



Internal Audit and
Finance Support for the
Hotel and Hospitality Industry

Hospitality
Audit
Services

www.hospitalityauditservices.co.uk

About Hospitality Audit Services

The Company was formed in 2012 by Chris Pearson primarily as an internal audit contractor for the hotel industry. Since then the business has grown to cover a wide range of hotel and hospitality support services.

We work with some of the largest hotel operators in the UK and Europe including group, management and asset management companies. Each year we visit over 150 hotels and have visited countries such as UK, USA, Ireland, Canada, Spain, Italy, Poland, Greece, France, Monaco, Germany, The Netherlands, Belgium, Austria, Luxembourg, Czech Republic and Switzerland.



Chris Pearson

Until the formation of HAS in 2012, Chris was Head of Internal audit at Mint Hotels based in London. This company owned eight hotels in the UK and Amsterdam that were noted for their quality and high standards. The largest had over 500 bedrooms with extensive Food and Beverage operations. In February 2012, these hotels were sold for over £600M and have since been re-branded as Doubletree by Hilton and Hilton Garden Inn Hotels.

As owner of Hospitality Audit Services, Chris has carried out financial and operational audits from small country house hotels, to large branded properties. This has taken him all over the UK and Europe. He has also carried out test purchases, written group SOP manuals as well as carrying out financial investigations.

Hospitality Audit Services only provide experienced contractors who have all worked in senior positions for large hotel companies.

Working with Hospitality Audit Services has the following benefits:

- Professional service provided by experienced industry professionals.
- High quality recommendations and reporting.
- Much more cost efficient than having a full time audit department.
- Payment is only for work done. Holidays, sickness etc are not part of any contract.
- Easier to target specific areas of concern.
- Truly independent advice with no vested interests.
- We don't have a hierarchy of senior and junior auditors. All auditors are experienced industry professionals.

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Internal Audit Support

Hospitality Audit Services core business is to provide an Internal Audit function for hotel companies. We do this for some of the largest hotel operators in the UK and Europe.

We carry out Financial and Operational audits covering all department including Finance, Front of House, Food and Beverage, Housekeeping and Human Resources. We review functions such as cash handling, banking, income audit, credit control, purchasing, payroll and stock control.

These audits are the industry standard. We can work from a companies own audit program but we have also created our own scoring audit program which can be used to review any hotel, no matter how large or small.

All hotel companies need a strong hotel audit function to check compliance with company standards, evaluate any risks to the business and to provide a check against fraud and malpractice. Outsourcing your internal hotel auditing requirements to a hotel audit contractor allows for your business, no matter how large or small, to have access to very experienced industry professionals at a cost to suit your budget.



*Holiday Inn and Holiday Inn Express Amsterdam
Arena Towers, 443 Bedrooms*

Standard Operating Procedures

The most effective audits are where we benchmark a hotels performance against a companies set of Standard Operating Procedures. We have noticed however that the majority of the companies we audit either do not have an up to date set of operating procedures or they have no documented procedures at all.

In these instances we audit against industry best practice. It does however leave processes open to interpretation. It is much more efficient to have a set of procedures which all hotels adhere to and which have been approved by senior financial managers within the group, not at hotel level. This will give much greater control, significantly reduce risk and reinforce your corporate brand.

We have written a set of Standard Operating Procedures for hotels which can be quickly edited and implemented. These cover the following areas;

- Cash handling
- Income audit
- Banking
- Petty Cash
- Floats and Keys

Other areas can be added at a later date, for example purchasing and credit control, but these SOP's cover the core areas.

Each hotel would then have a process which must be followed and can be effectively audited against.

Finance & General Manager Support

We can supply interim support to cover for sickness, gaps between appointments etc.

- Interim Financial Controllers. We can provide very experienced hotel finance personnel to help if you are short staffed for a short period of time.
- Interim Finance Support. We can provide support for most hotel finance functions including debt collection, sending out invoices, purchasing, bank reconciliations etc.
- Interim General Manager. We have experienced General Managers who can provide interim support if you are without a short term solution.



