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Audit Evidence Gathering and Audit Quality Theory: Implications for Auditors' Opinion during COVID-19 Era

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Abstract:

Audit Evidence gathering has a direct effect on the quality of audit reports through the expression of audit opinions by audit firms. De-Angel (1981) believes that the bigger the audit firm, the more the capacity to deploy advanced technology, infrastructure, and qualified human resources in carrying out audit services and the higher the audit quality. This paper explored the effects of audit evidence gathering during the COVID-19 pandemic on audit opinion and audit quality due to changes in work patterns by audit firms in carrying out audit assignments remotely. This paper used a purposive sampling technique with the use of a questionnaire by administering 276 practicing accountants in Lagos who are experienced in audit evidence gathering and know how the COVID-19 pandemic has affected the quality of audits and expression of opinion. The study found out from the inferential statistics Adjusted R Square showed enough evidence against the Null Hypothesis and concluded that audit evidence-gathering techniques have a significant positive effect on qualifying audit opinions, Non-qualifying audit opinions, Disclaimers audit opinions, and Stakeholders' expectation gap. The study also found the scarcity of literature in this area due to the recency of the issue, and further research is recommended to be extensively done in the future.

Keywords: Audit evidence, auditor's opinion, qualifying opinion, and non-qualifying opinion. Audit quality theory

1. Introduction

From the global perspective, the emergency of COVID-19 pandemic has brought vast complexities and uncertainties in market conditions that the world had never experienced before. The complexities and complications have brought new realities to prior audit assessment and audit evidence gathering with respect to audit quality assurances. Apparently, many auditors' clients are now facing exceptional uncertainties resulting from the pandemic scourge, and these companies will face the reality that things have changed (Honigsberg, Rajgopal & Srinivaan, 2019). It may be challenging for the auditors to improve the quality of their work due to new risks that will emerge in response to the effects of COVID-19 pandemic (Accountancy Europe, 2020).

Assessment of audit evidence gathering will necessitate the auditors and regulator to consider issues that will likely affect current year and future financial reporting dynamics. The auditor must be attentively mindful that notwithstanding the obvious complexities and problematic scenarios created by the pandemic, quality and audit evidence gathering must not be compromised in view of the audit liabilities and other consequences detrimental to auditors (Annette, Ratzinger & Jochen, 2020). Eric, Rapley, Jesse, Robertson & Smith (2018) posited in the audit gathering assessment that auditors are required to gather and prepare materials that are adequately and sufficiently complete and thoroughly detailed to provide an all-inclusive understanding of the audit. Since sufficient information relating to any significant findings or issues that are inconsistent with or contradict facts from the previous will be useful for the audit evidence for future audits as this is significant in forming opinions (Babuna, Yang, Amatus, Awudi, Ngmenbelle & Bian (220).

KPMG (2020c), in response to various restrictions imposed by various agencies of governments across the globe due to COVID-19 pandemic, did say that it will alter clients' and auditors' relationships due to movement from physical audit to remote audit methods and new method of communication and gathering evidence will change from physical inspection to electronic. Çalyurt (2021) states that auditors have to be:

- Strategic in their working approach,
- Sensitive to potential risks, and
- Maintain skepticism methodology throughout their audit to guarantee high-quality reports and opinions

However, in gathering audit evidence during this COVID-19 era, auditors should neither be distracted nor forget in a hurry some financial scandals involving some high-profile audit firms of Author Andersen and Enron. This is a reflection of the complexities and problems of modern-day audit practice. As expected, the corporate board's role in resolving issues ought to ease audit practices, but in this trying period of uncertainties, it is neither here nor there.

