van Oord Intranet
	✂ Employees Accounts Payable Department
		Content analysis
		
		Content analysis
		Open interview

	✂ Mr. M. van Beurden, Manager Financial Systems & Internal Audits ✂ Mr. D. Hanssens, Employee Financial Systems & Internal Audits ✂ Accounts Payable Department	Open interview Open interview Observation
To what extent does the Van Oord Accounts Payable Procedure meet the audit checklist	✂ Mr. M. van Beurden, Manager Financial Systems & Internal Audits ✂ Mr. B. Schlieker, Team leader Accounts Payable Department ✂ Employees Accounts Payable Department	Interview Open interview Observation
What recommendations follow up in relation to the internal audit results?	✂ Own interpretation ✂ Mr. M. van Beurden, Manager Financial Systems & Internal Audits ✂ Mr.H.A.W.N van der Meeren, Manager Accounting Department ✂ Mr. B. Schlieker, Team Leader Accounts Payable Department	Interview Interview Interview

Image 13: Research approach

As described in paragraph 1.1, there are no specific internal audit guidelines available for the F&A Department. In order to conduct an internal audit on the Accounts Payable proceedings these guidelines are necessary. Thus, the first step is to develop an internal audit framework. The second step is to create an audit checklist for the Accounts Payable Procedure. With the help of the Accounts Payable Checklist the internal audit gets into shape. At last, an analysis is done on the registration and payment processing within the Accounts Payable Procedures.

The following paragraphs of this chapter describes the data collection of each step taken:
- Internal Audit Framework;
- Accounts Payable Audit Checklist;
- Execution of Internal Audit;
- Analysis of Registered Incoming Invoices.

3.2. INTERNAL AUDIT FRAMEWORK

The first component of this research is to develop an internal audit framework. As stated earlier in this thesis, there are no specific guidelines available regarding internal auditing within the F&A Department. Therefore, these guidelines need to be created. The process of internal auditing is known for many years and Van Oord has to include this as well in their regular activities. Changing legal policies necessitate large companies and multinationals to be responsible. Internal and external policies are needed for any kind of process to operate effectively.

Van Oord has conducted many internal audits over the past years in other departments than F&A. This means that there should be some information about internal auditing available. A search within the Van Oord Intranet for an internal audit framework example leads to five documents:
- VOMS-PR1.08-IN-01, Instruction Audits;
- VOMS-PR1.08-IN-02, Instruction Performing Internal Audits;
- VOMS-PR1.08-TE-01, Template Audit Notification;
- VOMS-PR1.08-FO-01, Template Audit Report;
- VOMS-PR1.09-FO-01, Form Improvement/NCR Report.

The documents mentioned above are linked to the QHSE Department. Creating an internal audit framework for the F&A Department leads to several changes. However, these documents provide a clear insight on how a proper internal audit framework for the F&A Department can be created while uniformity and a structured approach are maintained within Van Oord.

The internal audit framework consists following:
- Introduction
  - Objective;
  - Scope;
  - Task and responsibilities.
- Process of Internal Auditing
  - Audit planning;
  - Audit preparation;
  - Audit performance;
  - Audit reporting;
  - Audit analysis.

3.3. ACCOUNTS PAYABLE AUDIT CHECKLIST

To be able to create an audit checklist it is most necessary to know and understand the Accounts Payable Procedures at Van Oord. The knowledge gained during the preliminary research regarding the processing of invoices makes it easier to figure out the work method.

The format for the internal audit checklists of the Accounts Payable Procedures are derived from the internal audit checklists which were already made by the QHSE Department. Van Oord uses a quadripartite status for each of the audit criteria:

- OK;
- OB;
- NC;
- NA.

In order to have a consecution in the audit criteria, the Accounts Payable Procedures are divided in following stages:

- Receipt;
- Registration/recording;
- Authorization;
- Payment.

Though, the registration and receipt are merged in one criteria, as it is Van Oord's wish to have a compact tool. In addition, audit criteria are created for in the case when there are deviations in the Accounts Payable Master Data.

Accounts Payable Procedures							
No.	Audit criteria	Reference	OK	OB	NC	NA	Remarks
1.0	General						
1.1	Is there an up-to-date version of the Accounts Payable Procedure made available to the personnel and do they confirm that they work according to this procedure?	FA-PR-1.0	☐	☐	☐	☐	
1.2	Is there a job description available regarding tasks and responsibilities of the personnel?	FA-PR-1.0	☐	☐	☐	☐	
2.0	Registration of Accounts Payable Master Data						
2.1	Does the Employee F&A register all the received invoices and how is this done?	FA-PR-1.2 no. 1	☐	☐	☐	☐	
2.2	Does the Employee F&A check whether all invoices have a Purchase Order Number?	FA-PR-1.2 no. 1	☐	☐	☐	☐	
2.3	Does the Employee F&A scan the invoices and check whether all invoices are scanned in the correct directory?	FA-PR-1.2 no. 2	☐	☐	☐	☐	
2.4	Does the Employee F&A check the Accounts Payable Master Data in the financial application on accuracy by comparing it with the recently received invoices?	FA-PR-1.1 no. 2	☐	☐	☐	☐	
3.0	Deviation of Accounts Payable Master Data						
3.1	Does the Employee F&A requests a confirmation from the creditor when creditor details have changed without being informed?		☐	☐	☐	☐	
3.2	Are the received confirmations stored on a safe place within reach by the Employee F&A?		☐	☐	☐	☐	
3.3	Does the Employee F&A update the creditor contact details in the financial application according to the received confirmation or the notification on the invoice?		☐	☐	☐	☐	
3.4	Is there periodically a mutation list available of the Accounts Payable Master Data and is this checked and approved by the F&A Responsible for Administration and how is this done?		☐	☐	☐	☐	
4.0	Authorization of Invoices						
4.1	On what way does the (Team Leader) Employee F&A carry out the three-way match principle?	FA-PR-1.2 no. 5	☐	☐	☐	☐	
4.2	Does an authorized employee approve the non-match (if detected)?	FA-PR-1.2 no. 6	☐	☐	☐	☐	
4.3	Are the invoices approved for payment in the financial application by a mandated person?	FA-PR-1.2 no. 7	☐	☐	☐	☐	
4.4	Does the Employee F&A post the authorized invoices to the specified cost object and how?	FA-PR-1.2 no. 8	☐	☐	☐	☐	
5.0	Payment of Proposal Accounts Payable						
5.1	Does the Employee F&A periodically prepare and check the remittance proposal for the invoices which are due and is this checked on available information to withhold subject payment?	FA-PR-1.3 no. 1	☐	☐	☐	☐	
5.2	Is the remittance proposal approved by the F&A Responsible for Administration?	FA-PR-1.3 no. 2	☐	☐	☐	☐	
5.3	Is the controlled remittance proposal approved by the Area Director/ Staff Director or Project Manager?	FA-PR-1.3 no. 3	☐	☐	☐	☐	
5.4	Has the Employee F&A finalized the approved remittance proposal?	FA-PR-1.3 no. 4	☐	☐	☐	☐	
5.5	Is the payment file sent forthwith to the cashier for further processing?	FA-PR-1.3 no. 5	☐	☐	☐	☐	

Image 14: Internal audit checklist Accounts Payable Procedures

3.4. PERFORMING THE INTERNAL AUDIT

Now that the internal audit framework and the internal audit checklist of the Accounts Payable Procedures are created, the internal audit can be performed. After sending an audit notification (see Appendix C) to the involved parties the internal audit process may start within the proposed time schedule.

4. FINDINGS & ANALYSIS

This chapter continues with the findings and analysis from the research which are obtained by applying the research method as described in chapter 3. The internal audit framework and the performance of the internal audit are described in detail in the following paragraphs.

4.1. GENERAL

In the process of auditing, triangulation is applied. This means a technique that approaches data through two or more sources, which increases the validity for this research. These are any of below combined together sorted from strong to less strong:
- Documents on the Van Oord Intranet;
- Financial system (ABW);
- Own observations;
- Quotes from the employees of the Accounts Payable Department;
- Quotes from the Manager Financial Systems and Internal Audits;
- Quotes from the Accounting.

4.2. RESULTS OF THE INTERNAL AUDIT

The results of the internal audit checklist are given in the table below:

No.	Audit criteria	Reference	OK	OB	NC	NA	Remarks
Accounts Payable Procedures							
1.0	*General*						
1.1	Is there an up-to-date version of the Accounts Payable Procedure made available to the personnel and do they confirm that they work according to this procedure?	FA-PR-1.0	■	□	□	□	See Internal Audit Findings 1.1
1.2	Is there a job description available regarding tasks and responsibilities of the personnel?	FA-PR-1.0	□	■	□	□	See Internal Audit Findings 1.2
2.0	*Registration of Accounts Payable Master Data*						
2.1	Does the Employee F&A register all the received invoices and how is this done?	FA-PR-1.2 no. 1	■	□	□	□	See Internal Audit Findings 2.1
2.2	Does the Employee F&A check whether all invoices have a Purchase Order Number?	FA-PR-1.2 no. 1	■	□	□	□	See Internal Audit Findings 2.2
2.3	Does the Employee F&A scan the invoices and check whether all invoices are scanned in the correct directory?	FA-PR-1.2 no. 2	■	□	□	□	See Internal Audit Findings 2.3
2.4	Does the Employee F&A check the Accounts Payable Master Data in the financial application on accuracy by comparing it with the recently received invoices?	FA-PR-1.1 no. 2	■	□	□	□	See Internal Audit Findings 2.4
3.0	*Deviation of Accounts Payable Master Data*						
3.1	Does the Employee F&A requests a confirmation from the creditor when creditor details have changed without being informed?		■	□	□	□	See Internal Audit Findings 3.1
3.2	Are the received confirmations stored on a safe place within reach by the Employee F&A?		■	□	□	□	See Internal Audit Findings 3.2
3.3	Does the Employee F&A update the creditor contact details in the financial application according to the received confirmation or the notification on the invoice?		■	□	□	□	See Internal Audit Findings 3.3
3.4	Is there periodically a mutation list available of the Accounts Payable Master Data and is this checked and approved by the F&A Responsible for Administration and how is this done?		□	□	■	□	See Internal Audit Findings 3.4
4.0	*Authorization of Invoices*						
4.1	On what way does the (Team Leader) Employee F&A carry out the three-way match principle?	FA-PR-1.2 no. 5	■	□	□	□	See Internal Audit Findings 4.1
4.2	Does an authorized employee approve the non-match (if detected)?	FA-PR-1.2 no. 6	■	□	□	□	See Internal Audit Findings 4.2
4.3	Are the invoices approved for payment in the financial application by a mandated person?	FA-PR-1.2 no. 7	□	■	□	□	See Internal Audit Findings 4.3
4.4	Does the Employee F&A post the authorized invoices to the specified cost object and how?	FA-PR-1.2 no. 8	■	□	□	□	See Internal Audit Findings 4.4
5.0	*Payment of Proposal Accounts Payable*						
5.1	Does the Employee F&A periodically prepare and check the remittance proposal for the invoices which are due and is this checked on available information to withhold subject payment?	FA-PR-1.3 no. 1	■	□	□	□	See Internal Audit Findings 5.1
5.2	Is the remittance proposal approved by the F&A Responsible for Administration?	FA-PR-1.3 no. 2	■	□	□	□	See Internal Audit Findings 5.2
5.3	Is the controlled remittance proposal approved by the Area Director/ Staff Director or Project Manager?	FA-PR-1.3 no. 3	■	□	□	□	See Internal Audit Findings 5.3
5.4	Has the Employee F&A finalized the approved remittance proposal?	FA-PR-1.3 no. 4	■	□	□	□	See Internal Audit Findings 5.4
5.5	Is the payment file sent forthwith to the cashier for further processing?	FA-PR-1.3 no. 5	■	□	□	□	See Internal Audit Findings 5.5

