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Effect of auditor's client communication enhancement on the financial reporting quality of listed industrial goods companies in Nigeria

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Abstract

The study examined the effect of auditor–client communication enhancement on financial reporting quality in listed industrial goods companies in Nigeria. The study adopted an ex post facto research design, using secondary data collected from ten listed industrial goods companies over a ten-year period from 2015 to 2024. Panel regression analysis was employed to examine the relationships among the variables. The findings indicate that timeliness of auditor–client communication and formal communication channels have positive and statistically significant effects on financial reporting quality, highlighting the importance of timely and structured communication in enhancing stakeholders' confidence and perceptions of reporting reliability. In contrast, communication openness and transparency and auditor accessibility and availability were found to be positive but statistically insignificant, suggesting that openness and accessibility alone do not meaningfully improve financial reporting quality without formalized and timely communication mechanisms. The study concludes that enhancing audit communication, particularly through timeliness and formal channels, is critical for improving financial reporting quality and narrowing the audit expectation gap. It is recommended that auditors prioritize timely interactions and establish structured communication mechanisms with clients, while regulators and firms provide training and guidelines to reinforce effective communication practices. These measures can strengthen transparency, accountability, and the overall credibility of financial reporting in Nigeria's industrial goods sector.

Keywords: Auditor–Client Communication, Timeliness of Communication, Communication Openness and Transparency, Auditor Accessibility and Availability, Formal Communication Channels, Financial Reporting Quality.

Introduction

Financial reporting quality remains a critical concern for stakeholders in capital markets, particularly in emerging economies such as Nigeria where corporate transparency and accountability are still evolving. Despite the adoption of international financial reporting standards and the introduction of various corporate governance reforms, persistent doubts



continue to surround the credibility, clarity, and usefulness of financial statements issued by many listed firms. Stakeholders frequently rely on audit reports to validate the reliability of financial disclosures; however, growing evidence suggests that traditional audit communication practices are inadequate in meeting users' informational needs, thereby limiting the effectiveness of audits in enhancing financial reporting quality (Dechow, et al., 2010; Barth, et al., 2019).

One of the major challenges undermining financial reporting quality is the limited communicative value of audit reports. Audit opinions are often standardized, technical, and lacking in detailed explanations of audit scope, professional judgment, and inherent limitations. This communication gap creates an environment where users interpret audit reports in ways that may not reflect the actual assurance provided, leading to misunderstandings, misplaced trust, or unwarranted skepticism (Porter, 1993; Monroe & Woodliff, 1993). Empirical studies show that a significant proportion of financial statement users believe auditors are responsible for guaranteeing the accuracy of all financial information and detecting all fraud, expectations that exceed the auditors' statutory responsibilities (Olojede, et al., 2020; Shahsavari, et al., 2024).

In Nigeria, the problem is particularly pronounced in listed industrial goods companies, which represent a substantial share of market capitalization and attract diverse investor groups. Despite their economic importance, stakeholders continue to express concerns about the transparency of financial disclosures and the reliability of audit opinions in this sector. Studies conducted within the Nigerian context indicate that poor auditor–client communication contributes significantly to low stakeholder confidence in financial reporting, as users struggle to understand audit processes and interpret audit outcomes meaningfully (Alao, 2024; Sani et al., 2025). Although regulatory reforms such as the introduction of Key Audit Matters aim to improve audit transparency, there is limited empirical evidence on whether such communication enhancements have effectively translated into improved financial reporting quality in practice.

The persistence of these issues highlights a critical research gap. While existing studies acknowledge the importance of audit quality, few have systematically examined how enhanced auditor–client communication specifically influences financial reporting quality



over time, particularly in Nigeria's industrial goods sector. This study therefore examined the gap by empirically examined the effect of auditor's client communication enhancement on financial reporting quality of in Nigeria.

Hypotheses

H01: Timeliness of auditor–client communication has no significant effect on financial reporting quality in listed industrial goods companies in Nigeria.

H02: Communication openness and transparency between auditors and clients have no significant effect on financial reporting quality in listed industrial goods companies in Nigeria.

H03: Auditor accessibility and availability have no significant effect on financial reporting quality in listed industrial goods companies in Nigeria.

H04: Formal communication channels between auditors and clients have no significant effect on financial reporting quality in listed industrial goods companies in Nigeria.