The disparity in the views of audit practitioners and stakeholders seems to be the crux of the challenges of some modern-day audit practices. Assessment of audit evidence during this period is significant (Anna & Melina, 2019). Despite the prevailing difficulties, an auditor must not lose sight and be professionally complacent in evidence gathering and

documentation (Hoppy, Antons, Kaminski & Salge, 2018). Some of the obvious challenges are clear partial disclosures, insider dealings, income smoothing, earnings management, and information asymmetry. Moreover, the selection of managers in this trying period is not transparent enough. In the midst of audit practice challenges, auditors make efforts to meet the auditing regulatory guidelines. However, there has been a perceived dissatisfaction and credibility of the financial statement recently, which is short of meeting the expectation of financial statement users.

2. A Review of Extant Literature

2.1. The Problems for Consideration

Saleem (2021) stated that the audit quality of financial reports is going to be heavily impacted due to the effect of severe restrictions brought by the pandemic.

He also said that:

- The extent of the impact needs to be evaluated, and
- What strategies to put in place to sustain the audit quality during this period of COVID-19 needs to be recommended

Teeter & Vasarhelyi (2011) highlighted the critical factors in gathering audit evidence and the dynamism of the business environment in the global economy. They further discussed why auditors should be aware of smooth operation, data problems, unusual events like COVID-19 pandemic, changes in risk profile, or controls breakdown through a series of computer-based mechanisms that can affect the quality of audit reports and opinions. Goodell (2020) stated that the pandemic has caused serious negative effects on practically all sectors and the impacts have significant impacts on the economy and finances globally. He further stated that COVID-19 has caused worldwide destructive economic impact vis-à-vis the market uncertainties, which can lead to loss of confidence by all stakeholders, financial distress, and the need to improve audit quality during this uncertain period.

2.2. Objective of the Study and Research Hypotheses

The main objective of this study is to investigate the effect of audit evidence gathering during COVID-19 era on the implication of auditors' opinions, and the research hypotheses that were tested are listed:

- H₀1: Assessment of audit evidence gathering during COVID-19 era has no significant effect on qualifying auditors' opinion
- H₀2: There is no significant effect of assessment of audit evidence gathering during COVID-19 era on non-qualifying auditors' opinion
- H₀3: Assessment of audit evidence gathering during COVID-19 has no significant effect on disclaimer auditors' opinion
- H₀4: There is no significant effect of assessment of audit evidence during COVID-19 era on closing shareholders' expectation gap

2.3. Theoretical Review

De Angelo (1981) popularized Audit Quality Theory while responding to The Derieux Committee Report (1980) that the smaller audit firms may be displaced in the audit market by bigger audit firms due to the fact they are not popular in the audit market. However, they may be offering higher quality service than big audit firms, and the audit size is irrelevant. De Angelo (1981) premised her theory on the assumption that the size of the audit firm serves as an incentive in a way that bigger audit firms provide a higher level of audit quality. She further stated that the more advanced the audit technology used to carry out audits, the more the associated benefits to be derived by way of quasi-rents. Compared to the opportunity cost of losing, these quasi-rents will make the audit firm tight by providing higher quality. She further stated that the bigger audit firms have many clients, and the perception and costs associated with losing clients will make them provide higher quality service. De Angelo (1981) further stated that the would-be hirers of audit firms have devised benchmarks to determine audit quality, and the benefit from the exchange of quality helps find out who to hire in this case. It is very likely the bigger audit firms that have more to lose from offering lower quality service and hence invest more in technology and infrastructure to deliver higher audit quality to clients. De Angelo (1981) concluded that the audit quality theory aligns with the traditional wisdom that the perceived auditor independence is inversely total audit fees percentage, and bigger audit firms have ways of reducing this percentage as a way of quality enforcing arrangement.

2.4. Conceptual Review

The conceptual perspective considered the concept of dependent variables and their proxies of audit opinion and that of the independent variable and its proxies of assessment of audit evidence gathering during COVID-19. Apparently, the uncertainty caused by COVID-19 may cause many auditors to lay much emphasis on audit evidence gathering and have a thorough assessment of it as these affect the expression of opinion.