Image 15: Internal audit checklist results on Accounts Payable Procedures

		Internal Audit Findings
1.0	**General**	
1.1	OK	There is an up-to-date version available of the Accounts Payable Procedure through the Intranet of Van Oord. The Van Oord Intranet provides the latest version of the Accounts Payable Procedure and is numbered in order to manage the revisions. Also, the Accounts Payable Department works with their own documentsto perform the Accounts Payable tasks, but this does not seem to be a problem, as the documents are in alignment with the procedure as described on the Intranet of Van Oord. *SEE APPENDIX G.1.*
1.2	OB	There is a job description available regarding the daily tasks and responsibilities of the Accounts Payable Department personnel, though this job description does not give an overview of "user roles" in the financial system. Thus, a request has been sent to the ABW Competence Centre for an overview of the "user roles". Comparing the user roles with the job description it is concluded that every employee of the Accounts Payable Department (not including the Team Leader) currently has the following rights in the financial application: • AP1 = registration • AP2 = booking • AP3 = preparing payments (Regarding general ledgers 0010, 0020, 0076, 0083, 0120 and 0600) The job description however shows that not every Accounts Payable Officer has the same tasks and responsibilities and therefore more rights have been granted than actually is used/needed regarding the division of tasks. *SEE APPENDIX G.2., G.3. and G.4.*
2.0	**Registration of Accounts Payable Master Data**	
2.1	OK	Received mails are daily collected, opened and sorted in the mailroom. From the mailroom the mails will be sent to the Secretary from where the Team Leader Accounts Payable Department also collects and sorts the received invoices daily on three entities: • Van Oord Dredging and Marine Contractors; • Ship Management; • Other (Nieuwe Maas, Aeolus, Van Oord NV, Personeel bv). Invoices are also received in a separate e-mail which can be only seen by the Team Leader. After he has sorted the mails and/or printed the digitally received invoices the procedure may start.
2.2	OK	The invoices are always checked on Purchase Order Number, as this is the basis to start the Accounts Payable Procedure. If there is no Purchase Order Number stated on the invoice when there should be, then this will be sent back to the creditor.
2.3	OK	Invoices which are sent by mail need to be scanned. Via a function of the copy machine the "Smart Office Scan" can be chosen for which the Employee F&A needs to choose among five options: • Internal invoices; • Invoices; • Invoices + MP5; • Poststroom Scan Searchable PDF; • Procurement Invoices. The Employee F&A counts the invoices which will be scanned. After scanning the invoices it is checked whether this is scanned in the correct directory. Also, the counted invoices will be compared with the scanned invoices. After this, the invoices are recorded. By sorting these on creditor number in several folders this will be placed in the office cupboard. When the cupboard is full, the folders will be transported to a separate record.
2.4	OK	The scanned invoices are the starting point for monitoring the Accounts Payable Master Data. By comparing creditor details such as company name, address and bank details on the invoice with the Accounts Payable Master Data, the details in the financial application is kept up-to-date. New creditors are only created by the Team Leader and another Employee F&A. To maintain the efficiency of the procedure the Team Leader quoted: *"I can tell you that when multiple invoices are received from one creditor only the creditor details of the first invoice are checked".*
3.0	**Deviation of Accounts Payable Master Data**	
3.1	OK	Changes regarding the Accounts Payable Master Data are normally stated on the invoice, but in case of doubt the creditor will be contacted by a standard e-mail. Team Leader: "In the case that invoices are received and we conclude that the creditor details look different than the rest of the font of the invoice, we will surely contact the creditor to confirm whether their creditor details have changed. The confirmation will be kept as reference. When creditors inform us in advance that their creditor details are going to change, then we have to assume this as correct". *SEE APPENDIXG.5.*
3.2	OK	Confirmations are sorted per creditor. These are kept for a few years in the office cupboard.
3.3	OK	The Accounts Payable Master Data is only updated when a confirmation is received from the creditor or when they have informed in advance that their creditor details will change.
3.4	NC	The changes in the Accounts Payable Master Data are made by the Team Leader and by another Employee F&A. Mutations need to be checked therefore by a second person apart from the Team Leader. The financial

		application generates automatically e-mails when creditor details have changed and these are sent to the Accounting Department. The Accounting Department has made a start to check these mutation lists from on 27th of November 2013, though this is not checked regularly as it is not sure what the basis will be for checking the invoices. Until now 3 mutations are checked.
4.0		**Authorization of Invoices**
4.1	OK	The Employee of the Accounts Payable Department carries out the three-way match principle for the invoices depending whether this is a purchase order or not. The starting point for the matching-principle depends whether the invoice concerns parts or services. In case the invoice is related to parts, then the received good(s), invoice and purchase order will be compared together, which is called matching. The Team Leader checks these and performs the "match" (see 4.2 for non-match). In case of a service, the service comparing with the amount stated on the invoice has to be approved by the Initiator. Currently the purchase orders are matched in MP5 and through interfacing all data will be exported to the financial application so that eventually the Responsible will approve all invoices for Price/Delivery/Service. Invoices without purchase order will be registered directly in the financial application and the agreement will be obtained through the workflow process of the Price/Delivery/Service. When the invoices without purchase order have a direct match (parts or service), then these are processed further by the Accounts Payable Department. In case of a non-match the Initiator needs to approve the non-match, which is mostly the case when the purchase order concerns a service.
4.2	OK	When a non-match is observed, this will be communicated to the Responsible. A non-match can never be matched by the Team Leader and thus, the Initiator needs to be contacted. Non-matches are classified by following: • Delivery; • Price; • Contract; • Wrong Amount; • Duplicate Invoice • Additional Charges; • Transport Costs • Other Credit; • Certificates/Annual Inspection The Initiator has to explain to the Team Leader why this non-match has occurred. The possibility in the financial application makes it possible for the Initiator to add an explanation for a non-match.
4.3	OB	Invoices are to be approved in the financial application by a mandated person. However, in MP5 there are fixed links in the Workflow and the personnel is free to add optional persons/links in the Workflow as well according to the mandate *SEE APPENDIX G.6.* If the personnel will add extra links, this could make the workflow even longer, which could take more time than needed. The objective of the Accounts Payable Department is to ensure that the payment processes within the terms of payment, thus only persons should be added to the Workflow who are involved. As long this objective succeeds, then no action needs to be taken. Though, it should be kept in mind that only those persons need to be added in the Workflow and that it should be kept brief.
4.4	OK	The Team Leader posts the authorized invoices to the specified cost object by checking the descriptions on the invoices. Experience has led to efficient and effective posting. When the Team Leader is unsure how the authorized invoices need to be posted, then the Responsible will be contacted.
5.0		**Payment of Proposal Accounts Payable**
5.1	OK	Through e-mails and phone calls from higher positions in the entity it will be communicated what payments are rejected due to blockade or on settlement. The Employee F&A prepares the remittance proposals (SEPA and NON-SEPA) for the due dates and this will be checked by the Team Leader. Thereafter, an Accounting Officer will check the remittance proposals. The checks are done in four steps: • Transaction number; • Bookings on general ledgers (memorial and bank); • Creditor number; • Magnitude of the payment amounts (currency). The Accounting Officer monitors the automated remittance proposals and signs for "checked". When errors are found in the remittance proposals (regarding withholding subject payment), then the Employee F&A needs to correct this. Correct remittance proposals checked and approved by the Manager Accounting Department and another Accounting Officer. At the end F&A Staff Director approves the remittance proposal.
5.2	OK	See 5.1
5.3	OK	See 5.1
5.4	OK	See 5.1
5.5	OK	Payments are processed immediately by a separate Accounting Officer. In case of incorrect payments (different/wrong bank account) an error notification will be received. Thus, feedback to the Accounts Payable Department will be given.

Image 16: Internal audit findings on Accounts Payable Procedures

4.3. REVIEW OF INTERNAL AUDIT RESULTS

This paragraph focuses on the results of the internal audit of the Accounts Payable Procedures. At first, the audit criteria is analyzed that deviates from the Van Oord Procedure, followed by audit criteria conform the procedure.

Paragraph 4.2 shows that two OB's and one NC is found during the internal audit:

- More rights have been granted to the personnel in the financial application than their usual responsibility.
- The Accounting Manager did not check the mutations lists of the Accounts Payable Master Data.
- Are the invoices approved for payment in the financial application by a mandated person?

However, the non-conformity and the observations do not mean to say that the overall process deviates from the Accounts Payable Procedure. Priority audit criteria, such as described in paragraph 2.2.2. are covered.

The audit criteria in the first phase, receipt, are fully covered and given an OK status. The audit criteria within the deviation phase consists 1 NC against 3 OK's. The authorization phase consists 3 OK's against 1 OB. The last part of the process, payment, consists 5 OK's.

Apart from the qualitative part, Van Oord has applied priority internal controls, such as:
- Invoices are collected on one location by one person;
- Received invoices are analyzed regarding accuracy by the Team Leader;
- Invoices are processed within estimated time limits by the Accounts Payable Department;
- Suppliers are contacted by the Accounts Payable Department in case of extraordinary findings in invoices;
- The employee matching the goods/service is another then the person who request or reconciles it;
- The person approving a non-match is another than the person who matches the goods/services;
- The employee of the Accounts Payable Department checks who is mandated to approve an invoice to what extent;
- Invoices that have processed fully are paid and invoices that need extra care are put on "hold";
- The financial application separates invoices with codes (A, B, C), to prevent that an invoice is not paid twice;
- Remittance proposals are prepared by the Accounts Payable Department and checked (according to totals) and verified by the upper management and require multiple signatures from mandated ones.

It can be concluded that the overall Accounts Payable Procedure is almost similar to the Van Oord Procedures.

5. ANALYSIS OF REGISTERED INCOMING INVOICES

This fifth chapter briefly describes the research of multiple registrations of incoming invoices in four paragraphs: General, Processing of Data, Working Method and Research Results. This research is described in a separate chapter, as the priority lies within the research of the internal audit framework.

5.1. GENERAL

Approximate 80,000 invoices are processed at the many entities of Van Oord per year. Due to the invoice processing within these entities, there might be a chance that some invoices are processed more than once. A multiple registration may lead to a multiple payment, for which the management has decided to start an analysis to these so called multiple registrations. This research needs to be done in order to get an insight on how many invoices are registered more than once and why these are registered more than once. An analysis to its cause may be helpful for future purpose.

Monitoring multiple registrations of incoming invoices can be done by a data-extract of all invoices in Excel. This data-extract (hereafter: Masterfile) can be created through ABW. The ABW CC is able to create a Masterfile for the last year. Microsoft Excel 2010 will be used to complete this research.

To prevent misunderstandings, full notations are used when referring to Van Oord entities.

5.2. PROCESSING OF DATA

Within ABW standard notations and categories are used, which are also used during the research on multiple registrations of incoming invoices. These standard notations and categories will serve as search criteria.

The data which is needed to carry out this research are as follows:
- Entity number (Company);
- Entity name (Company T);
- Consolidated supplier number (Conssupp);
- Supplier number (SuppID);
- Transaction number (TransNo);
- Invoice number (InvoiceNo);
- Date of invoice (Inv.date);
- Description on the invoice (Text);
- Currency (Curr);
- Amount stated on the invoice (Amount; in euro's and foreign currency)

ENTITY NUMBER
The entity number plays a role when a scanned invoice needs to checked in ABW. When doubted that an invoice is registered multiple times, the invoices can be searched and retrieved from ABW. Thus, multiple invoices can be retrieved and compared.

ENTITY NAME
The entity name is important when searching at multiple registrations in the Masterfile. When multiple registrations are found, these should be registered in at least two entities.

Consolidated supplier number

Van Oord has many entities around the world. Supplier numbers are different for each entity, which means that one supplier might have many supplier numbers. Therefore, a consolidated supplier number is assigned to the suppliers of Van Oord. However, this search criteria has been not very helpful during this research as some suppliers did not have a unique consolidated supplier number. Because of the lack of time, another work method needs to be handled. Though, for future purposes this criteria is very effective to conduct a research on multiple registered invoices.

Supplier number

Supplier numbers are unique. Conducting a search on the supplier number will generate an overview of the registered invoices in the Masterfile per supplier. Though, some entities use a different supplier number for a supplier. Per example: Van Oord Nederland and Van Oord Dredging and Marine Contractors use 400101 for a supplier, while Van Oord Shi Management uses 428003.

Transaction number

After making a selection of which invoices need to be researched, the transaction number can provide more insight in the invoices. By entering the transaction number in ABW Production, the relevant scanned invoice can be retrieved.