Literature Review

Concept of Financial Reporting Quality

Afify (2009) views financial reporting quality from an audit perspective, defining it as the extent to which audited financial statements are free from material misstatement and reflect the true and fair view of an organization's financial position. He argues that audit effectiveness and corporate governance structures play significant roles in determining the quality of financial reporting. Azizah and Pujiono (2021) define financial reporting quality as the degree to which financial reports meet users' expectations regarding accuracy, completeness, and transparency, stressing that stakeholder perceptions are as important as technical compliance with accounting standards.

Barth, et al. (2019) describe financial reporting quality as the capacity of accounting information to provide a complete, neutral, and accurate portrayal of a firm's financial performance and position. They emphasize that high-quality reporting enables capital market participants to make efficient investment and credit decisions, thereby improving market



efficiency. Scholars emphasize that financial reporting quality goes beyond mere compliance with accounting standards. While compliance ensures uniformity and comparability, high-quality reporting requires that standards are applied in a manner that faithfully reflects economic reality (Dechow, et al., 2010).

Concept of Audit-Client Communication Enhancement

Quick (2020) conceptualizes audit–client communication enhancement as the expansion of traditional audit reporting into more interactive and explanatory forms, including early-stage planning discussions, post-audit briefings, and narrative disclosures. He argues that enhanced communication reduces uncertainty, aligns expectations, and strengthens trust in audit outcomes. Deepal and Jayamaha (2022) describe audit communication enhancement as the integration of qualitative disclosures—such as Key Audit Matters and professional judgment explanations—into audit reports to improve their informational value. They emphasize that communication enhancement is not merely about increasing volume of information, but about making audit information more accessible and decision-relevant.

Sani et al. (2025) defined audit–client communication enhancement as the timely and continuous exchange of audit-related information that clarifies audit scope, responsibilities, risks, and outcomes. Their study highlights that in emerging economies, enhanced communication plays a critical role in reducing misinterpretations of audit opinions and improving stakeholders' confidence in financial statements. Shamsavari, et al. (2024) view audit–client communication enhancement as a multidimensional construct involving verbal interactions, written disclosures, and stakeholder education. They argue that communication failures are a major contributor to the audit expectation gap and that improving communication quality is essential for strengthening financial reporting quality.

Scholarly literature suggests that audit–client communication enhancement is a strategic audit practice aimed at improving transparency, reducing information asymmetry, and aligning stakeholder expectations with professional auditing standards. Enhanced communication is therefore not only a technical improvement but also a governance mechanism that reinforces trust, accountability, and the credibility of financial reporting systems.



Empirical Review

Sani et al. (2025) explored the effect of auditors' statutory duties and communication practices on financial reporting quality among Nigerian industrial and consumer goods companies. Their research demonstrated that enhanced auditor-client communication, such as detailed explanations of audit scope and limitations, improved stakeholders' perceptions of financial reporting quality. The study highlighted that in environments with low financial literacy, communication is a key mitigating factor in narrowing the expectation gap. The critique of this study is that it relied heavily on perception-based survey responses, which may introduce bias as respondents' opinions might not accurately reflect actual improvements in reporting quality. Additionally, the study did not employ longitudinal methods to track whether communication enhancements had sustained effects over time.

Shahsavari, et al. (2024) conducted a systematic literature review on the audit expectation gap across various jurisdictions. They concluded that the expectation gap is multidimensional, arising from knowledge deficiencies among users, performance shortcomings among auditors, and communication failures. Their review emphasizes that effective communication and stakeholder education are critical in reducing the expectation gap and enhancing financial reporting quality. The critique here is that the study, being a literature review, lacks empirical data from Nigeria's industrial goods sector, which limits its direct applicability to the local context.

Alao (2024) specifically examined the Nigerian industrial goods sector, assessing how auditors' statutory duties and communication affect the expectation gap. The study found that companies with structured auditor-stakeholder communication programs experienced improved stakeholder perceptions of financial reporting quality. This study provides sector-specific insights, highlighting the importance of communication in reducing the expectation gap. However, a limitation of Alao's research is its cross-sectional design, which does not account for changes over time or the long-term effectiveness of communication interventions in improving reporting quality.

Deepal and Jayamaha (2022) investigated the impact of enhanced audit reporting, including Key Audit Matter (KAM) disclosures, on the audit expectation gap in developing economies.



They found that while KAM disclosures increase transparency, they may inadvertently raise user expectations if not accompanied by educational initiatives, potentially widening the perception gap. The strength of this study lies in its identification of unintended consequences of regulatory reforms. However, the study's limitation is its contextual mismatch with Nigeria, as the research was conducted in Sri Lanka, and cultural and regulatory differences may affect the applicability of findings to Nigerian industrial goods companies.

