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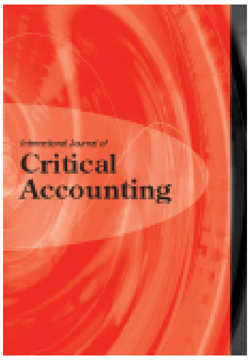

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Fraud and going-concern assessments during COVID-19: perception of Fijian auditors

Jyotika Devi, Sereana Guiwasa, Shiva Shivani, Salesh Kumar Nand, Avinesh Singh, Pravika Devi, Mala Devi, Dipeeka Lata and Mohammed Riaz Azam*

Department of Accounting and Finance,
The University of Fiji,
Saweni, Lautoka, Fiji
Email: 20190722@student.unifiji.ac.fj
Email: s090328@student.unifiji.ac.fj
Email: 20181002@student.unifiji.ac.fj
Email: S060271@student.unifiji.ac.fj
Email: 20211307@student.unifiji.ac.fj
Email: 20181003@student.unifiji.ac.fj
Email: S060269@student.unifiji.ac.fj
Email: 20201102@student.unifiji.ac.fj
Email: riazm@unifiji.ac.fj
*Corresponding author

Abstract: The purpose of this paper is to describe in a qualitative way, how Fijian auditors perceive the effects of COVID-19 on fraud and going-concern assessments during audit engagements. The data was analysed based on the responses of 12 professional auditors in Fiji. The findings reveal that auditing during COVID-19 involved a high level of data manipulation and financial hardship by many audit clients. Additionally, the findings suggest that auditors tend to apply a high degree of professional scepticism and judgement due to the uncertainty created by the pandemic. They also evaluate comprehensively the ability of the audit clients to operate indefinitely for the next 12 months before issuing an audit opinion. This study provides a preliminary impression of Fijian auditors' perception of the effect of COVID-19 on fraud and going-concern assessments.

Keywords: COVID-19; fraud; going-concern; uncertainty; auditors; audit opinion.

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Biographical notes: Jyotika Devi is a postgraduate student at the University of Fiji. She undertook this research as part of the ACC405 course assessment in semester 1, 2021, coordinated by the corresponding author. Her course focuses on issues related to auditing and assurance services.

Sereana Guiwasa is a postgraduate student at the University of Fiji. She undertook this research as part of the ACC405 course assessment in semester 1, 2021, coordinated by the corresponding author. Her course focuses on issues related to auditing and assurance services.

Shiva Shivani is a postgraduate student at the University of Fiji. She undertook this research as part of the ACC405 course assessment in semester 1, 2021, coordinated by the corresponding author. Her course focuses on issues related to auditing and assurance services.

Salesh Kumar Nand is a postgraduate student at the University of Fiji. He undertook this research as part of the ACC405 course assessment in semester 1, 2021, coordinated by the corresponding author. His course focuses on issues related to auditing and assurance services.

Avinesh Singh is a postgraduate student at the University of Fiji. He undertook this research as part of the ACC405 course assessment in semester 1, 2021, coordinated by the corresponding author. His course focuses on issues related to auditing and assurance services.

Pravika Devi is a postgraduate student at the University of Fiji. She undertook this research as part of the ACC405 course assessment in semester 1, 2021, coordinated by the corresponding author. Her course focuses on issues related to auditing and assurance services.

Mala Devi is a postgraduate student at the University of Fiji. She undertook this research as part of the ACC405 course assessment in semester 1, 2021, coordinated by the corresponding author. Her course focuses on issues related to auditing and assurance services.

Dipeeka Lata is a postgraduate student at the University of Fiji. She undertook this research as part of the ACC405 course assessment in semester 1, 2021, coordinated by the corresponding author. Her course focuses on issues related to auditing and assurance services.

Mohammed Riaz Azam is a Lecturer in Accounting and a PhD student at the University of Fiji. His research interest and publications are in the area of ethics, auditing, financial reporting, management accounting, and taxation. He has published in many international journals such as, for example, *Corporate Ownership and Control*, *Asian Journal of Accounting and Governance*, *International Journal of Critical Accounting*, *e-Journal of Business Education and Scholarship of Teaching*, and *International Journal of Accounting and Financial Reporting*.