2.4.1. Audit Quality

DeAngelo (1981) stated that audit quality greatly depends on auditor independence and has been defined as the probability that the auditor will uncover and report any breach in the accounting system. DeAngelo (1981) defines audit quality as the market-assessed joint probability that a given auditor will both detect material misstatements in the client's financial statements and report the material misstatements. Aghaei (2011) analyzed the definition of audit quality by

DeAngelo (1981) as the ability of the auditor to detect material misstatements and report the errors without bias. Palmrose (1988) further stated that the stakeholders should be assured that the financial statements contain no material misstatements.

Johnsson & Persson (2021) explained that the impacts of COVID-19 pandemic restrictions on audit quality are unknown as it will be hard to foresee the risk of audit failure, and the risk may increase as the pandemic constitutes an external event that threatens audit quality during this period. Johnsson & Persson (2021) further stated questions like:

- How COVID-19 will impact audit quality in terms of making an accurate Going Concern Assessment,
- What impact these travel and meeting restrictions will have on auditor-client relationships, and
- Whether auditor independence should be on the front burner

Ahmed & Ibrahim (2021) stated that Financial Reporting Council (2020) released notices concerning the audit quality effect of the COVID-19 outbreak on March 22 to show why auditors need to pay detailed attention to risk assessment during the ongoing pandemic.

The implication of an auditor's opinion could be problematic for corporate organizations, the shareholders, and investors, and much more, the audit risk and liabilities of professional auditors arising from lowering audit quality (Kaya & Akbulut, 2018). There are possibilities that managers of corporate organizations will have the incentives to engage in massive earning management practices and unethical falsification and manipulation of records to remain afloat (Nicola, Alsafi, Sobrabi, Kerwan, Al-Jabir, Iosifidis, Agha, & Agha, 2020). Assessment of audit evidence gathering during this period will have huge implications on audit opinion, quality and some of the challenges could result from the following problems:

- Possible misrepresentations of facts to ensure loss avoidance (Owolabi & Omotilewa, 2020)
- Earnings management and income smoothing tendencies because of the perceived loss of business opportunities and patronage during this COVID-19 era
- Indiscriminate expensing of intangibles, using and leveraging the prescriptive nature of International Financial Reporting Standards (IFRS) that allow some level of discretionary loopholes in some standards

2.4.2. Qualified Opinion

Auditors' qualified opinion is expressed when the going concern of such corporate organizations is in danger. In this case, the shareholders, lenders, and other stakeholders are troubled (Bananuka, Nkundabanyanga, Nalukenge & Kaawaase, 2018). It creates a negative image of the company and may lead to bankruptcy if not well-managed. The reasons for qualified reports or opinions could be some unresolved look-alike material misstatement, uncleared application of accounting principles, or any other thing the auditor considered reasonable enough to qualify the report (Hopp, Antons, Kaminski & Salge, 2018). The COVID-19 pandemic has put immense pressure on entities, and, as a result, they are going to receive concern opinions. They now have to consider their unique circumstances and specific risk exposure to analyze how the recent events will affect financial reporting. Overall, going concern will have to be assessed carefully and with 'well-reasoned judgments' due to the effects of the COVID-19 pandemic (Deloitte, 2020). COVID-19 has cast doubt on the future of many businesses, and this was supported by the issuance of another warning in the United Kingdom by Financial Regulations Council (FRC's COVID-19 Bulletin March 2020 publication) with the issuance of caveat to auditors before the issuance of opinions due to current uncertainty and volatility that more companies and auditors may need to consider reporting on material uncertainties (ACCA, 2020).

2.4.3. Unqualified Opinion

As an outcome of the audit exercise, the auditor can decide to express an unqualified opinion as a signal of a clean report, showing the financial statement as audited by the auditor does not contain any known material misstatement or fraud known to the auditor at the time of expressing an unqualified report (Hopp, Daniels, Kaminski & Theodore, 2018). In addition, an unqualified opinion indicates that the auditors are favorably disposed to satisfactory reporting adopted by that the company and satisfactorily complied with statutory requirements and, governance principles, applicable laws in preparation of the financial statements audited by them (Trpeska, Atanasovski & Bozinovska, 2017).