Olojede, et al. (2020) conducted a survey of auditors and financial statement users in publicly listed Nigerian firms to examine the perception differences regarding audit responsibilities. Their study revealed that 58% of stakeholders believed auditors were responsible for detecting all fraud and ensuring complete accuracy of financial statements, indicating a significant expectation gap. The study concluded that these misperceptions negatively affect stakeholders' confidence in audited financial statements. While this study provides empirical support for the existence of the expectation gap in Nigeria, its critique lies in its limited sectoral focus, as it surveyed multiple listed companies without specifically analyzing industrial goods firms. Consequently, the generalizability of the findings to sectors with unique operational and financial complexities may be limited.

Theoretical Framework

The theoretical framework for this study is anchored on Agency Theory, Signaling Theory, and the Audit Expectation Gap Theory, which together provide a comprehensive explanation of how audit–client communication influences financial reporting quality. These theories explain the existence of information asymmetry between corporate managers, auditors, and stakeholders, and justify the role of enhanced communication in improving the credibility and usefulness of financial reports.

Agency Theory

Agency Theory, as advanced by Jensen and Meckling (1976), posits that in modern corporations, managers (agents) are entrusted with the responsibility of managing resources on behalf of shareholders (principals). However, because managers possess more information about the firm's operations and performance, information asymmetry arises, creating opportunities for opportunistic behavior and earnings manipulation. Auditors are engaged as



independent monitors to reduce this agency problem by verifying the reliability of financial statements. Nevertheless, the effectiveness of auditing in reducing agency conflicts depends not only on technical audit quality but also on how well audit outcomes are communicated to stakeholders. When audit communication is weak or ambiguous, stakeholders may misinterpret audit opinions, thereby limiting the extent to which auditing can enhance financial reporting quality.

Signaling Theory

Signaling Theory, proposed by Spence (1973), complements Agency Theory by explaining how informed parties use credible signals to convey private information to less informed parties. In the auditing context, auditors serve as signal providers who communicate assurance about the credibility of financial statements. Enhanced audit–client communication, such as the disclosure of Key Audit Matters, professional judgments, and audit risks, strengthens these signals and reduces uncertainty among users of financial reports. Through timely and clear communication, auditors can convey not only the final audit opinion but also the underlying reasoning and limitations of their work, thereby improving stakeholders' confidence and perception of financial reporting quality (Quick, 2020; Deepal & Jayamaha, 2022).

Audit Expectation Gap Theory

The Audit Expectation Gap Theory, first articulated by Ligigio (1974) and later expanded by Porter (1993), provides a critical foundation for this study. The theory explains the persistent gap between what stakeholders expect auditors to do and what auditors are actually required to do under professional standards. This gap consists of the audit responsibility gap and the audit performance gap, both of which stem largely from communication failures. When auditors do not adequately communicate their roles, responsibilities, and the scope of their work, users tend to overestimate auditors' responsibilities, leading to dissatisfaction and loss of confidence in financial reports. Enhanced communication is therefore viewed as a key mechanism for narrowing the expectation gap and improving stakeholders' understanding of audit assurance.



Integrating these theories, this study assumes that financial reporting quality is influenced by the extent to which auditors effectively communicate with clients and stakeholders. Agency Theory explains the need for auditing as a monitoring tool, Signaling Theory explains how audit communication conveys credibility, while Audit Expectation Gap Theory explains how miscommunication undermines users' confidence in financial reports. Together, these theories provide a strong conceptual basis for examining how audit responsibility gap, audit performance gap, and timeliness of auditor–client communication affect financial reporting quality in listed industrial goods companies in Nigeria.

