

# Categorization of Audit Findings by Risk Level

## Summary Table

Risk Level	Description	Number of Findings	Examples
High	Findings with significant impact on the organization, potentially leading to financial loss, regulatory penalties, or reputational damage.	2	<ul style="list-style-type: none"><li>• Lack of segregation of duties in payment processing</li><li>• Unencrypted sensitive customer data</li></ul>
Medium	Findings that may have moderate impact and should be addressed in the short term to prevent escalation.	4	<ul style="list-style-type: none"><li>• Outdated employee access lists</li><li>• Incomplete vendor due diligence</li></ul>
Low	Minor findings with limited impact, often related to process improvements or best practices.	3	<ul style="list-style-type: none"><li>• Missing policy review dates</li><li>• Documentation inconsistencies</li></ul>

## Important Notes

- Risk categorization assists in prioritizing corrective actions and resource allocation.
- Each finding should be reassessed periodically, as business environments and controls evolve.
- High risk findings typically require immediate management attention.
- All findings, regardless of risk level, should be addressed to strengthen the overall control environment.
- Documentation should be clear, objective, and supported with evidence.