Invoice number

This is the invoice number of the supplier. Also known external reference number. When observed that an invoice number is registered more than once by the same supplier, more research needs to be done, as this could possible lead to a multiple registration.

Invoice date

This search criteria plays also a main role when searching for multiple registrations. Per example: when in the process of this research two invoice are found with similar criteria (such as: amount stated on the invoice, supplier name, etc.) then this criteria can make the difference. A registration of two invoice, one of February and one of November, are mostly off-chance.

Description on the invoice

The description on the invoice is important in this research. One should be able to see at one glance what type of good or service has been delivered or used. It is not possible to check at descriptions which appear more than once, as the registrations are done by many F&A employees. Thus, the chance that Employee A will enter the description of an invoice on a different way than Employee B. Used abbreviations and typing errors entered in the description of an invoice also causes variations in the registration process. Plus, the received invoice of the supplier is an addition to the variation in the registration process. If, the supplier does not apply uniformity in the description of their invoices, this will most likely be entered by the F&A Employee as well. Descriptions of invoices which are left blank (no information registered at all) are obviously no added value in the process of this research.

CURRENCY

The currency is distinctive for suppliers whom work with a foreign currency. When an invoice is stated in a euro-amount and an invoice is stated in a Taiwanese Dollard, while criteria such as invoice amount, supplier name are indifferent, then these are most likely not the same.

AMOUNT STATED ON THE INVOICE

This criteria gives an overview of all the amounts per invoice. Conducting an analysis to similar invoice amounts is not relevant at all. Though, together with the above mentioned criteria, an overview on multiple registrations can be compiled.

5.3. WORKING METHOD

The previous paragraph showed the data which is needed to start the research. ABW CC provides this data on request.

The aim on this research is to trace multiple registrations of incoming invoices within various Van Oord entities. To research the data of the Masterfile different methods, such as a Worksheet Formula and a PivotTable, have been considered for which eventually the PivotTable method is used. This method seemed to suit more to the overall research.

SELECTION OF DATA

Using a PivotTable gives the advantage that the format of the Masterfile does not need to be changed at all. The whole data can simply be selected via Insert>PivotTable and created in a new worksheet. The best method would be to work with the Consolidated supplier number, Entity number and Invoice number, for which all the Consolidated supplier numbers need to be unique. Though, Microsoft Excel 2010 is not able to process the quantity of data and therefore another work method is chosen.

The criteria which are most relevant for this research are:
- Amount stated on the invoice;
- Invoice number;
- Supplier number;
- Description on the invoice.

	Why?	Why not?
Amount stated on the invoice	Overview of amounts which appear multiple times.	This method will show many invoices with the same amounts (like invoices with term payments).
Invoice number	A direct overview of invoice numbers which appear more than once.	Dependent on registration of F&A-Employee. Many suppliers may use the same invoice number.
Supplier number	Per supplier an overview whether there are multiple registrations.	Many invoices may be overviewed per supplier. Dependent of registration of F&A-Employee.
Description on the invoice	Directly overview of similar descriptions on an invoice.	Dependent on registration of F&A-Employee. Dependent on registration of description by the supplier.

Image 17: Choice formation

The table above gives an overview of some methods to conduct this research. It is concluded that a search to similar invoice numbers is the best way for this research. Though, this criteria is not strong enough to provide strong and valid results as the data is dependent on a correct registration of F&A-Employees. It should be noted that errors may occur in registering an invoice number. Therefore, another criteria is used to get valid results: amount stated on the invoice. By using this criteria, it should be taken in account whether a multiple payment is corrected or not.

PERFORMANCE BY INVOICE NUMBER

Now that it is known what criteria is relevant for this research, this may be inserted in the PivotTable. The InvoiceNo may be dragged to the *RowLabels.* The *Values* should consist the criteria Amount on the same way. The option at Amount can be set to *Count of Amount* via clicking the small triangle next to it. The *Value Field Settings* need to be chosen. This makes it easier to search for multiple registration. Now that the values on Count are selected the PivotTable should look as below:
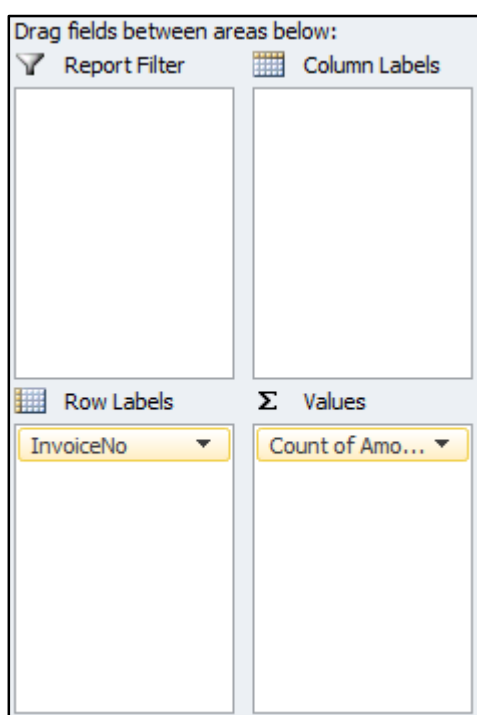

Image 18: Formation of PivotTable

The PivotTable shows two columns, for which one column counts how many times an invoice number is registered in the Masterfile. When the column shows a count of 1, this means that the invoice number seem to be unique at the moment. As stated earlier, an F&A Employee could have also entered an incorrect invoice number. To maintain the quality of this research the second criteria is used, which is described in the next part of this paragraph.. At first, the criteria InvoiceNo will be focused on.

All values higher than 1 means that the invoice numbers occur more than once in the Masterfile. With the help of *Conditional Formatting*, all values higher than 1 are given a separate color (per example: background color red) to see differences between values more quickly.

Now, all colored cells need to be researched in the PivotTable. These colored registrations can be researched by double-clicking on each of these values. After a double-click the full registration will be shown of that particular invoice number. When a registration is shown where the supplier name and the amount stated on the invoice are most likely the same, this could then mean that this is a multiple registration. In order to confirm whether this is a multiple registration, the related invoices should be recalled and compared via ABW Production.

When completing the research with the criteria of invoice number on the colored cells, the research is still incomplete. Invoice numbers which consist punctuations also need to be researched. An invoice registered as 12345 might be similar to 12345*. Thus, a manual check is needed. Sorting the invoice numbers makes it easier to check registrations on punctuations.

PERFORMANCE BY CURR. AMOUNT

As mentioned earlier in this thesis, the criteria on InvoiceNo cannot be used as the only criteria of this research. The supplier could have made an error and/or an F&A Employee could have entered the invoice number incorrect in ABW. To maintain the quality of the research the amount stated on the invoice is used. Each row in the Masterfile shows two values, for which Curr.amount and Amount. The Curr.amount stands for the amount which is stated on the invoice, while the Amount stands for the conversed euro amount. In the case that a supplier sends an invoice in Euro, the values of these two rows are the same. The Amount is calculated by taking the exchange rates in account. These values may therefore change from time to time. Thus, for the research of registrations of incoming invoices only the Curr.amount is used. By using this criteria it can be also researched whether one invioce is registered more than once in one entity.

The execution for further research with this criteria is similar to the method of InvoiceNo. Reference is made to the previous paragraph. It should be noted that when a multiple registration is found, it should be checked whether Van Oord already has noticed and/or solved any multiple registrations and/or payments.

PROCESSING OF DATA

The Masterfile consists more than 100.000 rows of data. In order to make it easier to report the findings at the end of the research, four columns will be added in the Masterfile:
- Check;
- Findings;
- Type;
- Remarks and reference.

In the *Check*-column a Y/N (Yes/No) notation is used so that in one glance is seen what registrations are checked and which need to be checked yet. On this way this column also provides information about the progression of this research.

In the column of *Findings*, an A/N/Y (Acceptable, No, Yes) notation is used. This column gives information whether there are unusual findings. The findings with the status Acceptable give information that a multiple registration is found, but that Van Oord is aware of the situation and that actions has already been taken.

The column of *Type* gives an overview of what kind of finding is found.

The last column Remarks and reference gives the option to refer to other cells. In case that invoice number *12345 is similar to 12345, both registrations will be linked to each other.

5.4. RESEARCH RESULTS

A research on the Masterfile has led to 25 multiple registrations, for which 6 registrations seem to be not reversed or corrected by Van Oord. Also, some registrations regarding invoice number are inserted on an incorrect way. Most of these incorrect registrations were done by Van Oord Dredging and Marine Contractors Taiwan. Unfortunately, not all registered invoices could be recalled in ABW Production, as a scanned version of the invoice was missing.

Reference is made to the CD that contains the Masterfile. This CD is available on request at Van Oord from Mr. M. van Beurden.

The 6 multiple registrations which are found, are:

Comp	Compa	Company(T)	SuppI	SuppID(T)	TransNo	InvoiceN	Inv.date	Text	C	Curr. amou	Amoun
C	0115	Offshore Windpark Development Project	106157	Temp-Team A/S	1400002757	631590	19-07-2013	Temp-Team: Munch wk 25	DKK	-15,912.50	-2,133.04
A	0010	Van Oord Dredging and Marine Contractors BV	108335	Hydratight BV	1400220499	7144001922	23-12-2013	Rental equipment Charges 02/11-29/11/2013	EUR	-8,141.93	-8,141.93
A	0010	Van Oord Dredging and Marine Contractors BV	108335	Hydratight BV	1400220498	7144001923	23-12-2013	Rental equipment Charges 08/08/2013 - 01/11/2013	EUR	-22,365.86	-22,365.86
C	0010	Van Oord Dredging and Marine Contractors BV	100701	Dhl International B.V.	1400192483	DBI0484101	04-06-2013	Clearance Authorisation	EUR	-38.00	-38.00
C	0010	Van Oord Dredging and Marine Contractors BV	108129	Serimax South East Asia Pte Ltd.	1400178100	6290.02.A01	12-02-2013	S-Oil Pipeline and PLEM installation 103888	EUR	-65,000.00	-65,000.00
C	0010	Van Oord Dredging and Marine Contractors BV	108316	Temp-Team A/S	1400197611	631590	10-07-2013	Grethe Munch uge 25	DKK	-15,912.50	-2,133.04
C	0010	Van Oord Dredging and Marine Contractors BV	108320	Jac Rijk BV	1400197877	1300287	12-07-2013	Huur lepelbord Wk27/2013	EUR	-242.00	-242.00
B	0492	VODMC Area Offshore Projects (Korea)	100105	Hydratight	1400001214	7144001922	28-11-2013	Hydratight flange spreaders rental 08-08/01-11-2013	EUR	-8,141.93	-8,141.93
B	0492	VODMC Area Offshore Projects (Korea)	100105	Hydratight	1400001215	7144001923	28-11-2013	Hydratight rental equipment charges 08-08/01-11-13	EUR	-22,365.86	-22,365.86
C	0492	VODMC Area Offshore Projects (Korea)	100033	Serimax South East Asia	1400000102	6290.02.A01	13-03-2013	Serimax AP start WPQ	EUR	-65,000.00	-65,000.00
C	0076	Van Oord Ship Management B.V.	100701	Dhl International B.V.	1400222077	DBI0484101	18-06-2013	Div. koeriersdiensten	EUR	-38.00	-38.00
C	0202	Van Oord Nederland B.V.	101154	Jac. Rijk B.V.	1400045041	1300287	13-08-2013	hr lepelbord cat 966 wk 27	EUR	-242.00	-242.00

Image 19: Results of multiple registrations

The multiple registrations mentioned above have two causes:
- ✂ Incorrect work method;
- ✂ Incorrect act of the supplier.

INCORRECT WORKING METHOD

An incorrect working method means that the work method is conflict with the registration procedure of the Accounts Payable Procedures of Van Oord. An invoice should be only registered by the entity which is stated on the invoice. A Van Oord entity should not register a received invoice which contains the purchase and/or usage of a good/service from another entity.

INCORRECT ACT OF THE SUPPLIER

An incorrect act of the supplier means that the supplier caused a provocation for an invoice which is registered and/or paid twice. If a supplier addresses one invoice to multiple entities, these invoices are most likely to be registered by both entities. This workflow might be authorized multiple times as well in case that the Responsible person does not notice that an invoice regarding service has been registered twice.