1 Introduction

The COVID-19 pandemic had disrupted life around the world yet businesses continued in an altered fashion (Levy, 2020). While it resulted in a catastrophe for the global economy, human intelligence was inspired to take adequate, significant, and fitting measures to maintain and continue business operations (Savova, 2021). In addition, auditors are expected to play an important role while issuing the audit opinion (since the outbreak of COVID-19). In this regard, the International Auditing and Assurance

Standards Board (IAASB) has been proactive in getting relevant stakeholders' views on the revision of standards relating to fraud and going-concern assessments (IAASB, 2020). Many of the regulatory inquiries that have become commonplace in the aftermath of corporate collapses routinely highlight the importance of considering what more can be done by auditors on the topics of fraud and going-concern assessments in financial statement audits (Karpoff, 2021).

The outbreak of COVID-19 has heightened the focus on fraud and going-concern assessments. Many companies' control environments have been impacted and may not resemble the situation before. Risk assessments in the current environment are unlike any other as clients are dealing with significant changes to their businesses, the work environment, and the overall economy as a result of COVID-19 effects. Despite the added complexities, the auditors must continue to focus on high-quality audits which fully comply with standards for objectivity and professional scepticism (Murphy, 2020).

There is a real possibility that there will be scope limitations as auditors work with their clients throughout this pandemic. On the other hand, management should show vigilance in assessing these events and weak economic conditions caused by the pandemic to detect whether substantial doubt can be cast on their organisations ability to continue as a going-concern basis. There are likely many interrelated financial reporting and auditing implications triggered by the pandemic and it surely has had an impact on economic activity. Hence, it is critical to ensure a relevant and faithful representation of the phenomena (Azam, 2017) to ensure that the existing guidelines are sufficient to tackle it or to incorporate appropriate revisions in the guidelines (IAASB, 2020; Murphy, 2020). In addition, auditors must always exercise considerable professional scepticism and vigilance to be attentive and watchful of indications of management bias whether it be intentional or negligent. Research shows that the quality of the audit process can significantly influence auditors' ability to detect misstatements (Lenz and Hahn, 2015).

Furthermore, COVID-19 has taught business houses to be on high alert during this time of uncertainty, particularly in relation to its going-concern certainty. The pandemic is posing challenges to the globalised economy. It has already had a considerable economic and financial impact worldwide (Goodell, 2020). Auditors are facing unprecedented practical challenges in many various areas and many organisations may take advantage of this crucial time to manipulate their earnings figures. It has further caused many organisations' financial positions to deteriorate and create uncertainty on the organisations going-concern continuity (Goodell, 2020).

With the global economy coming to a standstill a detailed and profound analysis for the application of the accounting concept of going-concern is required more than ever. While organisations prepare their year-end financial statements, disclosures around going-concern assessment continue to be vital in achieving transparency and providing users with relevant information. Auditors as such are facing unprecedented challenges and many organisations may go bankrupt and start to manipulate their earnings figures during this exceptional situation.

According to KPMG (2020), economic instabilities can affect investors' trust in companies' financial results leading to a variety of financial distresses. Measures taken to recover the chances of containing COVID-19 have had an undesirable impact on global economic activity which has harmed accounting information and audit quality. As such, auditors must be more flexible and innovative in carrying out their audit tasks in accordance with standard procedures to respond to such challenges and meet the expectations of investors and other stakeholders. However, considering that auditing standards procedures outlined the performance requirement for obtaining reasonable audit evidence and assurance from financial statements that it is free of material misstatement, the auditing standard does not specify how to obtain it at this critical time when auditors are expected to heavily rely on technology in performing audit procedures (Illuzzi et al., 2020). Therefore, an evaluation of auditors' perception of the sudden challenges faced by the pandemic is necessary to ensure accepted audit quality and appropriate assessment of fraud and the going-concern assumption by them in this regard.

In this context, this study attempts to show how Fijian auditors perceive the effects of COVID-19 on fraud and going-concern assessments based on qualitative research and data. The study is further motivated to provide an answer to the aforementioned question in light of the pandemic's implication on financial reporting to ensure firms' continuity and stakeholders' expectations. It is expected that this research will highlight the views of Fijian auditors about the risks and uncertainties created by the pandemic on the evaluation of fraud and going-concern assessments of clients. The study expects to contribute to the existing literature by providing further insights from a Fijian perspective. The rest of the paper is structured as follows. Section 2 deals with the relevant literature pertaining to the research objective. Section 3 discusses the research methodology and methods followed by the findings in Section 4. Section 5 makes discussion of the findings, conclusion, limitations of the study, and suggestions for future research.

