

INTERNAL AUDIT DEPARTMENT RISK REGISTER 2024-25

Objective	Risk Number	Risk category
To provide an independent and objective assurance to management through risk based auditing on the financials, systems and operations of the institution.	Audit/Risk/01/2022-2023	Operational
	Audit/Risk/02/2022-2023	Operational
	Audit/Risk/03/2022-2023	Operational

	Audit/ISMS-Risk/04/2022-2023	Reputational
	Audit/Risk/05/2022-2023	Technological

Risks	Causes	Effects	Likelihood	Impact
Possible compromise of internal audit independence	1. Influence by management to drop adverse audit findings	Not adding value to KEPHIS processes and systems	4	4
	2. Inadequate professional capacity of the Internal Auditor			
Loss of objectivity in auditing	1. Faimiliarity	1. Biased Audit reports	5	4
	2. Self-interest	Compromise of internal audit reputation		
Inadequate audit planning as a result of incomplete risk assessment process	1. Incorrect risk rankings or failure to do complete corporate risk rankings	Annual risk based internal audit plan that does not capture all auditable areas	5	4
	2. Failure by ERM risk champions and risk owners to comprehensively identify all possible Enterprise risks			

	3. Delay in risk reporting			
	4. Three staff yet to be facilitated with laptops essential for audit activities.	Adequate audits or comprehensive review of planned audit areas including access to systems cannot be achieved.		
Inappropriate handling of internal audit reports	1. Exposure of internal information and reports	Eroding of credibility and sectional reputation	4	4
	2. Information leaks during exit meetings or through unauthorized access to audit files			
Inability to adequately identify risks associated with a new technology, system changes or an innovation hence constraining the auditing process	1. Changing technology and systems	Internal auditors not able to cope with the dynamic operational activities that are more technologically changing.	5	4
	2. Focusing on past audit trends	Most of the audit findings and recommendations will be historical		

Risk Score	Treatment	Opportunities	Action Points	Areas to review (Evidences)
16	Functionally reporting to the B.O.D		1. Audit evidences used as attachments or used as an appendix in final reports 2. 2024-25 Audit plan approved by the BOARD.	•Audit reports •Approved annual internal audit plan
	1. Professional training		1. Training requests memo sent to management for four internal auditors to attend ICPAK trainings on internal audit. 2. The new staffs who joined the section adequately inducted.	•Approved/or declined budget •Induction program and reports
20	Rotation of lead auditors		Lead auditors appointed for 2024-25 Q1 assignments.	•Department's minutes indicating the appointments
	Handling different objectives in activity plans		Individual activity work plan prepared and approved by the director for each assignment exploring emerging issues	Lead auditor description to assignment. (Not disclosed or separately disclosed for audit confidentiality)
20	Risk management section to rank all risks		Risk management section expected to train new risk champions to continue enhance risk ranking	•Approved budget for the training •Risk ranked register
	Advocate for comprehensive risk register that is updated and captures all functions/auditable areas. The lead champion to		Risk champions meeting to update the risks registers scheduled on 27th August 2024.	Quarterly risk register reports

	provide quarterly reports		E-mail communication done by the overall risk champion for timely reporting of the M&E.	
	Facilitate all audit staff with tools of work (laptops)		The director internal audit and risk follows up as the process progresses	•Request memo/letter •Follow up reports either e-mail or minuted
16	Enhance internal audit information system security on availability, confidentiality and integrity of audit records		Internal audit shared drive only accessed by them. Lockable office.	•ISMS reports • Locked office after work
			Audittees sensitized in entry and exit meetings for Q1. Signed attendance list documented.	•Signed attendance lists •Signed exit report
20	Getting updates on ICT development during departmental meetings from proceedings of management meetings or internal memos.			
	use of Risk based planning for audit projects.		1.The cumulative updated corporate Risk register is used to inform audit areas in the annual audit plan. 2. Emerging issues discussed in Q1 sectional meeting.	•Minutes of department •The corporate risk register

Monitoring & evaluation-Q1

Actions taken as at 30/09/2024	Likelihood	Impact	Risk Score	Action Points
1. Obtain factual evidence on findings during audits 2. Internal audit plan and budget approved by the B.O.D	3	4	12	1. Audit evidences used as attachments or used as an appendix in final reports 2. 2024-25 Audit plan approved by the BOARD.
1. ICPAK and internal audit & risk related training courses 2. Peer to peer gaining of knowledge				1. Training requests memo sent to management for four internal auditors to attend ICPAK trainings on internal audit.
Rotations of lead auditors in audit assignments done in every quarter.	4	4	16	Lead auditors appointed for 2024-25 Q2 assignments.
Work plan for each audit assignments				Individual activity work plan prepared and approved by the director for each assignment exploring emerging issues
	5	4	20	Risk management section expected to train new risk champions to continue enhancing risk ranking
Meeting held on 27th August 2024 to update the risk registers				Risk champions meeting to Quarterly update the risks registers (scheduled on mid January 2025).