6. CONCLUSIONS

This last chapter concludes with the answer to the main question of this research Also, encountered limitations during the research are discussed. In addition, this chapter contains a description of recommendations to Van Oord.

6.1. RECAPITULATION

As mentioned earlier in the first chapter, the research main question is defined as follows:

"Are the Van Oord Accounts Payable working methods in line with the guidelines and other conditions that apply on these?"

The research main question is divided into following sub-questions in order to keep a consecution:

- What types of internal auditing are known and which of these is related to the accounts payable proceedings?
- What are the most general risks regarding Accounts Payable Procedures and to what controls are these related?
- On what way is the process of internal auditing organized within Van Oord?
- To what extent does the Van Oord Accounts Payable Procedure meet the audit checklist?
- What recommendations follow up in relation to the internal audit results?

The sub-questions above are briefly answered in the following sub paragraphs, except for the last sub-question. This is described in paragraph 6.3.

6.1.1. PARTIAL CONCLUSION: INTERNAL AUDITING

During the research of internal auditing, seven forms of internal auditing are differentiated:
- Strategic auditing;
- Operational auditing;
- Financial auditing;
- Compliance auditing;
- IT-auditing;
- Forensic auditing;
- Project auditing.

The form of internal audit is dependent on specific features of the organization, such as type of business, size of the organization, uncertainties a company has to deal with and the culture of the organization. It is concluded that a compliance auditing is necessary for the research on the Accounts Payable procedures, as this type of auditing focuses on whether rules and regulations are followed up. The Accounts Payable Procedures are the work instructions and the personnel needs to work according to these. A compliance audit gives insight in compliance risks and the effectiveness of taken controls, criticizes the current controls of the organization and gives a possibility for recommendations to improve the compliance to laws, rules, procedures and/or other prescriptions.

6.1.2. PARTIAL CONCLUSION: RISKS AND CONTROLS

From the very beginning, receipt of invoices, until the end, payment to suppliers, this process is exposed to several risks which need to be controlled by the organization. The table below displays the general risks and controls in the accounts payable procedures as showed earlier in sub paragraph 2.2.2.

	Risks	Controls
Receipt	Invoices go missing	Collect invoices on one location on a regular basis (daily)
	Invoice does not provide complete information	Analyze the received invoices on priority information
	Delay in informing suppliers	Keep invoices within reach for timely processing
	Unable to find an invoice	Store invoices for reference
Registration	Processing an invoice with incorrect supplier details	Supplier may verify whether they had undergo any changes
	Working with incorrect supplier details	Changed supplier data needs to be verified by an authorized function in the organization other than the one entering it
	All invoices get an "approved stamp" for personal reasons (such as, less work to do for the day)	The one matching the goods/services is another then the one requesting or reconciling. The one approving a non-match is another than the regular matcher.
Authorization	One approves an invoice who has no mandate	Divide rolls and include a two-man rule
Payment	A creditor gets paid who's invoice is not due yet	Only those creditors should be paid whom have had a full approval (either in financial application workflow or manually by mandated persons)
	A creditor gets paid twice regarding the same invoice	Paid creditors should be separated from creditors whom are to be paid yet (including status codes)
	Remittance proposals are incomplete or consistent of errors	Remittance proposal needs to be verified and checked by a mandated person (such as the upper management)
	A payment receives approval from an unqualified person	Verify information and demand signatures from an authorized person

6.1.3. PARTIAL CONCLUSION: INTERNAL AUDITING AT VAN OORD

Van Oord works with a schematic procedure to conduct internal audits:

- ✄ Audit planning
  A general planning is prepared yearly by the audit planner and identifies audit criteria. Internal audits are conducted when deemed necessary.
- ✄ Audit preparation
  Before starting an audit, an audit number is necessary for the proper registration of the audit which is requested per example from the Secretariat. An audit notification needs to be send in a minimum of five working days.
- ✄ Audit execution
  - ○ Opening meeting
    An internal audit is started with an opening meeting where participants are to be introduced and the internal audit objectives and related issues are covered.
  - ○ Collecting and verifying information
    The internal audit is performed by an internal audit checklist, for which factual evidence needs to be achieved.
  - ○ Fundamentals of non-conformity reporting
    Audit findings are generated by evaluating the audit evidence against the audit criteria. Recommendations and observations are to be recorded.
  - ○ Audit conclusions
- ✄ Audit closure
  Review on the audit findings and an audit report needs to be prepared and discussed in an audit closing meeting.
- ✄ Audit analysis
  The objective of the audit analysis is to verify if the audit objectives in the audit planning are reached and to improve the overall audit program within Van Oord.

6.1.4. PARTIAL CONCLUSION: ACCOUNTS PAYABLE PROCEDURES

Van Oord has applied priority internal controls, such as:

- ✄ Invoices are collected on one location by one person;
- ✄ Received invoices are analyzed regarding accuracy by the Team Leader;
- ✄ Invoices are processed within estimated time limits by the Accounts Payable Department;
- ✄ Suppliers are contacted by the Accounts Payable Department in case of extraordinary findings in invoices;
- ✄ The employee matching the goods/service is another then the person who request or reconciles it;
- ✄ The person approving a non-match is another than the person who matches the goods/services;
- ✄ The employee of the Accounts Payable Department checks who is mandated to approve an invoice to what extent;
- ✄ Invoices that have processed fully are paid and invoices that need extra care are put on "hold";
- ✄ The financial application separates invoices with codes (A, B, C), so that an invoice is not paid twice;
- ✄ Remittance proposals are checked (according to totals) and verified by the upper management and require multiple signatures from mandated ones.

6.1.5. CONCLUSION RESEARCH MAIN QUESTION

The research main question is described as follows:

"Are the Van Oord Accounts Payable working methods in line with the guidelines and other conditions that apply on these?"

The research compares the ACTUAL-situation with the TARGET-situation. The ACTUAL-situation are the current working methods, while the TARGET-situation involves guidelines, such as the Van Oord guidelines, Accounts Payable Procedures of Van Oord, but also accounting guidelines. During the process of internal auditing, one NC and two OB's were found:

- More rights have been granted to the personnel in the financial application than their usual responsibility (OB).
- The Accounting Manager did not check the mutations lists of the Accounts Payable Master Data (NC).
- Are the invoices approved for payment in the financial application by a mandated person (OB)?

However, it can be concluded that the overall Accounts Payable Procedure is similar to the Van Oord Procedures. Though, it is advised that at least the NC could be improved on by the management.

6.2. LIMITATIONS

When conducting this research some limitations might have had an effect on the overall quality (completeness and accuracy) of the internal audit and the analysis on the Masterfile. The next sub-paragraphs give a description of these limitations.

6.2.1 CREATING THE AUDIT CHECKLIST

Not every audit criteria question in the internal audit checklists is specifically formulated. Therefore, internal auditors might give their own interpretation to these audit criteria, which could result to different conclusions among them. Therefore, the audit checklist lacks completeness and reliability.

In addition, it was proposed to the manager to create a scale bar to give the audit criteria a weight for high or low importance. Including a scale bar in the audit checklist gives more insight in the audit criteria in overall and makes it easier to compare the results from the previous period or year as one is able to see at one glance whether results are improved.

6.2.2. USED SOURCES FOR THE INTERNAL AUDIT

During the research, issues like access to the financial program (ABW and MP5) has had an effect on the audit performance and overall audit quality regarding reliability and validity. Due to circumstances or lack of time sources like quotes in an interview had to be used in some cases, while usage of the financial systems would have had a more positive effect on the quality of this research. On the other hand, working with these financial systems requires experience and time which was not available.

6.2.3. USED METHODS FOR CHECKING THE MASTERFILE

As stated earlier, in the research of the multiple registration of incoming invoices, only two methods (Worksheet Formula and Pivot Table) were considered to analyze the Masterfile. Due to a shortage of time a choice had to be made between these two methods. It should be kept in mind that more methods might be available to analyze the data in the Masterfile. For future research more methods could be considered in order to check the Masterfile on a regular basis.

6.3. RECOMMENDATIONS

After completion of the research, the following recommendations are given to the management of Van Oord.

6.3.1 USER ROLES

After having performed the audit, it is recommended that Van Oord manages the user roles in ABW, as the users have access to more functions in the financial application than actually needed. Van Oord gave this access to the employees of the Accounts Payable Departments, because they are only with few. When an employee is absent, it is easily to take over each other's tasks. Though, the accessibility is given by ABW CC and it takes approx 5 minutes to change the user roles and accessibility. Therefore, it is recommended to match the daily tasks and responsibilities with the roles in the financial application.

6.3.2. MONITORING MUTATION LISTS

Changes in the Accounts Payable Master Data were not monitored, except for the new suppliers. Van Oord has thought many times of setting up a procedure how to monitor the Accounts Payable Master Data, but till date there are no procedures available. Thus, an instruction is made.

The suppliers are recorded in the Accounts Payable Master Data. When changes are made in the Accounts Payable Master Data an automatic e-mail will be generated by ABW. This e-mail contains an overview of the mutations and is sent daily to the Accounting Department.

The Accounting Manager is responsible for checking the received e-mails at a daily base. When monitoring the changes in the Accounts Payable Master Data the following mutation fields should be checked:
- Company name;
- Address;
- Bank details;
- VAT identification number;
- Chamber of Commerce.

Conveniently, the creditors/suppliers will be divided in two groups for monitoring the Accounts Payable Master Data:
- Important creditors/suppliers;
- Other creditors/suppliers.

MONITORING IMPORTANT CREDITORS/SUPPLIERS

It should be noted that all mutations regarding creditors/suppliers whom are considered important and of great value for Van Oord need to be checked and registered by the Manager Accounting Department. Reference is made to the most recent *Important Creditors List*
The list is formed by zooming in on the creditors/suppliers whom generate the highest turnovers and the highest quantity of incoming invoices. See Appendix I for the complete list.

MONITORING OTHER CREDITORS/SUPPLIERS

The mutations regarding other creditors/suppliers need to be checked by sampling. All mutations are to be checked when these are ≥5. Though, when more than five mutations are received, then five random mutations need to be selected for the monitoring process. Thus, in all cases at most five mutations regarding other creditors/suppliers need to be checked and registered on daily base.

6.3.3. ADDING PEOPLE IN THE WORKFLOW

All employees of the Accounts Payable Department have the accessibility to add Van Oord employees to the workflow in MP5 with no limits. This could lead to a very long workflow and will take more time to be completed. This, however, will most likely not happen, as it is the objective of the Accounts Payable Department to make sure that all invoices are paid within the estimated time limits. Even though the employees of the Accounts Payable Department will most likely not add random Van Oord employees in the workflow, it is recommended that the workflow should be made limited, so that a workflow can have per example up to 5 added employees. Also, the competence to add Van Oord employees could be made limited.