2 Background on fraud, going-concern concept, and COVID-19

The Securities and Exchange Commission (SEC) was the first to address the going-concern issues in 1962 with the accounting series release (ASR) No. 90 (Bellovary et al., 2007). Prior to this, there was no formal professional guidance on how to assess an organisations going-concern status. The literature on going-concern predictions dates back to 1976 straight after the Statement of Auditing Standards (SAS) No. 2 was issued. This Statement of Auditing Standards No. 2 became the first to detail the specific considerations for auditors' assessments of a firm's going-concern status. From there on, for the past few decades, the issue of going-concern has been a regular topic of debate (Xu et al., 2013; Albitar et al., 2020; KPMG, 2020).

Once fraud is rationalised by perpetrators to be a legitimate and ethical act it becomes a normal acceptable practice by them (Azam, 2018). Ozili (2020) argues that knowledge of forensic accounting supports investigators to detect fraudulent activities in an organisation. However, data mining techniques and other forensic accounting tools have limited the usefulness of forensic accounting practice due to its huge cost, complexity, and skills required (Ozili, 2020). The practical implication is that forensic accountants, fraud examiners, and forensic accounting researchers should incorporate into their practice the complexity of fraud regardless of whether they follow an empirical, experimental, exploratory, analytical, or critical approach to detect or investigate fraud (Ozili, 2020).

In addition, Karpoff's (2021) study used two theoretical constructs that isolate several factors which motivate fraud and use them to consider the impact of technological and wealth changes over time. Some changes such as an increase in anonymity in some financial transactions facilitate new fraud innovations and increase the possibility of fraud. It is found that the COVID-19 pandemic and resulting economic shutdown have fostered major disruptions in relative demands and organisational capital that also increase the likelihood of fraud over the next few years (Karpoff, 2021). But these changes will drive a long-term decrease in the incidence of fraud (Karpoff, 2021).

According to Xu et al. (2013), auditors have adopted conservative procedures throughout the global financial crisis. They have reduced their liability to issue going-concern judgements while also increasing the audit effort to protect them from risk exhibition during the financial crisis. It is also found that the proportion of reports issued with going-concern qualifications after and during the global financial crisis is the same as it was before. However, the COVID-19 pandemic could turn out to be the toughest for auditors and their clients since the 2007–2008 global financial crisis as many believe that this health crisis could degenerate into something worse (Albitar et al., 2020). KPMG (2020) stated that in the current pandemic, it could be difficult for auditors to assess whether the situation casts critical doubts on the company's ability to continue as a going concern. While in cases of extreme situations, the position is whether the going concern itself is still appropriate as a basis for the preparation of corporate financial statements.

The global impact of COVID-19 on the economy and society will leave enduring traces in human civilisation. Savova (2021) in his findings concluded that the essence of going concern was presented from economic, legal, and applied aspects while the establishment of its faithfulness determines it as a principle of accounting and a basis for the presentation of financial statements of entities. This has provoked adequate, well-reasoned, and purposeful actions for the protection and continuation of the economic activities of entities. This is the core substance of the going-concern concept and the principle in the financial reporting of entities. Auditors will be required to re-evaluate the way and manner in which they carry out their usual audit work. Auditors need to be sceptical when conducting the going-concern assessment and their work should show evidence of this scepticism (PWC, 2020). Research and studies of Ghosh and Pawlewics (2009), Zhang and Huang (2013), Noh et al. (2017), and Chen et al. (2019) reveal where high risk is attached to the clients and debt financiers' scrutiny of the audited reports it necessitates auditors to adopt broader audit procedures and requires increased investment when evaluating firms' going-concern assumptions.

Furthermore, the study conducted by Karim and Zijl (2013) highlights an increase in litigation cases and growing demand for assurance services resulting in improvement in audit quality and expected due care from auditors. KPMG (2020) says that assurance work has become more sophisticated during the COVID-19 pandemic. The uncertainty level is higher which implies the crucial necessity to use the appropriate level of staff and to provide appropriate and sufficient support to auditors (KPMG, 2020). Due to the rapid changes in the situation, it is also important for auditors to ensure that the subsequent review of events continues until the signing of the audit report (PWC, 2020). The common reason for issuing audit reports with uncertainties is due to doubts about the continuity of the client organisation. These uncertainties are attributable to the lack of liquidity and the deterioration of economic development of company activities as well as the economic crisis that the world is currently suffering caused by COVID-19 in most sectors (KPMG, 2020).

