Effect of Audit Expectations Gap on Financial Audit Towards Auditors Responsibility Evidence From Tanzania Northern   Zone
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This study aimed at examining the effects of audit expectations gap on financial audit towards auditors' responsibilities in Northern Zone, Tanzania. Specifically, the study sought to examine the factors for audit expectation gap, assess the responsibilities of auditors with respect to minimization of audit expectations gap and examine effect of the audit expectations gap in relation to auditors' responsibilities. Using a cross sectional research design, data were collected from the selected audit firms operating and with headquarters. Purposive and convenience sampling procedures were used to select 90 respondents from Audit firms and ACB Plc. The findings revealed that audit expectations gap results from unreasonable expectation of users of financial statement, communication of the extent of audit engagement, soundness of the internal control, nature of the audit work and expectations of users. Again, there is a relationship between audit expectations gap and auditors' responsibilities and that AEG affects the responsibility of auditors on fraud detection, fraud prevention, objectivity of audit engagement and selection of audit procedures. It was concluded that there are differences between the responsibilities that auditors believe they have in carrying out their audit engagement and those which the users of the financial information attribute to them. It is recommended that the board of accountants, auditors and the standards committees should broaden the responsibilities of auditors on audit of complete set of financial statements, the standard setters should consider revising the international auditing standards and lastly, education to users of financial statement needs to be provided by the National Board of Accountant and Auditors; inside and outside the organisations to reduce the audit expectations gap.