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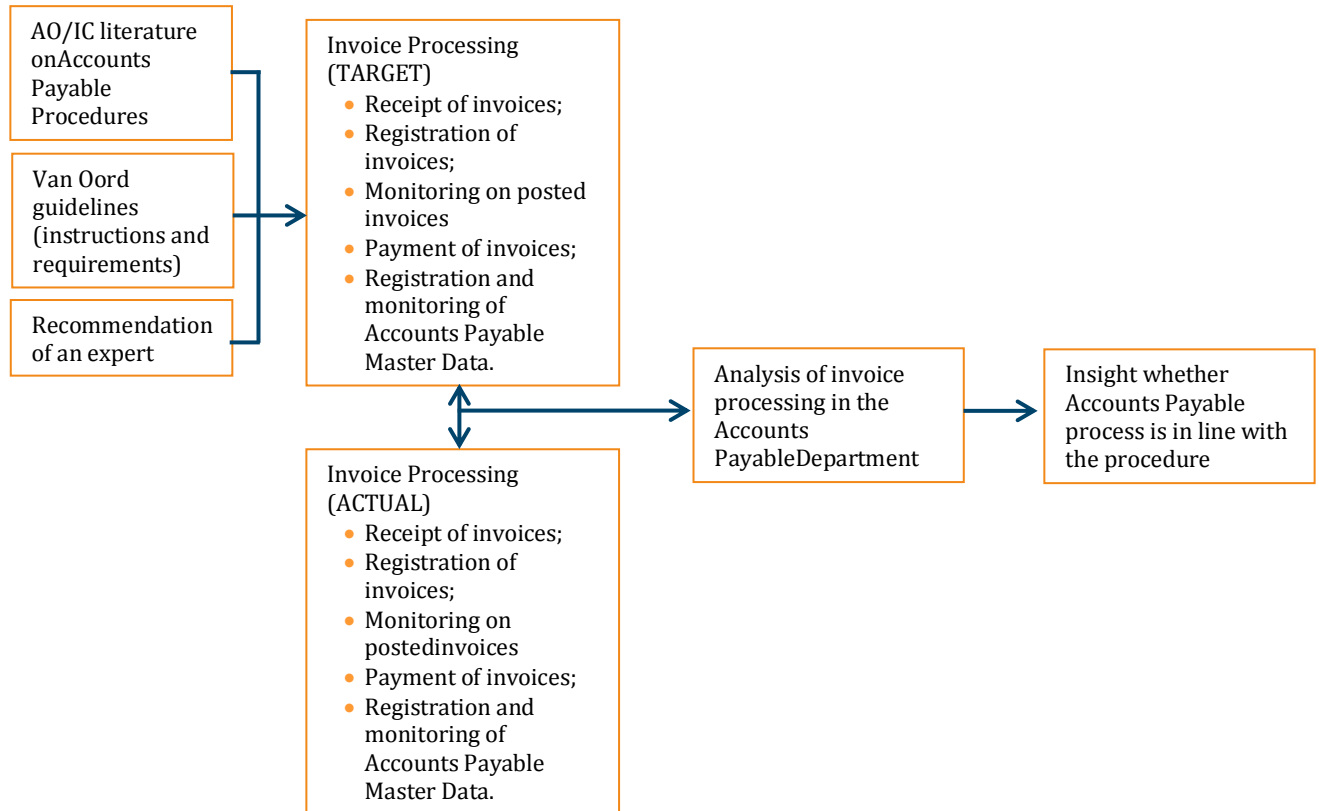*http://www.whittingtonassociates.com/resources/glossary/*

APPENDICES

The following appendices are included:

- ✂ Appendix A; Audit Model
- ✂ Appendix B; Audit Objects
- ✂ Appendix C; Audit Notification
- ✂ Appendix D; Audit Interview Reports
- ✂ Appendix E; Internal Audit Report
- ✂ Appendix F; Improvement/NC Report
- ✂ Appendix G; Audit Evidence
    - ⊙ G.1. Payment Processing
    - ⊙ G.2. Division of Labor
    - ⊙ G.3. Roles in ABW
    - ⊙ G.4. Roles per user
    - ⊙ G.5. Format confirmation regarding mutations
    - ⊙ G.6. Mandate per functionary
- ✂ Appendix H; Follow-up of multiple registrations
- ✂ Appendix I; List of Important Suppliers/creditors

APPENDIX A: AUDIT MODEL

Below, the audit model is illustrated which is used during the research on the Accounts Payable Procedures.

AO/IC literature onAccounts Payable Procedures

Van Oord guidelines (instructions and requirements)

Recommendation of an expert

Invoice Processing (TARGET)
- Receipt of invoices;
- Registration of invoices;
- Monitoring on posted invoices
- Payment of invoices;
- Registration and monitoring of Accounts Payable Master Data.

Invoice Processing (ACTUAL)
- Receipt of invoices;
- Registration of invoices;
- Monitoring on postedinvoices
- Payment of invoices;
- Registration and monitoring of Accounts Payable Master Data.

Analysis of invoice processing in the Accounts PayableDepartment

Insight whether Accounts Payable process is in line with the procedure

| Ingredients | Optics and Objects | Analysis | Objective |

APPENDIX B: AUDIT OBJECTS

	Research component of the management system	Audit variables
Main proceedings in the Accounting Department	Invoice processing in the Accounts Payable Department	Receipt of invoices • Completeness; • Correctness; • Accuracy.
		Registration of invoices • Completeness; • Correctness; • Accuracy.
		Monitoring of posted invoices • Completeness; • Correctness; • Accuracy.
		Payment of invoices • Completeness; • Correctness; • Accuracy.
		Registration and monitoring of Accounts Payable Master Data • Completeness; • Correctness; • Accuracy.

AUDIT NOTIFICATION

As agreed, Van Oord Dept. Financial Systems & Internal Audit will carry out an audit.

General

Auditee:	Dept. Accounts Payable	Audit Date:	09-12-2013
Audit location:	Rotterdam	Audit Number:	2013-01-INT
Auditor(s):	UBH		

Audit Type

F&A Procedures	*Treasury Procedures*
☒ Accounts Payable Procedures	☐ Foreign Exchange Contracts [FX-Contracts]
☐ Accounts Receivable Procedures	☐ Commodity Contracts
☐ Financial Stock Procedures	☐ Guarantees Contracts
☐ Financial Management Procedures	☐ Export Credit Insurance [ECI]
☐ Authorization Procedures	☐ Provision of Intercompany Financing
☐ Salary & Wages Procedures	☐ Establishment of Bank Accounts
☐ Financial Management of Equipment Procedures	
☐ Fiscal Procedures	
☐ Financial Applications Management Procedures	
☐ Interfacing Procedures	
☐ Reporting Procedures	

Audit Purpose

To measure the extent of implementation of FA-PR-1.0 Accounts Payable Procedure.

Audit Basis

Topics that need special attention in order to prevent duplicate payments: • Registration of Accounts Payables invoices; • Payment of Accounts Payable invoices.

Audit Agenda

Day / Time	*Topic*	*Persons required*
Day 1: 09-12-2013		
11:00-11:30	Opening Meeting	Auditee, Auditor and involved parties
12:30-14:00	Managing Accounts Payable Master Data - Registration - Deviation	BSC, EVN
Day 2: 10-12-2013		
10:00-13:00	Processing of Purchase Invoices - Authorization of P/D/S	To be decided
Day 3: 11-12-2013		
14:00-16:00	Remittance Proposal Accounts Payable - Authorization of payment approval	To be decided
Day 4: 13-12-2013		
10:00-10:30	Audit summarization	Responsible Accounts Payable & Manager Accounting
Day 5: 17-12-2013		
10:00-10:30	Audit summarization	Manager Financial Systems & Internal Audits
15:00-15:30	Closing meeting	All auditees + auditor(s)
Times are indicative		

The audit conclusions will be discussed in an audit closing meeting. The audit will be documented in an audit report.

Date	Lead Auditor	Auditor 2
29-11-2013	UBH	N/A

APPENDIX D: AUDIT INTERVIEW QUESTIONS

No.	Interview questions	Interviewee
1	Is there an up-to-date version available of the Accounts Payable Procedure?	● Mr. M. van Beurden
2	Do you confirm that you work according to the procedure as stated by Van Oord? And how can you be so sure about this?	● Accounts Payable Department
3	Do you work according to a job description and/or any other descriptions? If so, where can these be found and how are these kept up-to-date? What procedures follow up in case of absence and/or holiday?	● Accounts Payable Department ● Accounting Department
4	Are all incoming invoices received daily and on a fixed location by one person?	● Accounts Payable Department
5	How is made sure that all the received invoices are registered?	● Accounts Payable Department
6	Are the scanned invoices counted and compared with the quantity of paper invoices?	● Accounts Payable Department
7	Is it checked whether the invoice has the correct details (company name, address, bank account, etc.) before posting and are these posted in time?	● Accounts Payable Department
8	Are the posted invoices visible to the management and are these checked?	● Accounts Payable Department
9	Are e-mail confirmations requested from the creditor when creditor details are changed without being informed?	● Accounts Payable Department
10	Are creditors contacted when they do not respond to the request?	● Accounts Payable Department
11	Are the confirmations stored on a safe place and kept for at least a year or more?	● Accounts Payable Department
12	Are creditor contact details in the financial application updated correctly only after receiving a confirmation?	● Accounts Payable Department
13	Are creditor contact details checked and approved by the management?	● Accounts Payable Department ● Mr. E. van der Meeren
14	Are all purchase orders matched with the received goods or service and the invoice?	● Accounts Payable Department
15	Are non-matches approved by a mandated person?	● Accounts Payable Department
16	How are the authorized invoices posted to the specified cost object?	● Accounts Payable Department
17	Are remittance proposals created every week by the Employee F&A?	● Accounts Payable Department
18	Are remittance proposals approved by the upper management and involved ones and is this done by checking the totals?	● Accounts Payable Department ● Mr. J. Rijneveld ● Mr. M. van Baalen
19	Are remittance proposals corrected immediately when errors are found?	● Accounts Payable Department ● Mr. J. Rijneveld ● Mr. M. van Baalen
20	Are corrected errors in the remittance proposals checked again by the management?	● Accounts Payable Department ● Mr. J. Rijneveld ● Mr. M. van Baalen
21	Is the payment done directly after receiving an approval?	● Mr. M. van Baalen

INTERNAL AUDIT REPORT

Van Oord

Company:	Project:		Audit number:
Van Oord bv	Internal Audit on the Accounts Payable Procedure		2013-01-INT
Auditor (1, Lead):	**Auditor (2):**	**Auditor/ Observer (3):**	**Start date of audit:**
Usha Bhola	NA	NA	09-12-2013
Audit criteria: Internal Audit Checklist Accounts Payable Procedures			**Location:**
Standard / Norm ☒ FA-PR-1.0 ☐ TREA-PR-…	**Audit reference** ☒ Framework Regarding Internal Auditing of F&A and Treasury Procedure ☐ Other, specify:		Schaardijk 2011 3063NH ROTTERDAM Van Oord bv The Netherlands

MANAGEMENT SUMMARY

Auditee scope of work:
The scope of work for the Accounts Payable Department is the provision of effective and efficient financial and administrative services for various Van Oord entities. This includes registering, processing and monitoring payments and expenditures within established time limits.

Audit scope:
To measure the extent of performance and implementation of FA-PR-1.0 in the Accounts Payable Department and report the internal audit findings with possible improvements.

Auditees interviewed:
- Mr. B. Schlieker
- Mr. E. van der Meeren
- Mr. J. Rijneveld
- Mr. R. Roman
- Ms. L. Bode

Audit conclusion:
It is concluded that the Accounts Payable Department works conform the procedure as described in FA-PR-1.0. Though, three checkpoints have not been graded an OK, for which twice an OB and once a NC are reported.

Audit results overview:
Reference is made to the Internal Audit Findings and the Improvement/ NC Reports issued during the audit.