Going-concern has seldom been assessed as a significant risk in auditing which meant that little audit work was usually required. But due to the result of COVID-19, the Financial Reporting Council and regulatory and professional bodies have called for extensive procedures to be followed irrespective of the risk assessment. Audit firms face challenges in fully assessing what the true impacts of COVID-19 has on their clients. The audit professionals are responsible to conduct assurance services in a planned and professionally sceptical manner (Illuzi et al., 2020). Thus, audit firms have been challenged to build mechanisms to enable audit teams to tailor audit procedures appropriately. By way of mitigation, audit teams are required to increase communication with those charged with governance and display greater prudence when assessing the information provided to them.

However, assessing the effectiveness of clients' internal control system, business, and capital structure risk (to name a few areas of concern) in financial statement audits during COVID-19, demands further procedural guidance to auditors. Auditors are expected to be on guard, especially during COVID-19 where many auditors are restricted to working remotely and evidence gathering has become challenging as travelling to clients' sites is restricted. At the heart of the matter is the tension caused by the authenticity of scanned copies of documents which it turn put auditors under immense pressure to deal with this tension and deliver reliable assurance over financial statements while fulfilling the demands placed on them by both today's extraordinary circumstances and intensified regulatory and public expectations (Albitar et al., 2020; KPMG, 2020; Illuzi et al., 2020; PWC, 2020). The next section of the paper explains the research methodology and methods employed in this study followed by the discussion of empirical results.

3 Research methodology and methods

The motivations for this study reflect a desire to enrich and extend the authors' understanding of how Fijian auditors perceived the effect of COVID-19 on fraud and going-concern assessments. The study employed a qualitative approach to get a detailed understanding of professional auditors' perception of the research objectives by considering COVID-19-related restrictions, safety protocols, and lockdowns. Qualitative research does not generalise to a larger population, but it is useful in terms of getting in-depth information, which increases the validity of the research (Sarens and De Beelde, 2006). It allows us to understand, identify, and explain behaviour, beliefs, or actions, however; the variables are not communicated in numerical terms.

Researchers need to select an appropriate research paradigm because it justifies the research methods used (Hall, 2013). We contacted 40 professional auditors via email requesting an interview session. In the same email, briefs were provided on the purpose of the study, and a sample of structured interview questions was also attached. There was a guarantee and assurance provided to keep information received confidential since the authors recognised the sensitive nature of it and that it may prevent sincere and full cooperation of the auditors approached for this study. However, due to COVID-19 restrictions, lockdowns, and participants' commitments face-to-face interviews could not be conducted. Nonetheless, 12 auditors responded in writing via email. Some of the respondents were contacted more than once for clarification of their responses.

The interview questions captured three main areas: the first part focused on the participants' current employer, occupation/position, work experience, qualifications, and professional affiliation. The second part prompted on the challenges that the auditors are facing with regard to financial statement audits especially in the area of fraud and going-concern assessments during COVID-19. The final part of the questions was designed to get the participants' views on the guidelines provided by the regulatory and professional bodies including the audit firms.

Table 1 Highlights the participants' credentials

Participants	*Position/years of experience/professional membership*
1	Senior auditor, four years, associate member – CPA Australia
2	Assistant assurance manager, eight years, CA – Fiji Institute of Accountants
3	Auditor, three years, associate member – CPA Australia
4	Assistant assurance manager, six years, Full CPA – CPA Australia
5	Assistant assurance manager, six years, CA – Fiji Institute of Accountants
6	Senior auditor, seven years, CA – Fiji Institute of Accountants
7	Auditor, five years, associate member – CPA Australia
8	Auditor, four years, associate member – CPA Australia
9	Senior auditor, six years, Full CPA – CPA Australia, CA – Fiji Institute of Accountants
10	Auditor, seven years, Full CPA – CPA Australia, CA – Fiji Institute of Accountants
11	Assurance manager, ten years, Full CPA – CPA Australia, CA – Fiji Institute of Accountants
12	Assistant assurance manager, seven years, associate member – CPA Australia

Moreover, the data was analysed through the classification suggested by Miles and Huberman (1994) and concentrated mostly on auditors' perception of the impact of COVID-19 on the assessments of clients' going-concern basis and fraud risk assessments. Specific themes and patterns were then categorised into subheadings in the formal write-up and provided a general overview of similar responses and quoted any crucial and fundamentally distinct view by the professionals on the contrary (Creswell, 2014). Due to low responses, coding was done manually in managing the gathered data (Creswell, 2014).