2.4.4. Disclaimer Opinion

In line with paragraph 9 of ISA 570 (Revised), the auditors are expected to disclaim an opinion when the auditors are unable to obtain sufficient and appropriate audit evidence on which to base an opinion.

Moreover, the auditors are satisfied that there is a possible effect on the financial statement of undetected misstatements that could be both material and pervasive. The study of Oday, Nor, and Azam (2018) defined a disclaimer opinion as a rejection expression of opinion. A disclaimer report suggests that the auditor is totally distancing himself from providing any opinion of any kind to the financial statements. Generally, a disclaimer opinion is a harsh instance and creates a seriously bad and damaging image of the company. This could lead to court cases, and the auditor must be prepared to give a satisfactory defense of this type of opinion.

2.4.5. Shareholders' Expectation Gap

The disparity in the views of audit practitioners and shareholders seems to be the crux of the financial reporting gap. In most cases, their clear partial disclosures and evidence of information asymmetry, adverse selection, and not being transparent enough as expected by the shareholders go a long way to bridge financial reporting expectation gaps. Shareholders all over the globe expect quality reporting characterized by reliability, transparency, and trustworthiness. Beyond this, shareholders expect an honest opinion of the auditors on the state of affairs and health condition of the

companies they have invested their money in (Li, 2020). On the other hand, the growing nexus between corporations and increased litigiousness bridge the shareholders' financial reporting expectation gap(s) and issues of shareholders' corporate organization (Patrick & Jacob, 2019).

2.4.6. Analytical Procedure

ISA 500, Audit Evidence, requires auditors to design and perform audit procedures to enable the auditor to obtain sufficient appropriate audit evidence on which auditors will base their opinion. This must be done with more caution now due to the current restrictions brought about by COVID-19 that have limited the auditors' physical verifications of evidence to remote audit using technologies (ACCA, 2020). This creates obvious practical challenges for auditors who need to obtain physical forms of evidence. The analytical procedure is defined as the process carried out by the auditors in the course of the assessment of audit evidence gathering to compare various financial and non-financial data with other data made available to the auditors from previous years or the industry data (Rose, Jacob, Sanderson & Thibondeau, 2017).

2.4.7. Inspections

The inspection model of assessment of audit evidence gathering involves proper examination and investigation of accounting records or documents to assure that internal or external evidence in paper, electronic forms, hard or soft copies or media or physical examination of assets are as presented (Tiron-Tudor, Cordos & Fulpo, 2018). According to Kaya and Akbulut (2018), an inspection of audit evidence provides more assurance of varying degrees of reliability based on the nature and sources of documents or evidence. It may involve a test of controls to collaborate evidence already obtained or presented to the auditors.

2.4.8. Recalculations

Recalculation of assessment of audit evidence gathering is a means of the auditors rechecking the documents and records presented to them, whether the documents or records are mathematically correct or not, and whether there is an error or not (Tuckie, Marfo-yiadam & Oduro, 2017). Some typical examples of recalculation of assessment of audit evidence include:

- Recalculation of statement of trading or profit accounting,
- Recalculation of tax base and tax obligation calculated based on the tax base,
- Recalculation of the allowable tax relief and investment allowances, if any, dividend distribution and possible reserves, grand total,
- Recalculation of units costs, final inventory and cost of sales, and
- Recalculation of depreciations and revaluations, among others (Zakari, 204)

2.4.9. Confirmations

The United Kingdom Financial Reporting Council (2020), due to COVID-19 pandemic, lays emphasis on what facts and circumstances auditors should give consideration before concluding their work and expression of opinion, and these include:

- The company's liquidity over the duration of COVID-19 and after,
- Any breach of financing terms,
- Deferral of financing repayments,
- The use of available government subsidies and other support, and
- The overall impact of COVID-19 on the company's operations (ACCA, 2020)

In the assessment of audit evidence gathering during COVID-19 era, the auditors are likely to carry out due external confirmation, possibly from third parties. The auditor may carry out this assignment using circularization to third parties to confirm figures or facts presented to the auditors, for instance, a written circularizing letter to the debtors or creditors to confirm what was presented to the auditors by the management (Tan, 2017).