Reported by auditor (1, Lead):	Function	Initials	Signature	Date of signature
U. Bhola	Internal Auditor	UBH		19-12-2013
Acknowledged by (Auditee):	**Function**	**Initials**	**Signature**	**Date of signature**
E. van der Meeren	Manager Accounting Department	EVN		19-12-2013

Distribution list:
☒ Auditee ☐ Treasury Dept. Manager ☐ Other, specify:
☒ Mng. Financial Systems & Internal Audits ☒ F&A Dept. Manager

APPENDIX F: IMPROVEMENT/NC REPORT

IMPROVEMENT / NC REPORT　　　　　　　　　**Van Oord**
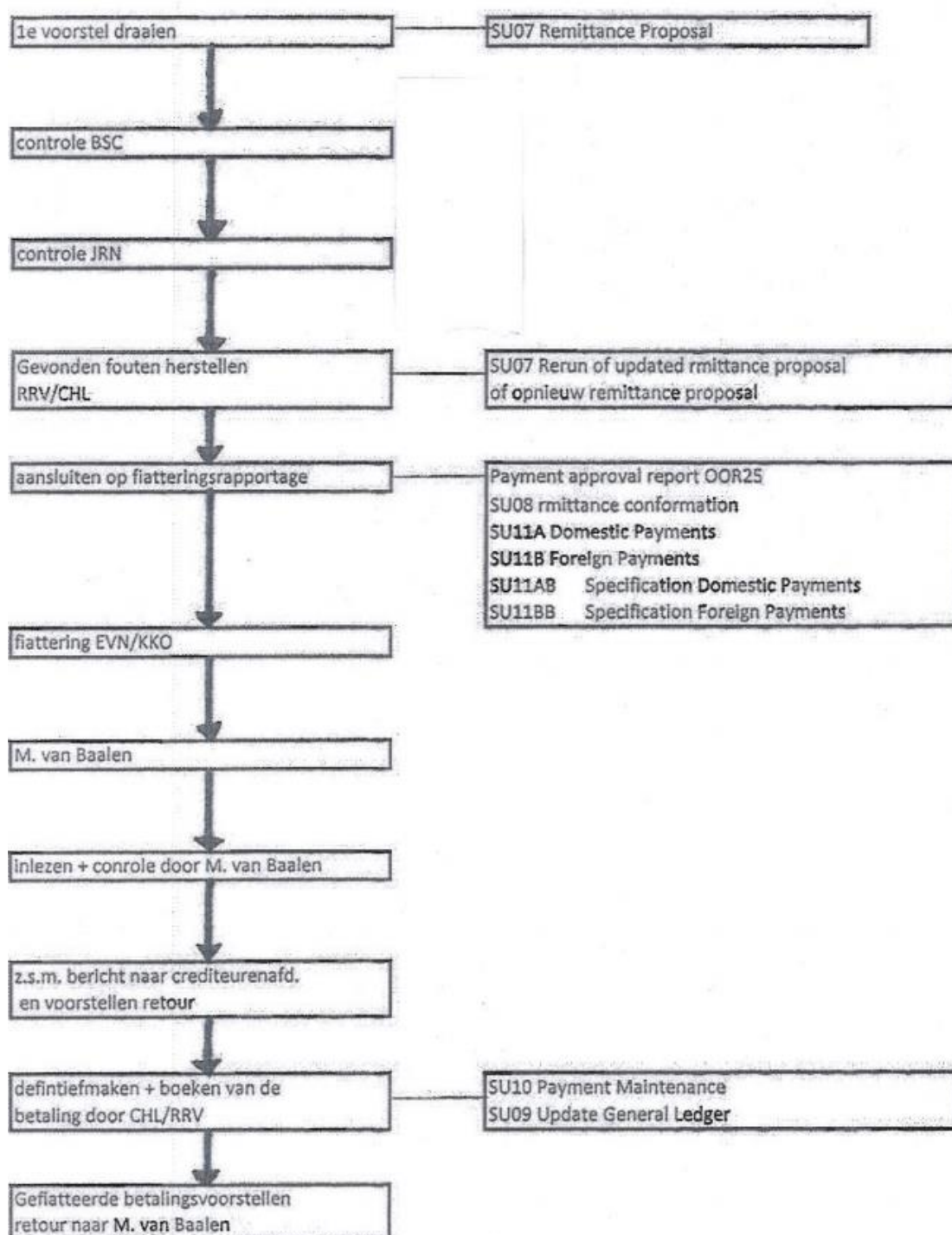
Regarding: ☒ Department F&A ☐ Department Treasury ☐ Other:........ Initials Responsible: EVN	Standard / Norm ☒ FA-PR-1.0 ☐ TREA-PR-...	Audit related ☒ Non conformity process ☒ Observation Not audit related: ☒ Improvement ☐ Complaint	Audit Number: 2013-01-INT Start Date of Audit: 09-12-2013 Defined by: UBH

Findings:

1.2| Comparing the user rolls with the job description it is concluded that the employees of the Accounts Payable Department (not including the Team Leader) have more rights in the financial application than necessary.

3.4| The Manager Accounting Department started checking the mutation lists of the creditor details from the 27th of November of 2013 on recommendations of an accountant. However, only 3 mutations are registered till date, for which an NC is given for this.

4.3| Within the workflow of the financial application personnel could be added freely. Fixed functions cannot be replaced.

Although the Accounts Payable Department does their utmost best to register, process and monitor payments and expenditure conform the procedures, the audit findings cannot be directly related to the prevention of duplicate payments. Therefore, it cannot be assured whether duplicate payments are precluded.;

Non-compliant with: Accounts Payable Procedure FA-PR-1.0	Responsible for follow-up: Accounting Department	Due date: To be decided

Root cause (determine at least one):

Work related factors	Work related factors	Personal factors
☐ Insufficient/incorrect supervision	☐ Insufficient work consultation	☐ Insufficient knowledge
☐ Incorrect purchasing	☐ Incorrect planning of activities	☐ Insufficient experience
☒ Incorrect work method	☐ Incomplete personnel	☐ Incorrect motivation
☐ Insufficient instruction		

Corrective action/suggestion(s) to be carried out:

1.2| The rights in the financial application could be made more specific to the daily tasks of the user.

3.4| The mutation list of the Accounts Payable Master Data needs to be checked and approved by the F&A Responsible for Administration and it needs to be visible that he has checked and approved this.

4.3| Adding personnel to the workflow will lead to longer workflow chains. Though, as long as the payment process takes place within the terms of payment, no corrective actions need to be taken.

Also, in order to preclude duplicate payments in the Accounts Payable Procedure further detail research is suggested to be done.

Action(s) required to prevent recurrence:
1. User roles could be made limited through the ABW competence Centre.
2. Manager Financial Systems & Internal Audits may check periodically whether the mutation lists are being checked by the Manager Accounting Department.
3. No preventive actions are required as long as the payment process takes place within the terms of payments.

Objective evidence enclosed: ☒ Yes ☐ No	See attachments I, II, III, IV, V and VI

Corrective action(s) verified: Initials　　Position　　Signature:　　Date: EVN　　Manager Accounting　　　　19-12-2013	Closed by Manager Financial Systems & Internal Audits Initials: MVB Date:　19-12-2013

Distribution (closed) finding report:

☒ Auditee	☒ F&A Dept. Manager	☐ Other, specify:
☒ Mng. Fin. Systems & Int. Audits	☐ Treasury Dept. Manager	

APPENDIX G:AUDIT EVIDENCE

This appendix shows all the collected audit evidence.

G.1. PAYMENT PROCESSING

Betalingsafhandeling

Werkverdeling crediteurenafdeling

Aanwezig — BSC/RRV/LIB/AMF/CHL

AMF= Danielle van Amersfoort
BSC= Bas Schlieker
CHL= Carolien v.d. Heuvel
LIB= Lisanne Bode
RRV= Ravi Roman

MA/DI/WO/VR	0010	0076	0020	0120	0600	"0083
registratie	AMF/LIB	CHL/RRV	CHL/RRV	RRV	RRV	RRV
registratie ABW orders	voorlopig BSC	BSC/CHL/RRV				
MP5	BSC/CHL/RRV					
Post ophalen en uitzoeken	BSC	BSC	BSC	BSC	BSC	BSC
binnenhalen fakturen	RRV/LIB/CHL	RRV/LIB/CHL	RRV/LIB/CHL	RRV/LIB/CHL	RRV/LIB/CHL	RRV/LIB/CHL
Crediteuren aanmaken	RRV/BSC	RRV/BSC	RRV/BSC	RRV/BSC	RRV/BSC	RRV/BSC
Doorboeken fakturen	BSC	BSC	BSC	BSC	BSC	BSC
nakijken registratie	BSC	BSC	BSC	BSC	BSC	BSC
aanmaningen behandelen	RRV	BSC	RRV	RRV	RRV	RRV
aanmaken suppliers MP5	BSC/CHL	BSC/CHL				
nakijken /corr. Digitaal ontv. BCD fakturen	LIB					
Betaling	RRV	CHL	RRV	RRV	RRV	RRV
nakijken betaling	BSC	BSC	BSC	BSC	BSC	BSC
Nieuwe BCD files doorsturen naar ABW-desk	BSC					

E-mail FA.ACC enz	BSC
BCD tussenrekening/betalingen	LIB/BSC
Snipperdagen	BSC/KKO
E-mail Invoices.Rotterdam	BSC

Alle niet BCD berichten afhandelen, en verwijderen na afhandeling

Alle nieuw binnen komende fakturen uitprinten en in de registratie bakje doen,, vervolgens faktuur naar deleted zetten in de zelfde mailbox Invoices.rotterdam.com
Alle andere berichten rejecten met de boodschap : Dit E-mailadres is alleén voor de ontvangst van nieuwe fakturen!
Alle BCD fakturen laten staan, deze lopen via een automatische verwerking

Role ABW - Smart Client	Accounts payable 1st Officer AP1				Accounts payable 2nd Officer AP2				Accounts payable 3rd Officer AP3				Posting accounts payable PAP				
	C	R	U	D	C	R	U	D	C	R	U	D	C	R	U	D	
- Personal menu		x							x	x	x	x					fi
- Startup																	
- Agesso Common									x	x	x	x					x
- Maintenance of ordered reports																	
- Reports printout																	
- Accounting structure																	
- Attributes and relations						x			x	x	x	x					x
- Attributes value RESNO																	
- Attributes																	
- Exchange rates																	
- User access																	
- Workflow																	
- Balance table enquiry																	
- Document archive									x	x	x	x					x
- Documents for registration									x	x	x	x					x
- Document load									x	x	x	x					x
- Document maintenance									x	x	x	x					x
- Batch input									x	x	x	x					x
- Copy browser templates																	
- Fixed registers										x							x
- Payment bank									x	x	x						x
- System setup																	
- Common tools																	
- Agresso Financials		x				x			x	x				x			x
- Agresso Projects																	
- Agresso Human Resources																	x
- Agresso Logistics																	x
- Agresso Information Manager																	
- Agresso Planner																	x
- Settings																	

Main task

AP1	AP2	AP3	PAP
Personal menu Financial - GL registration - AP Register Creditor	Financial - AP Human resource - Payment transact. - Batch input Logistics - Invoice registration - Purchase cards Planner - GOH budget/forec. Posting invoice	Personal menu Common - Attributes & rel. - Doc. Archiving Human resource - Payment transact. - Batch input Logistics - Invoice registration - Purchase cards Planner - GOH budget/forec. Payment	Financial - GL - AP

User	Description	Role ID	Client	Persno	Status
LIB	Bode, L.R. (Lisanne)	AP1	0010	T010302	N
LIB	Bode, L.R. (Lisanne)	AP1	0020	T010302	N
LIB	Bode, L.R. (Lisanne)	AP1	0076	T010302	N
LIB	Bode, L.R. (Lisanne)	AP1	0083	T010302	N
LIB	Bode, L.R. (Lisanne)	AP1	0120	T010302	N
LIB	Bode, L.R. (Lisanne)	AP1	0600	T010302	N
LIB	Bode, L.R. (Lisanne)	AP2	0010	T010302	N
LIB	Bode, L.R. (Lisanne)	AP2	0020	T010302	N
LIB	Bode, L.R. (Lisanne)	AP2	0076	T010302	N
LIB	Bode, L.R. (Lisanne)	AP2	0083	T010302	N
LIB	Bode, L.R. (Lisanne)	AP2	0120	T010302	N
LIB	Bode, L.R. (Lisanne)	AP2	0600	T010302	N
LIB	Bode, L.R. (Lisanne)	AP3	0010	T010302	N
LIB	Bode, L.R. (Lisanne)	AP3	0020	T010302	N
LIB	Bode, L.R. (Lisanne)	AP3	0076	T010302	N
LIB	Bode, L.R. (Lisanne)	AP3	0083	T010302	N
LIB	Bode, L.R. (Lisanne)	AP3	0120	T010302	N
LIB	Bode, L.R. (Lisanne)	AP3	0600	T010302	N
LIB	Bode, L.R. (Lisanne)	GL	0010	T010302	N
LIB	Bode, L.R. (Lisanne)	GL	0020	T010302	N
LIB	Bode, L.R. (Lisanne)	GL	0076	T010302	N
LIB	Bode, L.R. (Lisanne)	GL	0083	T010302	N
LIB	Bode, L.R. (Lisanne)	GL	0120	T010302	N
LIB	Bode, L.R. (Lisanne)	GL	0600	T010302	N
LIB	Bode, L.R. (Lisanne)	VIEW	0010	T010302	N
LIB	Bode, L.R. (Lisanne)	VIEW	0020	T010302	N
LIB	Bode, L.R. (Lisanne)	VIEW	0076	T010302	N
LIB	Bode, L.R. (Lisanne)	VIEW	0083	T010302	N
LIB	Bode, L.R. (Lisanne)	VIEW	0120	T010302	N
LIB	Bode, L.R. (Lisanne)	VIEW	0600	T010302	N
LIB	Bode, L.R. (Lisanne)	WFCREDBCD	0010	T010302	N