				E-mail communication done by the overall risk champion for timely reporting of the M&E.
Follow up on acquisition of computers by the corporate services (management) for allocation				Follow up on acquisition of computers by the corporate services (management) for allocation.
Access control of audit information and digital folder	3.5	4	14	Internal audit shared drive only accessed by them. Lockable office.
Sensitization of auditees during entry and exit meetings on the objective and confidentiality of internal audits				Auditees sensitized in entry and exit meetings for Q1. Signed attendance list documented.
Requested for trainings on new systems and ERP	3.5	4	14	Request for trainings on new systems and ERP
Review the risks of the audit areas during assignment's planning and field work				1.The cumulative updated corporate Risk register is used to inform audit areas in the annual audit plan. 2. Emerging issues discussed in Q2 sectional meeting.

Monitoring & evaluation-Q2

Areas to review (Evidences)	Actions taken as at 31/12/2024	Likelihood	Impact	Risk Score	Action Points
•Audit reports •Approved annual internal audit plan	1. The 2025/6 annual Internal audit plan prepared and to be tabled in the April 2025 audit committee meetings. 2. Audit findings are supported with evidence gathered during fieldwo	2.5	4	10	1. Audit evidences used as attachments or used as an appendix in final reports 2. 2025-26 Audit plan prepared and to be forwarded for approval by the BOARD on Q4 meeting.
•Approved/or declined budget	1. Internal auditors attended ICPAK training on internal audit 2. Peer to peer gaining of knowledge done continuously				Peer review and learning
•Department's minutes indicating the appointments	Rotations of lead auditors in audit assignments done in every quarter.	2	4	8	Lead auditors appointed for 2024-25 Q2 assignments.
Activity workplans	Work plan for each audit assignments done for Q2				Individual activity work plan prepared and approved by the director for each assignment exploring emerging issues
•Approved budget for the training •Risk ranked register	Training done in Q1	4	4	16	Risk management section expected to train new risk champions to continue enhancing risk ranking
Quarterly risk register reports					Risk champions meeting to Quarterly update the risks registers (scheduled on mid January 2025).

					E-mail communication done by the overall risk champion for timely reporting of the M&E.
•Request memo/letter sent to management •Follow up reports either on e-mail or minuted.	The director internal audit and risk follows up as the process of acquisition is in progress.				Follow up on acquisition of computers by the corporate services (management) for allocation.
•ISMS reports • Locked office after work	Acess control of audit information and digital folder maintained	3	4	12	Internal audit shared drive only accessed by them. Lockable office.
•Signed attendance lists •Signed exit report	Sensitization of auditees during entry and exit meetings on the objective and confidentiality of internal audits				Continuous sensitization of audit processes during entry and exit meetings
		3	4	12	Request for trainings on new systems and ERP
•Minutes of department •The corporate risk register	Risks reviewed for the audit areas during assignment's planning and field work				1.The cumulative updated corporate Risk register is used to inform audit areas in the annual audit plan. 2. Review emerging issues in the department's meeting before preparation of the next annual plan.

Monitoring & evaluation-Q3

Areas to review (Evidences)	Actions taken as at 25/03/2024	Likelihood	Impact	Risk Score
•Audit reports •Approved annual internal audit plan	1. Audit findings are supported with evidence gathered during fieldwork 2.Review of the annual audit plan in progress. 2025/6 annual audit plan preparation initiated.	2	4	8
	Peer to peer gaining of knowledge done continuously			
•Department's minutes indicating the appointments	lead auditors appointed for Q3 audits on rotational basis	2	4	8
Activity workplans	Activity Work plan for each audit assignments done for Q3			
•Approved budget for the training •Risk ranked register		3	4	12
Quarterly risk register reports	Risk champions meeting for Q2 held on 17/01/2025 to update the risk registers.			

•Request memo/letter sent to management •Follow up reports either on e-mail or minuted.	The procurement of the computers are followed up and two laptops are expected by 1st of April 2025. The remaining to be included in ARGC paper			
•ISMS reports • Locked office after work		1	4	4
•Signed attendance lists •Signed exit report	Audittees sensitized in entry and exit meetings for Q3. Signed attendance list documented.			
		2	4	8
•Minutes of department •The corporate risk register	The updated risk register for Q2 and the emerging issues in auditable areas were reviewed and incorporated in the 2025/2026 annual plan.			