
The Auditor's Report and the Audit Expectation Gap: An Impact Analysis

Sagar ADHAU, DBA Scholar,
SP Jain School of Global Management,
e-mail: sagar.dj21dba005@spjain.org,
ORCID ID: 0000-0002-8912-8865 (Corresponding author)

Univ. Prof. Elango RENGASAMY, Ph. D.,
Adjunct Professor of Finance, SDM Institute
for Management Development,
e-mail: drelan63@gmail.com

Rajashree GUJARATHI, Ph. D.,
Adjunct Faculty, S.P. Jain School of Global Management,
e-mail: rajashreegujarathi@gmail.com

Abstract

This paper investigates the impact of an auditor's report on the audit expectation gap. It establishes a connection between existing literature concerning auditors' reports and the audit expectation gap, elucidating how the essential contents and characteristics of auditors' reports influence various components of the audit expectation gap. This study employs a qualitative methodology, using a systematic literature review technique. The findings suggest that the main contents and characteristics of the auditor's report affect specific components of the audit expectation gap. Furthermore, the auditor's report not only impacts the knowledge gap but also influences the performance and evolution gaps. Importantly, it provides an innovative framework to illustrate the influence of auditors' reports on various components of the audit expectation gap. This study introduces a novel model that has not been examined in practical contexts, and its applicability may vary in real-world settings. A significant limitation lies in the challenges associated with ensuring the thoroughness of the existing literature analyzed. The findings may serve as a foundation for future revisions to the auditor's report format, and provide a robust basis for subsequent studies on auditor's reports.

Key words: audit expectation gap; auditor's report; external audit; audit report; bridging the audit expectation gap;

JEL Classification: M420

To cite this article:

Adhau, S., Rengasamy, E., Gujarathi, R. (2025), The Auditor's Report and the Audit Expectation Gap: An Impact Analysis, *Audit Financiar*, vol. XXIII, no. 4(180)/2025, pp.848-861, DOI: 10.20869/AUDITF/2025/180/028

To link this article:

<http://dx.doi.org/10.20869/AUDITF/2025/180/028>
Received: 9.05.2025
Revised: 19.05.2025
Accepted: 26.06.2025