Methodology

The study adopted an ex post facto research design for the study. The population of the study comprised of all industrial goods companies listed on the Nigerian Exchange Group (NGX) during the period 2015 to 2024. The study employed secondary sources of data for the purpose of data collection. The study employed panel regression analysis as the main technique of data analysis

Model Specification

$$FRQ_{it} = \beta_0 + \beta_1 TIM_{it} + \beta_2 OPT_{it} + \beta_3 AAV_{it} + \beta_4 FCC_{it} + \varepsilon_{it}$$

Where:

FRQ = Financial Reporting Quality

TIM = Timeliness of Auditor–Client Communication

OPT = Communication Openness and Transparency

AAV = Auditor Accessibility and Availability

FCC = Formal Communication Channels

β_0 = Intercept

$\beta_1 - \beta_3$ = Coefficients of explanatory variables

ε = Error term

i = Firm

t = Time



Table 1: Definition and Measurement of Variables

Variable	Measurement	Source
Financial Reporting Quality	Measured by use of modified Jones Model as a proxy for financial reporting quality. $NDA_t = \alpha_1(1/At - 1) + \alpha_2[(\Delta REV_t - \Delta RECT) / At - 1] + \alpha_3(PPE_t / At - 1)$.	Dechow et al., (1995) Azizah and Pujiono (2021)
Timeliness of Auditor–Client Communication	Time lag (in days) between financial year-end and audit report date; timing of audit committee reports in annual filings.	Beattie et al. (2012); Afify (2009)
Communication Openness and Transparency	Disclosure index based on transparency indicators: KAM detail, going-concern explanations, significant judgment disclosures.	Nelson (2006); Cohen et al. (2010)
Auditor Accessibility and Availability	Presence and prominence of auditor contact information, named engagement partners, and auditor attendance at AGM disclosures.	Turley & Zaman (2007); Quick et al. (2018)
Formal Communication Channels	Binary and frequency coding of formal channels such as audit reports, management letters, audit committee reports, and AGM statements.	Turley & Zaman (2007); Cohen et al. (2010)

Source: Researcher’s Compilation, 2026

Result and Discussion of Findings

Table 2: Descriptive Statistics

	FRQ	TIM	OPT	AAV	FCC
Mean	0.158468	4.366071	0.074006	0.473872	0.497685
Maximum	0.188920	4.584967	0.389700	0.735200	0.818300
Minimum	0.132100	4.158883	0.000000	0.200000	0.157600
Std. Dev.	0.010032	0.082906	0.053036	0.109581	0.148087
Skewness	-0.022049	-0.097005	1.728355	-0.349878	-0.090042
Kurtosis	3.747446	3.195352	11.40839	3.127737	2.666798
Jarque-Bera	3.036689	0.410594	447.6865	2.740693	0.777044
Probability	0.219074	0.814405	0.000000	0.254019	0.678058
Observations	130	130	130	130	130

Source: Eviews Output, 2026

The descriptive statistics indicate that Financial Reporting Quality (FRQ) has a low but stable mean value of 0.158, suggesting moderate consistency in reporting quality among the sampled firms over the study period. Timeliness of Auditor–Client Communication (TIM) records a high mean of 4.366 with very low dispersion, implying that audit communication is generally timely across firms. Communication Openness and Transparency (OPT) show a very low mean of 0.074 and high positive skewness, indicating that openness in communication is limited and unevenly distributed among firms. Auditor Accessibility and



Availability (AAV) has a moderate mean of 0.474, suggesting average levels of auditor engagement with clients. Formal Communication Channels (FCC) also display a moderate mean of 0.498, reflecting reasonable use of structured communication mechanisms. Overall, the low standard deviations for most variables indicate relative stability over time, while the significant non-normality of OPT suggests wide variation in transparency practices across firms.

Table 3: Correlation Matrix

Correlation Probability	FRQ	LNTIM	OPT	AAV	FCC
FRQ	1.000000				
LNTIM	0.860183	1.000000			
OPT	0.045222	0.040433	1.000000		
AAV	0.124182	0.130597	0.103317	1.000000	
FCC	0.080261	-0.067550	-0.008007	0.182878	1.000000
	0.3640	0.4451	0.9280	0.0373	

Source: Eviews Output, 2026

The correlation results show a strong positive and statistically significant relationship between Financial Reporting Quality (FRQ) and the Timeliness of Auditor–Client Communication (LNTIM), with a correlation coefficient of 0.860, indicating that improvements in communication timeliness are closely associated with higher financial reporting quality. In contrast, Communication Openness and Transparency (OPT) exhibits a very weak and statistically insignificant positive relationship with FRQ, suggesting that variations in openness do not meaningfully influence reporting quality in the sample. Auditor Accessibility and Availability (AAV) also show a weak positive but insignificant association with FRQ, implying limited direct impact on financial reporting quality. Similarly, Formal Communication Channels (FCC) reveal a weak and insignificant positive relationship with FRQ. Overall, the results indicate that among the communication variables, timeliness plays the most dominant role in explaining financial reporting quality, while openness, accessibility, and formal communication structures exhibit limited bivariate influence.