User	Description	Role ID	Client	Persno	Status
CHL	Heuvel, van den C.	AP1	0010	S766410	N
CHL	Heuvel, van den C.	AP1	0020	S766410	N
CHL	Heuvel, van den C.	AP1	0076	S766410	N
CHL	Heuvel, van den C.	AP1	0083	S766410	N
CHL	Heuvel, van den C.	AP1	0120	S766410	N
CHL	Heuvel, van den C.	AP1	0600	S766410	N
CHL	Heuvel, van den C.	AP2	0010	S766410	N
CHL	Heuvel, van den C.	AP2	0020	S766410	N
CHL	Heuvel, van den C.	AP2	0076	S766410	N
CHL	Heuvel, van den C.	AP2	0083	S766410	N
CHL	Heuvel, van den C.	AP2	0120	S766410	N
CHL	Heuvel, van den C.	AP2	0600	S766410	N
CHL	Heuvel, van den C.	AP3	0010	S766410	N
CHL	Heuvel, van den C.	AP3	0020	S766410	N
CHL	Heuvel, van den C.	AP3	0076	S766410	N
CHL	Heuvel, van den C.	AP3	0083	S766410	N
CHL	Heuvel, van den C.	AP3	0120	S766410	N
CHL	Heuvel, van den C.	AP3	0600	S766410	N
CHL	Heuvel, van den C.	GL	0010	S766410	N
CHL	Heuvel, van den C.	GL	0020	S766410	N
CHL	Heuvel, van den C.	GL	0076	S766410	N
CHL	Heuvel, van den C.	GL	0083	S766410	N
CHL	Heuvel, van den C.	GL	0120	S766410	N
CHL	Heuvel, van den C.	GL	0600	S766410	N
CHL	Heuvel, van den C.	VIEW	0010	S766410	N
CHL	Heuvel, van den C.	VIEW	0020	S766410	N
CHL	Heuvel, van den C.	VIEW	0076	S766410	N
CHL	Heuvel, van den C.	VIEW	0083	S766410	N
CHL	Heuvel, van den C.	VIEW	0120	S766410	N
CHL	Heuvel, van den C.	VIEW	0600	S766410	N

User	Description	Role ID	Client	Persno	Status
BSC	Schlieker, Bas	AP1	0010	S848200	N
BSC	Schlieker, Bas	AP1	0020	S848200	N
BSC	Schlieker, Bas	AP1	0076	S848200	N
BSC	Schlieker, Bas	AP1	0083	S848200	N
BSC	Schlieker, Bas	AP1	0120	S848200	N
BSC	Schlieker, Bas	AP1	0600	S848200	N
BSC	Schlieker, Bas	AP2	0010	S848200	N
BSC	Schlieker, Bas	AP2	0020	S848200	N
BSC	Schlieker, Bas	AP2	0076	S848200	N
BSC	Schlieker, Bas	AP2	0083	S848200	N
BSC	Schlieker, Bas	AP2	0120	S848200	N
BSC	Schlieker, Bas	AP2	0600	S848200	N
BSC	Schlieker, Bas	AP3	0010	S848200	N
BSC	Schlieker, Bas	AP3	0020	S848200	N
BSC	Schlieker, Bas	AP3	0076	S848200	N
BSC	Schlieker, Bas	AP3	0083	S848200	N
BSC	Schlieker, Bas	AP3	0120	S848200	N
BSC	Schlieker, Bas	AP3	0600	S848200	N
BSC	Schlieker, Bas	AR	0010	S848200	N
BSC	Schlieker, Bas	AR	0020	S848200	N
BSC	Schlieker, Bas	AR	0076	S848200	N
BSC	Schlieker, Bas	AR	0083	S848200	N
BSC	Schlieker, Bas	AR	0120	S848200	N
BSC	Schlieker, Bas	AR	0600	S848200	N
BSC	Schlieker, Bas	GL	0010	S848200	N
BSC	Schlieker, Bas	GL	0020	S848200	N
BSC	Schlieker, Bas	GL	0076	S848200	N
BSC	Schlieker, Bas	GL	0083	S848200	N
BSC	Schlieker, Bas	GL	0120	S848200	N
BSC	Schlieker, Bas	GL	0600	S848200	N
BSC	Schlieker, Bas	LOAP1	0010	S848200	N
BSC	Schlieker, Bas	SUPER	0010	S848200	N
BSC	Schlieker, Bas	SUPER	0020	S848200	N
BSC	Schlieker, Bas	SUPER	0076	S848200	N
BSC	Schlieker, Bas	SUPER	0083	S848200	N
BSC	Schlieker, Bas	SUPER	0120	S848200	N
BSC	Schlieker, Bas	SUPER	0600	S848200	N
BSC	Schlieker, Bas	VIEW	0010	S848200	N
BSC	Schlieker, Bas	VIEW	0020	S848200	N
BSC	Schlieker, Bas	VIEW	0076	S848200	N
BSC	Schlieker, Bas	VIEW	0083	S848200	N
BSC	Schlieker, Bas	VIEW	0120	S848200	N
BSC	Schlieker, Bas	VIEW	0600	S848200	N
BSC	Schlieker, Bas	WFCRED0010	0010	S848200	N
BSC	Schlieker, Bas	WFCRED0020	0020	S848200	N
BSC	Schlieker, Bas	WFCRED0076	0076	S848200	N
BSC	Schlieker, Bas	WFCRED0083	0083	S848200	N
BSC	Schlieker, Bas	WFCRED0120	0120	S848200	N
BSC	Schlieker, Bas	WFCRED0600	0600	S848200	N

User	Description	Role ID	Client	Persno	Status
RRV	Roman, R.	AP1	0010	S840750	N
RRV	Roman, R.	AP1	0020	S840750	N
RRV	Roman, R.	AP1	0076	S840750	N
RRV	Roman, R.	AP1	0083	S840750	N
RRV	Roman, R.	AP1	0120	S840750	N
RRV	Roman, R.	AP1	0600	S840750	N
RRV	Roman, R.	AP2	0010	S840750	N
RRV	Roman, R.	AP2	0020	S840750	N
RRV	Roman, R.	AP2	0076	S840750	N
RRV	Roman, R.	AP2	0083	S840750	N
RRV	Roman, R.	AP2	0120	S840750	N
RRV	Roman, R.	AP2	0600	S840750	N
RRV	Roman, R.	AP3	0010	S840750	N
RRV	Roman, R.	AP3	0020	S840750	N
RRV	Roman, R.	AP3	0076	S840750	N
RRV	Roman, R.	AP3	0083	S840750	N
RRV	Roman, R.	AP3	0120	S840750	N
RRV	Roman, R.	AP3	0600	S840750	N
RRV	Roman, R.	GL	0010	S840750	N
RRV	Roman, R.	GL	0020	S840750	N
RRV	Roman, R.	GL	0076	S840750	N
RRV	Roman, R.	GL	0083	S840750	N
RRV	Roman, R.	GL	0120	S840750	N
RRV	Roman, R.	GL	0600	S840750	N
RRV	Roman, R.	VIEW	0010	S840750	N
RRV	Roman, R.	VIEW	0020	S840750	N
RRV	Roman, R.	VIEW	0076	S840750	N
RRV	Roman, R.	VIEW	0083	S840750	N
RRV	Roman, R.	VIEW	0120	S840750	N
RRV	Roman, R.	VIEW	0600	S840750	N

G.5. FORMAT CONFIRMATION REQUEST

Heuvel, Carolien (C) van den

From:	Schlieker, Bas (B)
Sent:	05 August 2013 15:43
To:	Heuvel, Carolien (C) van den; Koning, Shirley (SJH) de; Bode, Lisanne (LR); Roman, Ravi (R)
Subject:	FW: wijziging bankgegevens

Collega's,

Graag deze tekst gebruiken in de E-mails met het verzoek de bankmutaties te bevestigen.

Bas

Geachte relatie,

Recent zijn wij geconfronteerd met een nieuwe vorm van fraude waarbij leveranciers ons melden dat per post verstuurde facturen gericht aan diverse leveranciers
zijn onderschept en voorzien van een ander bankrekeningnummer, dan wel voorzien zijn van tekst waarin een wijziging in het bankrekening nummer gemeld werd.

Om te voorkomen dat wij onze NAW gegevens ten onrechte wijzigen en dus naar een verkeerd bankrekening nummer overmaken, verzoeken wij u de op uw facturen
aangegeven bankrekeningmutatie per e-mail te bevestigen.

Wij vertrouwen op uw begrip i.v.m. deze maatregel.

Met vriendelijke groet

FUNCTIEGEBONDEN VOLMACHTEN VANAF 2012 – 2015   bedragen in EURO   24/08/2013

Dept nr.	Description	Naam		Functie	startdatum	Einddatum	Inkoop Invoices	Opmerking
0051	VO Procurement	Bartolovic-Baban, N.	CM	Category Manager Staff	01-11-2012	15-02-2015	50,000	gehanteerd wordt niet inrichten
0051	VO Procurement TRSP	Beek, H.H. van	Pur	Purchaser VOP	01-11-2012	15-01-2015	2,500	
0051	VO Procurement Shangai	Beeten, C. van	TMP	Team Manager Purchase	05-01-2009	15-01-2015	50,000	250,000 =Fuel niet inrichten
0051	VO Procurement MRO	Bodegraven, R.M. van	Pur	Purchaser VOP	01-11-2012	15-01-2015	2,500	
0051	VO Procurement MRO	Cardini, R.	Pur	Purchaser VOP	01-11-2012	15-01-2015	2,500	
0051	VO Procurement MRO	Chin, X.W.	Pur	Purchaser VOP	01-11-2012	15-01-2015	2,500	
0051	VO Procurement Consumables	Dabadie, C.S.S	Pur	Purchaser VOP	01-11-2012	15-01-2015	2,500	250,000 =Fuel niet inrichten
0051	VO Procurement MRO	Hoogendooren, R.	TMP	Team Manager VOP	15-11-2012	16-01-2015	50,000	fuel
0051	VO Procurement Fuel/Lub		Pur+	Purchaser VOP	01-11-2012	15-01-2015	25,000	
0051	VO Procurement Management	Kwakernaak, J.M.	SD	Staff Director Van Oord	01-12-2012	15-01-2015	1,000,000	voor afd 100.000
0051	VO Procurement Steel W&T Cons	Loef, P.	Pur	Purchaser VOP	01-11-2012	15-01-2015	2,500	
0051	VO Procurement MRO	Nipperry, M.F	Pur	Purchaser VOP	01-11-2012	15-01-2015	2,500	
0051	VO Procurement Consumables/P desk	Oliveira Vieira Andrade, C.H.	Pur	Purchaser VOP	01-11-2012	15-01-2015	2,500	
0051	VO Procurement Steel W&T Cons	Otter, G.C.	CM	Category Manager W&T	01-11-2012	15-01-2015	50,000	fuel
0051	VO Procurement Project Proc	Kynje, F.F.H	MG	Deputy Manager Procure	15-01-2012	15-01-2015	500,000	
0051	VO Procurement Fuel/Lub	M.A.O	Pur+	Purchaser VOP Parts	01-11-2012	15-01-2015	250,000	
0051	VO Procurement Steel W&T Cons	Wijngaert, J. de	Pur	Purchaser VOP	01-11-2012	15-01-2015	2,500	
0051	VO Procurement MRO	Zegers, M	Pur	Purchaser VOP	01-11-2012	15-01-2015	2,500	
0051	VO Procurement Shangai	Zhou, Daisy	Pur P	Purchaser VOP Parts	01-08-2013	15-01-2015	500	
0051	VO Procurement Shangai	Zhang, Nicole	Pur P	Purchaser VOP Parts	01-08-2013	15-01-2015	500	
0051	VO Procurement Shangai	Zhang, Cathy	Pur P	Purchaser VOP Parts	01-08-2013	15-01-2015	500	
0051	VO Procurement Shangai	Tang, Tony	Pur P	Purchaser VOP Parts	01-06-2013	15-01-2015	500	
0051	VO Procurement Shangai	Yang, Eric	Pur P	Purchaser VOP Parts	01-06-2013	15-01-2015	500	
0051	VO Procurement Shangai	Shi, Amy	Pur P	Purchaser VOP Parts	01-06-2013	15-01-2015	500	
0051	VO Procurement Shangai	Jiang, Monica	Pur P	Purchaser VOP Parts	01-06-2013	15-01-2015	500	
0051	VO Procurement TRSP	Wallenberg Dockel, M.	FWA	Forwarding Agent VOP	01-11-2012	15-01-2015	2,500	
0051	VO Procurement TRSP	Limberg, J.D.	FWA	Forwarding Agent VOP	01-11-2012	15-01-2015	5,000	
0051	VO Procurement TRSP	Leendag, A.J	FWA	Forwarding Agent VOP	01-11-2012	16-01-2015	2,500	
0051	VO Procurement TRSP	Jong, R. de	FWA	Forwarding Agent VOP	01-11-2012	15-01-2015	10,000	
0051	VO Procurement TRSP	Jong, S. de	TRSC	Transport Coordinator V	01-11-2012	15-01-2015	10,000	
0051	VO Procurement Mat & Rel Serv	Lems, W.H	MMRS	Manager Materials & Rel	01-04-2013	15-01-2015	500,000	
0051	VO Procurement Fuel/Lub	Bely, H.B. van den	Pur	Purchaser VOP	07-01-2013	15-01-2015	25,000	fuel
0051	VO Procurement	Tost, J.H. van	MTHS	Manager Transport, Han	01-08-2013	31-12-2013	50,000	fuel a/l POA pending

