

Risk Prioritization Matrix

Audit Planning Document

No.	Risk Description	Likelihood (1-5)	Impact (1-5)	Total Score (L Ã— I)	Risk Category (High/Medium/Low)	Audit Coverage
1	Unauthorized access to financial systems	4	5	20	High	In-depth Review
2	Process delays in month-end closing	3	3	9	Medium	Limited Review
3	Data entry errors in inventory records	2	2	4	Low	Sample Testing

Risk Scoring Guide:

- **Likelihood:** 1 (Rare) to 5 (Almost Certain)
- **Impact:** 1 (Insignificant) to 5 (Severe)
- **Category:** High (16â€“25), Medium (6â€“15), Low (1â€“5)

Important Notes:

- The matrix provides a systematic basis for risk-based audit planning.
- Scores and categories should be validated by relevant stakeholders.
- Review and update the matrix regularly to reflect changing risk environment.
- Document all sources, data, and assumptions used in the assessments.