

Risk Assessment Document for Internal Audit

Introduction

This document presents the risk assessment process undertaken by the Internal Audit Department to identify, evaluate, and prioritize potential risks that may impact the organization's objectives. The assessment forms the foundation for the annual internal audit plan and ensures that audit activities are directed towards areas of highest risk and greatest significance to the organization.

Purpose

The purpose of this Risk Assessment Document is to:

- Define the approach and methodology used for risk assessment within the internal audit function.
- Document key risks identified across organizational processes, departments, and functions.
- Prioritize risks based on their likelihood and potential impact on the organization.
- Support the development of a risk-based annual internal audit plan.
- Facilitate communication of risk-related information to management and the Audit Committee.

Important Notes

- This document should be reviewed and updated at least annually or when significant organizational changes occur.
- Risk assessment is an ongoing process and may require adjustment as new information becomes available.
- All stakeholders should be engaged in the process to ensure comprehensive risk identification.
- Confidentiality should be maintained when handling sensitive risk information.