4 Findings

4.1 General insights on issues and challenges to fraud and going-concern assessments

We observed from responses that proper planning and cash-flow management is a decisive factors for business continuity during COVID-19. Any failure on this will trigger fraudulent initiatives both at the corporate and individual levels. Some participants viewed that many businesses have been significantly affected by sales levels dropping over the past year. These have cast serious doubt on the ability of organisations to continue as a going concern and manage its cash flows. Such has also heightened the areas of possible fraud where in order to meet specific targets by those charged with governance can tend to manipulate the books to achieve a favourable outcome. The research participants responded as follows:

Participant 4 mentioned:

> "Management may manipulate data to obtain positive cash-flows and an overall positive reflection of financials".

Participant 11 stated:

> "There is a general economic downturn which often means companies lay off staff to save costs. Operating with reduced staff may reduce the effectiveness of business processes and controls and means that segregation of duties may be compromised. Further to this, remote working may also add to the monitoring of staff being difficult, increasing the risk of fraud. To add to that, some audits are also done remotely and there is an increased risk that some fraud indicators may not be picked up".

Participant 6 commented:

> "Fraud is a broad topic, but let's focus on the fraud being perpetrated through the manipulation of entity records. Due to the pandemic, entities tend to implement policies to keep away from liquidation. This acts as an incentive to commit fraud. As auditors, our auditing standards are very flexible and do adapt to detect such abnormalities, which can range from a deferral of expense recognition or premature recognition of revenue".

It appears from the responses that many businesses are closely looking at operational costs, minimising it where necessary to survive. Stringent control measures are also being adopted to prevent any fraud-related issues from occurring. However, one of the participants mentioned some possibility of fraud as a result of pressure post-COVID-19 which requires special audit attention. According to participant 9:

> "We apply professional scepticism as we are aware that management may be pressured to meet targets for job security, companies may manipulate earnings to meet debt covenants, and employees may be pressured to commit fraud and steal stocks as their pay has been reduced".

We further deduced from responses that the COVID-19-related lockdowns and reduced business activity levels enforced in Fiji to contain the spread of COVID-19 has resulted in many businesses struggling to meet operating expenses, budgets, and going-concern certainty. For instance, participant 1 stated:

> "Post COVID-19, going-concern assessment for companies has become even more pivotal as many are struggling with their current business operations. As a response to this, we now require companies to provide us with a projected cash flow statement for at least the next 12 months from the date of our testing. This projection is then scrutinised by us in terms of the major assumptions on which it is based. If the cash flow projections are not satisfactory, we then seek a letter of support from either the shareholders or related parties. If after careful consideration, we still are not satisfied that the entity will be able to support its operations for the next financial period, we issue a qualified opinion in the same regard".

Participant 11 added:

> "In terms of going-concern, there is a lot of uncertainty in assessing the future financial performance of entities, especially in industries which have been greatly impacted by restrictions relating to COVID-19 such as tourism and aviation. Since there is a lot of reliance on foreign customers in these lines of business, it is difficult to determine when the international borders will open and these sectors will become profitable hence making it challenging to assess going-concern".

Moreover, participant 7 commented:

> "Going-concern is probably the most challenging area for both management and auditors because of the uncertainty caused by COVID-19. It is management's responsibility to assess whether the going-concern basis for accounting is appropriate and for auditors to obtain sufficient appropriate audit evidence and conclude on the appropriateness of management's use of the going-concern basis of accounting in the preparation of the financial statements. The increased risk of significant doubt on an entity's ability to continue as a going-concern will rather depend on the nature and circumstances of the entity, including the industry in which it operates. Hence, as the pandemic continues, more audit procedures had to be modified for subsequent reporting cycles".

