

**MAKERERE UNIVERSITY BUSINESS SCHOOL**  
**COURSEWORK ONE TEST MARKING GUIDE FOR THE DEGREE OF BACHELOR OF SCIENCE IN**  
**ACCOUNTING OF MAKERERE UNIVERSITY AY 2025/2026**

**COURSE NAME:** Risk Management & Forensics in Accounting  
**COURSE CODE:** BSA3211  
**SEMESTER:** Two

**YEAR OF STUDY:** Three  
**DATE:** March 15, 2026  
**TIME:** 5:30PM - 6:30PM

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***Instructions:***

*Answer **ALL** questions on this question paper.*

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**Solution 1**

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|---------------------|---------------------------|
| i) Risk assessment  | ix) Strategic             |
| ii) Financial       | x) Operational            |
| iii) Internal       | xi) Diversification       |
| iv) Expected        | xii) Interest             |
| v) Foreign exchange | xiii) Risk identification |
| vi) Cybersecurity   | xiv) Compliance           |
| vii) Liquidity      | xv) Law / regulations     |
| viii) Risk–return   |                           |

***One mark for each correct answer, up to 15 marks.***

## Solution 2

|   | <b>Risk</b>                           | <b>Source</b>  | <b>Impact</b>   | <b>Mitigation / Treatment</b>  | <b>Monitoring / Review</b>  |
|---|---------------------------------------|--|---|--|---|
| 1 | Fraudulent loan applications          | <ul style="list-style-type: none"> <li>Customers submitting false information</li> <li>weak Know your customer (KYC) verification</li> </ul> | <ul style="list-style-type: none"> <li>Financial loss</li> <li>Reputational damage</li> <li>Regulatory penalties</li> </ul>               | <ul style="list-style-type: none"> <li>Strengthen KYC checks</li> <li>Integrate credit bureau data</li> <li>Use automated fraud detection</li> </ul> | <ul style="list-style-type: none"> <li>Real-time fraud detection dashboard</li> <li>Monthly audit of new loans</li> </ul>                                 |
| 2 | Delayed loan repayments / defaults    | <ul style="list-style-type: none"> <li>Poor credit assessment</li> <li>Low financial literacy of borrowers</li> </ul>                        | <ul style="list-style-type: none"> <li>Increased non-performing loans</li> <li>Reduced profitability</li> <li>Liquidity strain</li> </ul> | <ul style="list-style-type: none"> <li>Automated credit scoring</li> <li>Borrower education</li> <li>Reminders via SMS/app</li> </ul>                | <ul style="list-style-type: none"> <li>Weekly repayment trend reports</li> <li>Flag high-risk borrowers for review</li> </ul>                             |
| 3 | System downtime / mobile app glitches | <ul style="list-style-type: none"> <li>Software bugs</li> <li>Network failures</li> <li>Inadequate IT infrastructure</li> </ul>              | <ul style="list-style-type: none"> <li>Transaction delays</li> <li>Customer dissatisfaction</li> <li>Reputational risk</li> </ul>         | <ul style="list-style-type: none"> <li>Upgrade IT infrastructure</li> <li>Regular software testing</li> <li>Backup servers</li> </ul>                | <ul style="list-style-type: none"> <li>Track system uptime metrics</li> <li>Incident logs</li> <li>Monthly IT review</li> </ul>                           |
| 4 | Data breaches / cybersecurity threats | <ul style="list-style-type: none"> <li>Hacking</li> <li>Phishing attacks</li> <li>Weak security protocols</li> </ul>                         | <ul style="list-style-type: none"> <li>Loss of sensitive customer data</li> <li>Fines</li> <li>Reputational damage</li> </ul>             | <ul style="list-style-type: none"> <li>Encryption</li> <li>Multi-factor authentication</li> <li>Staff cybersecurity training</li> </ul>              | <ul style="list-style-type: none"> <li>Continuous security monitoring</li> <li>Quarterly penetration tests</li> <li>Incident reporting</li> </ul>         |
| 5 | Regulatory non-compliance             | <ul style="list-style-type: none"> <li>Failure to follow Bank of Uganda mobile lending regulations</li> </ul>                                | <ul style="list-style-type: none"> <li>Fines</li> <li>Penalties</li> <li>Potential suspension of service</li> </ul>                       | <ul style="list-style-type: none"> <li>Train staff on regulations</li> <li>Integrate compliance checks in loan approvals</li> </ul>                  | <ul style="list-style-type: none"> <li>Regular compliance audits</li> <li>Review updates from regulators</li> <li>Quarterly management reports</li> </ul> |

**For any three correctly identified risks, award marks as follows:**

- Risk identified – **1 mark**
- Source of the risk – **1 mark**
- Impact of the risk – **1 mark**
- Proposed mitigation/treatment strategy – **1 mark**
- Monitoring/review method – **1 mark**

**Total: 5 marks × 3 points = 15 marks.**