APPENDIX H: FOLLOW UP OF MULTIPLE REGISTRATIONS

This appendix describes the follow-up of the findings in the research of multiple registration of incoming invoices.

The Masterfile as seen in image is altered, as this research rook approx 3 weeks. The first column in this image shows the status A, B and C which stand for respectively registered, posted and paid. Findings of multiple registration in the Masterfile need to be checked whether these actually were paid, corrected or whether these have been put on "hold". To check whether Van Oord really paid their suppliers a check needs to be done on bank statements. Though, the bank administration of the ten entities which are relevant for this research are not all accessible. Therefore, the responsible persons of these entities need to be contacted.

The bank statements prove whether a supplier is paid twice for the purchase or usage of service. When one registration is paid twice to the supplier, then he will be requested to reverse the payment.

Comp	Company(T)	Suppl	SuppID(T)	TransNo	InvoiceN	Inv.date	Text	C	Curr. amo	Amoun
0010	Van Oord Dredging and Marine Contractors BV	100701	Dhl International B.V.	1400192483	DBI0484101	04-06-2013	Clearance Authorisation	EUR	-38.00	-38.00
0076	Van Oord Ship Management B.V.	100701	Dhl International B.V.	1400222077	DBI0484101	18-06-2013	Div. koeriersdiensten	EUR	-38.00	-38.00

The invoice above was meant for Van Oord Ship Management BV and was paid on the 26th of June 2013. Van Oord Dredging and Marine Contractors paid the invoice on the 17th of June 2013.
Mr. B. Schlieker questions whether the amount of €38,00 is worth the effort in relation to the quantity of administration work and will discuss this with Mr. M. van Beurden.

Comp	Company(T)	Suppl	SuppID(T)	TransNo	InvoiceN	Inv.date	Text	C	Curr. amo	Amoun
0010	Van Oord Dredging and Marine Contractors BV	108335	Hydratight BV	1400220498	7144001923	23-12-2013	Rental equipment Charges 08/08/2013 - 01/11/2013	EUR	-22,365.86	-22,365.86
0492	VODMC Area Offshore Projects (Korea)	100105	Hydratight	1400001215	7144001923	28-11-2013	Hydratight rental equipment charges 08-08/01-11-13	EUR	-22,365.86	-22,365.86

The registration above is paid by Van Oord Dredging and Marine Contractors BV on the 13th of January 2014. This invoice was meant for Van Oord Dredging and Marine Contractors, but Van Oord Dredging and Marine Contractors Area Offshore Projects (Korea) registered this invoice as well.
After contacting Mr. L. Krijnen it is confirmed by him that the registration was reversed. Therefore, this invoice is paid once.

Comp	Company(T)	Suppl	SuppID(T)	TransNo	InvoiceN	Inv.date	Text	C	Curr. amo	Amoun
0010	Van Oord Dredging and Marine Contractors BV	108335	Hydratight BV	1400220499	7144001922	23-12-2013	Rental equipment Charges 02/11-29/11/2013	EUR	-8,141.93	-8,141.93
0492	VODMC Area Offshore Projects (Korea)	100105	Hydratight	1400001214	7144001922	28-11-2013	Hydratight flange spreaders rental 08-08/01-11-2013	EUR	-8,141.93	-8,141.93

The above registration is meant for Van Oord Dredging and Marine Contractors BV which was paid on the 13th of January 2014. However, also registered by Van Oord Dredging and Marine Contractors Area Offshore Projects (Korea).
After contacting Mr. L. Krijnen it is confirmed by him that the registration was reversed. Therefore, this invoice is also paid once.

Comp	Company(T)	Suppl	SuppID(T)	TransNo	InvoiceN	Inv.date	Text	C	Curr. amo	Amoun
0010	Van Oord Dredging and Marine Contractors BV	108320	Jac Rijk BV	1400197877	1300287	12-07-2013	Huur lepelbord Wk27/2013	EUR	-242.00	-242.00
0202	Van Oord Nederland B.V.	101154	Jac. Rijk B.V.	1400045041	1300287	13-08-2013	hr lepelbord cat 966 wk 27	EUR	-242.00	-242.00

The invoices above are both posted, as the supplier had sent an invoice meant for both entities.
Mr. M. van Beurden confirmed to contact the responsible ones for a follow-up procedure.

Comp	Company(T)	Suppl	SuppID(T)	TransNo	InvoiceN	Inv.date	Text	C	Curr. amo	Amoun
0010	Van Oord Dredging and Marine Contractors BV	108129	Serimax South East Asia Pte Ltd.	1400178100	6290.02.A01	12-02-2013	S-Oil Pipeline and PLEM installation 103888	EUR	-65,000.00	-65,000.00
0492	VODMC Area Offshore Projects (Korea)	100033	Serimax South East Asia	1400000102	6290.02.A01	13-03-2013	Serimax AP start WPQ	EUR	-65,000.00	-65,000.00

The invoices above are both registered. The invoice was meant for Van Oord Dredging and Marine Contractors BV and was paid on the 11th of March 2013.
Mr. L. Krijnen confirms that the payment of Van Oord Dredging and Marine Contractors did not took place. Therefore, there is no double payment.

Compa ▾	Company(T) ▾	SuppI ▾	SuppID(T) ⊺▾	TransNo ▾	InvoiceN ▾	Inv.date ▾	Text ▾	C ▾	Curr. amo ▾	Amoun ▾
0115	Offshore Windpark Development Project	106157	Temp-Team A/S	1400002757	631590	19-07-2013	Temp-Team: Munch wk 25	DKK	-15,912.50	-2,133.04
0010	Van Oord Dredging and Marine Contractors BV	108316	Temp-Team A/S	1400197611	631590	10-07-2013	Grethe Munch uge 25	DKK	-15,912.50	-2,133.04

The registration above is paid by Offshore Windpark Development Project on the 23rd of July 2013. This invoice was also paid by Van Oord Dredging and Marine Contractors on the 29th of July 2013.
Mr. A. Kant was contacted and he confirms that the payment has not been received from the supplier. Mr. M. van Beurden would contact the responsible for the follow-up procedure.

APPENDIX I: LIST OF IMPORTANT CREDITORS/SUPPLIERS

List of Important Creditors/Suppliers
Date: 20-12-2013
Page 1 of 1
REV. 1.0

Van Oord

1) A.Nobel En Zn. Filter & Separ.
2) ABB B.V.
3) Akkermans Techniek Breda B.V.
4) Alfa Laval Aalborg B.V.
5) Alfa Laval Benelux B.V.
6) Allard Europe N.V.
7) Alphatron Marine B.V.
8) Arab Heavy Industries(Usd)
9) Arval B.V.
10) Asean International LTD.
11) Atlas Detachering B.V.
12) Atlas Service Group Dredging B.V.
13) Bakker Sliedrecht Electro B.V.
14) BCD Travel Nederland B.V.
15) Breman Machinery B.V.
16) Bureau Veritas
17) Caspian Invest LTD.
18) Caspiiksky Buksir LLP
19) China Ocean Shipping Agency, Nantong
20) CIMC Raffles Offshore (Singapore) LTD.
21) Cooper Gay & Co LTD.
22) Cosco (Nantong) ShipYard Co., LTD.
23) Damen Shiprepair Rotterdam B.V.
24) Damen Shiprepair Vlissingen
25) Damen Shipyard Gorinchem
26) Datema Nautical Safety Delfzijl
27) Dilago Hijs en Heftechniek B.V.
28) Donge Flushing Yards B.V.
29) DP Shipbuilding and Engineering PTE. LTD.
30) Econosto Nederland B.V.
31) Emstec GmbH
32) Endenburg B.V.
33) ES Elektro Sliedrecht
34) Esco Belgium S.A.
35) Gc Clad Parts B.V.
36) Geometius B.V.
37) German Dry Docks GmbH & Co, KG
38) Gilst W van B.V. Handelsmij
39) Gindana
40) Gms Instruments B.V.
41) Hatenboer-Water
42) Hebu Service B.V.
43) Heinen & Hopman Engineering B.V.
44) Hempel Coathings Ned B.V.
45) Holland Shipyards B.V.
46) Hoogland-Mennens B.V.
47) IHC Dredgers B.V.
48) IHC Parts & Services B.V.
49) Independent Risk Solutions
50) Interncontinental Bunkering
51) Jebsens Maritime INC.

52) K/S Combi Lift
53) Klaas de Boer B.V.
54) Kobout B.V.
55) KVH Industries INC.
56) Laco Handelsonderneming B.V.
57) Lanclan Hardware Management
58) Leaseplan Nederland N.V.
59) Magotteaux S.A.
60) MAN Diesel & Turbo Benelux B.V.
61) Mr. Esa Sillanpaa
62) MSA-Service
63) Ningbo United Group Imp. & Exp. Co. LTD.
64) Novotel Rotterdam Brainpark
65) O.W. Bunker Copenhagen A/S
66) Onsight Solutions B.V.
67) Pinta Handelsmij. Nieuwburg B.V.
68) Pon Power B.V.
69) PUMA (Projectorganisatie Uitbreiding Maasvlakte)
70) Rivium Chartering B.V.
71) Rubrica Ingeneria Y Arguitectura S.L.
72) Satfa B.V.
73) Saybolt Nederland B.V.
74) Schafer Shop B.V.
75) Sea Bunkering International B.V.
76) Shanghai Tancent
77) Shell Marine Products Singapore
78) Silverburn Shipping (IoM) LTD.
79) Singapore Technologies Marine
80) SMST Designers & Constructors B.V.
81) Snijder B.V.
82) Socia B.V.
83) Sodexo Remote Sites The Netherlands B.V.
84) Solar Nederland B.V.
85) STC-KNRM
86) Steder Group B.V.
87) Stemat B.V.
88) Storm Enignes & Parts B.V.
89) Stout Pijpleidingen
90) Theunissen Technical Trading B.V.
91) UAB O.W. Bunker Klaipeda
92) Van Voorden Castings B.V.
93) VCK Logistics Airfreight B.V.
94) Visa Card Services
95) Visumwinkel
96) Vlamboog B.V.
97) Wartsila Netherlands B.V.
98) Wavewalker B.V.
99) Wesco IJmuiden Apparatenbouw B.V.
100) Wijngaarden van Veilig Goed B.V.
101) World Fuel Services Europe LTD.
102) Wynmalen & Hausmann B.V.