2.5. Empirical Review

Mohammed (2017) conducted a study to investigate the extent of the effect of audit evidence gathering on auditors' sufficiency and auditors' opinions as expressed in the audit report. The study employed a questionnaire to collect data on the general perception of users of financial statements in Egypt and found that audit evidence gathering had a significant positive effect on auditors' opinions as a true reflection of the reliability of financial statements. Joshi and Deshmukh (2016) examined the effect of audit evidence gathering on the reliability of auditors' expression of audit opinion in the city of Bahraini. The study employed a survey research design in carrying out the study, using a questionnaire administered to some selected users of financial statements. The study concluded that thorough physical inspection and documentary evidence had a significant positive effect on auditors' expression of quality and reliable opinion and credible financial statements in Bahraini.

Zakari and Ahmad (2015) examined the effect of audit evidence gathering on the quality and reliability of audit reports. The study employed a survey research design using a combination of semi-structured questionnaires and interviews to collect data from respondents on the perception of external auditors.

The result revealed that sources of audit evidence had a significant positive effect on auditors' opinions and financial reports, and adequate assessment of audit evidence gathering contributes to reliable financial statements as a

reflection of auditors' qualifications and non-qualification of auditors' reports. Akther and Xu (2020) studied the existence of the audit expectation gap and its effect on stakeholders' confidence, moderated by the active role of the financial reporting council. The study constituted a higher-order model and analyzed the data using pragmatic exploration, smearing the partial least squares structural equation model. The study results revealed that the audit expectation gap is negative, and the greater the audit expectations gap, the lower stakeholders' confidence in the audit. The study further showed that the auditor's lack of understanding is normal hence the disparity in the resulting expectations gap.

Similarly, Toumeh, Yahya, and Siam (2018) investigated the assessment of audit evidence to provide a reliable financial statement to close the shareholders' expectation gap in Jordan and achieve the study objective. A survey research design was adopted using a questionnaire administered to auditors working in auditing firms in Jordan.

The result revealed that lack of adequate audit evidence gathering and audit awareness had a significant negative influence on auditor opinion and that unreliable financial statements negatively influenced shareholders' expectation gap.

Vast studies from advanced countries have been written on the assessment of audit evidence gathering during COVID-19 era and the implication of audit opinion. Obrenovic, Du, and Godinic Tsoy (2020) posited that in Italy, the severity trajectory triggered by the unfortunate COVID-19 pandemic call for a paradigm shift in methodological briefs in the assessment of audit evidence gathering. From Spain, Flip & Szekely (2017) stated that auditors' evidence and expression of opinion seem complex and have wider implications, except a more effort in evidence gathering is intensified and invigorated by the professional auditor to avert dire audit liability consequences. From the United States of America, Rose, Jacob, Sanderson, and Thibodeau (2017) noted that the dynamic trajectory is homogenous in the United States and heterogeneous across the globe, as evidenced in China, South Korea, and Japan, Canada, and United Kingdom and many other countries of the world.

3. Methodology

3.1. Research Design

The study adopted empirical research using a questionnaire method administered to 276 members of licensed practicing accountants in Lagos State that are believed to be active or constantly conduct audit exercises, and assessment were considered for this study. This choice was consistent with the design and method utilized in the study of Oladele, Asaolu, and Jayeola (2019). The population of this study shall consist of all the 276 members of the total 89 licensed accounting firms operating in Nigeria. According to the Institute of Chartered Accountants of Nigeria (ICAN), there are a total of 89 licensed practicing accounting firms in Nigeria as of December 31, 2020. The study adopted the purposive sampling technique because the technique allowed for selecting participants who have expertise in audit, are qualified and professional accountants, and have been licensed to have accounting firms practicing in Lagos State. The study collected primary data through the use of hardcopy and softcopy questionnaires to the selected population.