4.2 General guidelines by accounting firms on fraud and going-concern assessments

The participants confirmed that their firms were quick to provide appropriate guidelines to them to assess clients' going-concern basis and fraud assessment. Firms using their network including the professional bodies provide a wider range of resources useful in the area of going-concern assessment during this challenging time. On this, participant 1 commented:

> "Yes, we have been provided directive on how to go about assessing going-concerns for entities that have assisted in the whole process".

We noted that going-concern assessment became more significant as a result of COVID-19. The participants highlighted that clients' business operation assessment is mandatory in all audits and in doing so, they evaluate comprehensively the ability of the clients to operate indefinitely for the next 12 months before issuing the audit opinion.

Furthermore, we noted that the audit procedures and techniques were revised and are continuously reviewed by the accounting firms and auditors to ensure its appropriateness with changing circumstances post-COVID-19 relating to fraud and going-concern assessment in Fiji. The participants commented as quoted below:

Participant 3 mentioned:

> "More emphasis has been made around areas relating to fraud and going-concern to ensure these risks have been appropriately addressed. This means that more detailed steps are being followed to assess fraud and the risk of going-concern".

Participant 5 added:

> "...auditors need to apply a high degree of professional scepticism and judgement while performing the evidence-gathering tasks as the pandemic is unusual and uncertain in terms of duration and viability".

4.3 COVID-19 and audit opinion

We have noted that the uncertainty caused by the COVID-19 pandemic in many cases has resulted in auditors to include an "emphasis of matter paragraph" or other paragraphs in their audit reports. Furthermore, auditors have also issued qualified opinions as the information in the financial reports was manipulated by auditees or uncertainty to confirm the information provided. The responses of the participants in this regard are as follows:

Participant 1 mentioned:

> "...with the post-pandemic situation where a lot of matters are no longer certain, there seems to be a challenge for many audit clients hence resulting in an increase in the number of modifications provided."

The qualified opinions and the extent of it were only issued after careful examination of the information and obtaining other collaborative evidence to support the types of qualified audit opinion. We also concluded that in cases relating to the uncertainty of going concern, the auditors assessed if it could be mitigated and avoided based on the clients' given information and justifications. Where the assessment on the going-concern assumption is doubtful, the auditors would choose the options available including modification of opinions. In addition, the participants informed that COVID-19-related notes have to be fully disclosed in the financial reports by auditees to ensure relevant and faithful representation of information.

We also observed that lockdowns in Fiji have challenged auditors in gathering appropriate and sufficient audit evidence in some cases which had a direct effect on their audit opinion. Participant 1 commented:

> "It's particularly difficult for those clients who are not that tech-savvy and probably have few staff to scan and send the relevant documents to auditors. Also, sometimes stock verification procedures are not able to be performed at the balance date as a result of movement restrictions, which can then pose the risk of qualified audit opinions being issued for inventory if sufficient appropriate audit evidence cannot be obtained from other procedures."

4.4 Role of internal auditors in assisting in fraud and going-concern assessments

The respondents highlighted that many of their clients don't have an internal audit function. However, the small number that does have, proves to be beneficial in certain aspects especially in fraud detection, as they can capture a vast population as opposed to external auditors who only capture transactions on a systematic basis. The following comment was made by participant 3 in this regard:

> "Internal auditors would not tend to dwell too much on the notion of going-concern. However, they do assist in addressing fraud risks by identifying loopholes within the business process which would create an opportunity for some to commit fraud. The IA's usually test the operating effectiveness of organisational control and provide recommendations where necessary. External auditors can then use these IAs' reports in planning for the audit of financial statements. I believe that extending the responsibilities of internal auditors' role is not necessary to cover going-concern as going-concern is more of a whole of financial statement level risk rather than risks posed by specific business processes. However, should the appropriate training be provided, then IAs can definitely assist management with financial forecasts to assist during the financial statement audits."

Furthermore, some of the participants stated that management has to ensure that issues relating to fraud and going-concern basis are identified and rectified. The participants mentioned that many of the clients have expanded the roles of their internal auditors to assist in the matter. Participant 5 further commented on this issue:

> "There should be a predefined criterion to be implemented by the standard-setting bodies to ensure tasks and work processes in relation to these subject matters are documented and made mandatory."

We noted from the responses that internal auditors assist management to establish an ethically accepted culture and involve in fraud detection and investigation in Fiji. They also assist the external auditors to devise areas of audit focus which then set the precedent for testing.