P&L and Balance Sheet Reviews including Management Accounting

It is likely that you will already carry out regular business review meetings where variances in P&L results against forecasts and budgets and balance sheet entries can be discussed but you are heavily reliant on what the Financial Controller and General Manager tell you. It is unlikely that you will have the time to actually check what you are being told.

We can visit hotels and review P&L results and balance sheets in detail, checking that nominals are accurate against actual invoices, accruals and pre-payments are acceptable, food and beverage purchases match stocktake results, margins are accurate, revenue recorded in the PMS matches the P&L and that balance sheet entries are reasonable and proportionate.

We understand that small business owners have limited time for managing their accounts. We can help you set up spreadsheets to manage your business on a daily, weekly, monthly and yearly basis. If you are new to the hospitality industry we can explain how to manage and control your business financially so that you are aware of your costs and revenues. This will help you to make informed decision which can only aid your business.

Independent Hotel Support

The finance departments of large hotel chains are run very strictly with Standard Operating Procedures in place which must be followed. There are also regular checks, or audits, to make sure that hotels are complying with company standards. This reduces the risk of serious financial mismanagement being overlooked.

This is not usually the case for independent hotels. Finance procedures vary from hotel to hotel. It is generally very much dependent on the experience and back ground of the Finance Manager.

Hospitality Audit Services can help independent hotels implement controls and procedures to the standards of the large hotel chains, for example Hilton, Marriott or IHG. We audit a lot of branded franchised and managed hotels and have a great deal of experience working with some of the largest and most prestigious hotels throughout the UK and Europe. We can bring this experience to benefit independent hotel owners.

Commercials – Revenue, Reservations and Sales

All hotels must ensure they have the correct pricing strategy & sales activities in place to maximise occupancy and room rates. With rooms revenue in hotels up to 85% or even 90% of total revenue, even minor errors in this area can have a significant impact on occupancy levels, income and profitability.

Our specialist auditors in this area have over 30 years industry experience working to the level of Cluster Director of Business Development & Area Sales Director for Hilton Worldwide Hotels.

As a minimum we can look at your current Pricing Strategy, Distribution Channels, Segmentation mix, use of Yield Management system, Competitors & Market Share Analysis. Sales activities including Account Management, Sales Conversion & Lead Generation.

Brand Standards and Mystery Guests

Building and developing your own Brand Standards should be number one on your list of priorities to ensure a high standard of great service. It is basis and reference point for staff at all levels to work from it is what makes the difference between developing a level of loyalty from your customers and staff and falling below expectation and creating a disengaged workforce.

Developing your own Brand Standards offers;

- Strengthen the guest journey
- Consistency of quality
- Increased trust and loyalty by the customer
- Staff loyalty and retention
- Standardized staff training
- Improved social media comments
- Reduced complaints

From our initial meeting to completion of your Brand Standards Manual, we will personalise and tailor your programme by combining our industry leading knowledge and experience with the requirements of your business.



*Hampton by Hilton Amsterdam
Arena Boulevard, 254 Bedrooms*

Hospitality Audit Service Ltd Clients

Hotels:

- Fairmont Monte Carlo
- Chewton Glen
- Shangri La – The Shard
- Hilton on Park Lane
- Hilton Barcelona
- Intercontinental Hotel Prague
- The Lowry Hotel
- Paris Marriott Opera Ambassador Hotel
- Cliveden House
- Hotel Des Indes, The Hague
- Nobu Hotel Ibiza Bay
- The Dupont Circle Hotel, Washington D.C.

Hotel Companies:

- Westmont Hospitality Group
- London & Regional Properties
- Macdonald Hotels
- Hallmark Hotels
- Handpicked Hotels
- Doyle Collection
- Leonardo Hotels
- Compass Hospitality
- The Hotel Collection
- Nadler Hotels

Franchises:





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