

Impact of Auditing and Assurance Courses in Sri Lankan State Universities on Minimizing Audit Expectation Gap

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Abstract

The audit expectation gap (AEG) arises when public perceptions of auditors' responsibilities differ from the actual duties defined by auditing standards. This gap remains a critical challenge in the auditing profession, particularly in Sri Lanka, where limited empirical research exists on its persistence among undergraduates pursuing accounting and finance degrees. Addressing this gap through education is essential for shaping accurate perceptions among future professionals, and there are also inclusive findings within the literature related to the impact of audit education. This study aims to evaluate the impact of auditing and assurance courses on minimizing the AEG among undergraduates in Sri Lankan state universities. Specifically, it investigates the influence of course content, teaching methods, student engagement, practical experience, and feedback mechanisms on students' understanding of audit responsibilities and limitations. A quantitative research design was employed, and primary data were collected from 354 third- and final-year students across seven state universities offering comparable auditing and advanced auditing courses. Data were gathered via a structured questionnaire. Educational variables were measured using five-point Likert-scale statements. The AEG was assessed through statements relating to fraud detection, auditor versus management responsibilities, and common misconceptions. Data analysis involved descriptive statistics, correlation analysis, and multiple regression to examine the relationships between educational components and the audit expectation gap. Findings reveal that course content, practical experience, and feedback mechanisms have a significant positive effect on reducing the AEG, while teaching methods show a moderate effect, and student engagement does not have a statistically significant impact in this context. This study contributes to the limited empirical literature in Sri Lanka by highlighting the role of university audit curricula in shaping students' understanding of auditor responsibilities. The findings provide practical insights for academics, policymakers, and professional bodies to align audit education with real-world practices.

Keywords: audit education, audit expectation gap, course content, practical experience, teaching methods