5 Discussion and conclusions

The participated auditors of this research highlighted the difficulties in assessing clients' projected cash flows due to the high risk of manipulation and such assessment has a direct effect on issuing an opinion on clients' going-concern assumptions. Furthermore, going-concern certainty for many businesses has become uncertain due to restrictions, lockdowns, closure of borders where many businesses rely on tourists, and unexpected economic downturn that has affected assessing the future financial performance of organisations.

This indicates that auditors were faced with a high level of inherent risk and attempted to minimise it with additional guidelines and procedures provided by their employers (accounting firms) before making an opinion on a going-concern basis. These findings to some extent contradict Xu et al. (2011) research as they found that auditors adopt conservative auditing procedures throughout the global financial crisis and the number of qualified audit opinions was significantly the same pre and post-crisis. However, based on the information gathered by the Fijian auditors, this study allows for the assumption that the pandemic will not only increase the auditing guidelines for auditors but the uncertainty will also increase the number of qualified opinions issued to audit clients.

Additionally, the accounting firms have given clear directives to their auditors to critically assess the going-concern basis of their clients during this pandemic. The findings indicate that the going-concern basis for many organisations is at risk due to a significant drop in its revenue and survival opportunities. Auditors are engaged in a detailed critique of clients' next financial year's budgets and cash-flows, checking if the client is meeting debt covenants, analysing the client's financial statements using ratios and other techniques, looking at future contracts and market economic conditions of the industry in which the client operates and so forth.

Furthermore, auditors mentioned that fraud detection and prevention is the responsibility of management and those charged with governance. Auditors have to ensure that the financial statements are not materially misstated and during the course of fraud risk assessment, the detected fraudulent activities are measured against materiality level and the outcome is discussed with relevant management and those charged with governance.

However, they commented that post-COVID-19 audit showed a high level of data manipulation and financial hardship by many auditees. The findings agree with Karpoff (2021). He found that the COVID-19 pandemic and resulting economic shutdown have fostered major disruptions and increased the likelihood of fraud in coming years.

Furthermore, based on the findings, auditors in Fiji are fully optimising the use of technology to conduct financial statement audits. In their view, the shift to technology is a must investment for both clients and accounting firms to ensure that auditors are able to carry out their duties without jeopardising the auditing processes and principles. In addition, Albitar et al. (2020) also stated that due to the implementation of a work-from-home strategy, audit firms are highly recommended to invest more in digital programs, including artificial intelligence, blockchain, network security, and data function development. We observed from the responses that many organisations employees are working from home and one-way auditors gather data is by requesting softcopies from clients. We conclude that such documents require authentication and it is the auditors' responsibility to keep an eye on details and accuracy.

Moreover, the impact of COVID-19 is also felt by the auditing profession in Fiji and we observed continuous development and guidelines provided by the accounting firms to ensure its auditors are able to assess appropriately the scope of fraud and going-concern assessments. Fijian auditors are increasingly relying on the use of modern technology in data gathering and analysis and activating modern audit methods such as continuous and remote auditing to overcome the restrictions imposed by social distancing procedures and lockdowns. We also observed an increase in communication via Zoom, Skype, Google-meet, and video conferencing to retrieve information and observations between clients and the audit teams.

Our findings via this study support Vadasi et al. (2020) study which emphasises on proper controls requiring investment in internal audit functions so that auditors can act as trusted advisors for management and governance bodies. We believe this to be true in Fiji's case as well. Internal auditors are key players in ensuring the continuity of an organisation rather than as a discretionary expense subject to budget cuts. This has a negative effect on internal auditors' performances. Internal auditors are often the unsung heroes of an organisation and leveraging the risk management expertise of these individuals during difficult times can help an organisation not only to survive but also thrive during periods of economic upheaval. We conclude that it is inappropriate to reduce funding for internal audit functions during a downturn in the economy.

Finally, it is important to consider that the generalisation of the results to all Fijian auditors is not possible given the qualitative nature of this study and the limited number of responses analysed. However, this study gives a good preliminary impression of Fijian auditors' perception of the impact of COVID-19 on fraud and going-concern assessments. We highly recommend further studies by employing research instruments such as interviews and survey techniques with auditors for a profound understanding of COVID-19's impact on fraud and going-concern assessments and to further validate the current study's result and conclusion.

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