4. Data Presentation and Analysis

The presentation and discussion of results from the data collected from the field survey have been carried out in this study. In the assessment of audit evidence gathering during COVID-19 era, there are implications for auditors' opinions. In analyzing the data, inferential analysis was carried out to address the objectives and hypotheses testing as detailed in this study through the use of regression analysis.

4.1. Inferential Analysis

Inferential analysis was carried out on the four (4) formulated hypothesis using multiple regression analysis to test all the hypotheses separately using Ordinary Least Square Linear Multiple Regression. Each of the models was specified to empirically examine whether audit evidence gathering during COVID-19 era has significant effects on qualifying auditors' opinions, non-qualifying auditors' opinions, disclaimer auditors' opinions, and closing shareholders' expectation gap.

Variables	Model 1	Model 2	Model 3	Model 4
	QAO	NQAO	DAO	CSHEG
(Constant)	2.343*** (0.354) [0.000]	0.477 (0.431) [0.269]	1.156** (0.506) [0.023]	1.707*** (0.526) [0.001]
ANAPRO	-0.014 (0.078) [0.854]	0.029 (0.095) [0.764]	-0.148 (0.111) [0.185]	0.017 (0.116) [0.883]
INSP	0.361*** (0.063) [0.000]	0.357*** (0.077) [0.000]	0.164* (0.091) [0.072]	0.215** (0.094) [0.024]
RECAL	0.088 (0.068) [0.201]	0.360*** (0.083) [0.000]	0.458*** (0.098) [0.000]	0.314*** (0.102) [0.002]
CONFM	0.061 (0.053) [0.251]	0.138** (0.065) [0.035]	0.202** (0.076) [0.009]	0.021 (0.079) [0.793]
R-Squared	0.213	0.322	0.229	0.119
Adj. R-Squared	0.201	0.312	0.218	0.106
F-Stat	18.347 [0.000]	32.125 [0.000]	20.161 [0.000]	9.122 [0.000]

Table 1: Regression Results

Source: Author's Computation (2021)

Note: Anapro = Analytical Procedures, Insp = Inspections, Recal = Re-Calculations, Confm = Confirmations, Qao = Qualifying Audit Opinion, Nqao = Non-Qualifying Audit Opinion Dao = Disclaimer Audit Opinion and Cshg = Closing Shareholders' Expectation Gap. Standard Error In (), P-Values In [] and *, ** and *** Represents 10%, 5% And 1% Level Of Significance Respectively

As in table 1, the F-statistics values are 18.35 (P-value < 0.01), 32.13 (P-value < 0.01), 20.16 (P-value < 0.01) and 9.12 (P-value < 0.01) for Models 1, 2, 3, and 4 respectively. These imply that the joint effect of audit evidence gathering during COVID-19 era indicators significantly explains variations in Qualifying Audit Opinion (QAO), Non-Qualifying Audit opinion (NQAO), Disclaimer Audit Opinion (DAO), and Closing Shareholders' Expectation Gap (CSHEG). The adjusted R-square values are 0.20, 0.31, 0.22, and 0.11, which means that there are 20%, 31%, 22%, and 11% variations in Qualifying Audit Opinion (QAO), Non-Qualifying Audit opinion (NQAO), Disclaimer Audit Opinion (DAO) and Closing Shareholders' Expectation Gap (CSHEG).

