

Audit Planning Report

Identified Risks Table

#	Risk Description	Risk Category	Root Cause	Potential Impact	Likelihood	Risk Rating	Audit Response
1	Revenue may be misstated due to improper cut-off procedures.	Financial	Weak controls over end-of-period revenue recognition	Overstated revenue; misleading financial statements	High	Significant	Substantive testing of revenue transactions around period end.
2	Unauthorized access to sensitive financial data.	Operational/IT	Inadequate user access controls	Data breach; regulatory penalties	Medium	Moderate	Review of access rights and user activity logs.
3	Failure to comply with updated tax regulations.	Compliance	Lack of timely regulatory updates	Fines; legal consequences	Low	Low	Assess processes for staying current with regulations.

Important Notes

- This table provides a structured summary of key risks identified during audit planning.
- Risk ratings help prioritize audit resources and responses.
- Descriptions should be concise yet comprehensive to ensure clarity for all stakeholders.
- It is important to regularly update risk assessments as new information emerges during the audit process.
- The audit response column outlines how each risk will be addressed in the audit program.