4.2. Findings and Implications of Findings

Table 1 shows the coefficients of the estimated regression model used to investigate the relationship between audit evidence gathering during COVID-19 era indicators and each Qualifying Audit Opinion (QAO), Non-Qualifying Audit opinion (NQAO), Disclaimer Audit Opinion (DAO), and Closing Shareholders' Expectation Gap (CSHEG). It is obvious that Analytical Procedures (ANAPRO) have no significant effect on any of the dependent variables since all the coefficients P-values > 0.05. However, it is evident that Inspections (INSP) has a positive and significant effect on all the dependent variables since all the estimated coefficients are positive and the corresponding P-values are at least below 0.10. Similarly, the coefficient of Re-Calculations (RECAL) has positive and significant effects on Non-Qualifying Audit opinion (NQAO), Disclaimer Audit Opinion (DAO), and Closing Shareholders' Expectation Gap (CSHEG) at a 5% level of significance as all the corresponding P-values are less than 0.05. Furthermore, the results show that the Confirmations (CONFM) have positive and statistically significant effects on Non-Qualifying Audit opinion (NQAO) and Disclaimer Audit Opinion (DAO) at 5% level.

Overall, going by the F-statistics values and Adjusted R-squared values, we have enough evidence against all the null hypotheses, and we safely conclude that:

- Assessment of audit evidence gathering during COVID-19 era had a significant effect on qualifying auditors' opinions
- Assessment of audit evidence gathering during COVID-19 era had a significant positive effect on non-qualifying auditors' opinions
- Assessment of audit evidence gathering during COVID-19 had a significant effect on disclaimer auditors' opinions
- These results are consistent with the results obtained by Tabone (2018), Toume, Yahya, and Siam (2018), Mohammed (2017), Akther and Xu (2020) and those of Zakari and Ahmad (2015), Joshi and Deshmukh (2016) who found similar results in their studies

5. Summary, Conclusion, and Recommendations

This chapter dealt with the summary of the study, the descriptive and empirical findings, and the conclusion and recommendations. The study's contributions to knowledge and suggestions for further research are also presented.

5.1. Summary of the Study

The study examines the effect of the assessment of audit evidence gathering during COVID-19 implication on auditors' opinions. The paucity of literature exists on the subject matter with respect to the originality and identified and chosen proxies employed in the study. The dependent variable and auditors' opinions were measured using qualifying

auditor opinion, non-qualifying auditor opinion, and disclaimer audit opinion and closing shareholders' expectation gap, the analytical procedure, inspection, recalculation, and confirmation, as the explanatory variables.

5.2. Conclusion

The desire of every financial user is a reliable and credible auditors' opinion in the financial statement of companies. The result from the inferential statistics revealed that:

- Assessments of audit evidence gathering during COVID-19 era had a significant effect on qualifying auditors' opinions in model one (1),
- Assessment of audit evidence gathering during COVID-19 era had a significant positive effect on non-qualifying auditors' opinion in model two (2),
- Assessment of audit evidence gathering during COVID-19 had a significant effect on disclaimer auditors' opinion in model three (3), and
- Finally, assessment of audit evidence during COVID-19 era had a significant positive effect on shareholders' expectation gap in model four (4)

5.3. Recommendations

Based on the result of the analysis of the data collected from the respondents, the outcomes were confirmed by the inferential regression analysis. The study makes the following recommendations:

- The auditors should patiently exercise care and due diligence while conducting an assessment of audit evidence gathering during audit exercise, particularly during this COVID-19 era implication to guide them in making quality and reliable auditors opinions
- Policymakers should ensure impactful policies are made to assist auditors during this challenging time to enable them to make a reasonable estimate, better judgments, and adequate procedures for risk assessments and likely risky areas considered critical during this pandemic period
- The management of companies who are saddled with the responsibility of preparing a financial report for the external auditors to carry out an assessment of audit evidence gathering should be ethically minded and ensure that the prepared financial statements are reliable and misleading as presented to the auditors to carry out their audit exercise
- Auditor firms should invest in modern ICT infrastructures that will assist collation of audit evidence remotely during this pandemic and beyond

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