Table 4: Variance Inflation Factors

Variable	Coefficient Variance	Centered VIF
TIM	2.890005	1.027017
OPT	6.970005	1.012180
AAV	1.720005	1.068148
FCC	9.220006	1.044442
C	0.000550	NA

Source: Eviews Output, 2026

The variance inflation factor (VIF) results indicate that multicollinearity is not a concern in the model. All the explanatory variables—Timeliness of Auditor–Client Communication (TIM), Communication Openness and Transparency (OPT), Auditor Accessibility and Availability (AAV), and Formal Communication Channels (FCC)—have VIF values close to 1, which is far below the conventional threshold of 10. This suggests that the independent variables are not highly correlated with one another and that each variable contributes unique information to the model. Consequently, the estimated regression coefficients can be considered reliable and free from distortion arising from multicollinearity.

Table 5: Heteroskedasticity Test

Null hypothesis: Homoskedasticity

F-statistic	0.735895	Prob. F(4,125)	0.5692
Obs*R-squared	2.990891	Prob. Chi-Square(4)	0.5594
Scaled explained SS	3.603756	Prob. Chi-Square(4)	0.4623

Source: Eviews Output, 2026

The heteroskedasticity test results indicate that the null hypothesis of homoskedasticity cannot be rejected, as all the p-values for the F-statistic (0.5692), Obs*R-squared (0.5594), and Scaled Explained SS (0.4623) are greater than the 0.05 significance level. This suggests that the variance of the residuals is constant across observations, confirming that there is no evidence of heteroskedasticity in the regression model. Therefore, the assumption of homoskedasticity is satisfied, and the ordinary least squares (OLS) estimates are reliable and efficient.



Table 6: Hausman Test

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	13.682125	4	0.0084

Source: Eviews Output, 2026

The Hausman test results indicate a Chi-Square statistic of 13.682 with 4 degrees of freedom and a p-value of 0.0084, which is less than the 0.05 significance level. This result leads to the rejection of the null hypothesis that the random effects model is appropriate. Consequently, the fixed effects model is more suitable for analyzing the data, as it accounts for unobserved heterogeneity across the cross-sectional units (the listed industrial goods companies) that may be correlated with the independent variables. Using the fixed effects approach ensures more consistent and unbiased coefficient estimates for the relationship between auditor communication variables and financial reporting quality.

Table 6: Regression Results

Dependent Variable: FRQ				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
TIM	0.091590	0.006033	15.18179	0.0000
OPT	-0.000235	0.008080	-0.029072	0.9769
AAV	-0.002695	0.003969	-0.679074	0.4985
FCC	0.009033	0.002885	3.131025	0.0022
C	-0.244620	0.026615	-9.191015	0.0000
R-squared	0.817955			
Adjusted R-squared	0.792179			
F-statistic	31.73287	Durbin-Watson stat		2.086317
Prob(F-statistic)	0.000000			

Source: Eviews Output, 2026

The regression results show that Timeliness of Auditor–Client Communication (TIM) has a strong positive and statistically significant effect on Financial Reporting Quality (FRQ), with a coefficient of 0.092 and a p-value of 0.000. This finding indicates that firms where auditors provide information promptly and within relevant timeframes experience higher quality financial reporting. Timely communication ensures that stakeholders receive critical audit information when it is most useful for decision-making, reducing information asymmetry and improving perceptions of reliability and transparency (Quick, 2020; Deepal & Jayamaha, 2022). This result aligns with Signaling Theory, which emphasizes that timely and credible



information serves as an effective signal to stakeholders about the quality of financial reports (Spence, 1973).

In contrast, Communication Openness and Transparency (OPT) exhibits a negative but statistically insignificant effect on FRQ (coefficient = -0.0002, $p = 0.977$). This suggests that variations in how open or transparent communication is, by itself, do not significantly influence reporting quality in this sample. The result may reflect the uneven implementation of transparent communication practices, as indicated by the skewed distribution of OPT in the descriptive statistics, and supports earlier findings that transparency alone may not be sufficient to influence stakeholder perceptions unless accompanied by timeliness and accessibility (Sani Ilemona & Ikpor, 2025; Shahsavari, Salehi & Bagherpour Velashani, 2024).

Similarly, Auditor Accessibility and Availability (AAV) shows a negative but insignificant effect (coefficient = -0.0027, $p = 0.499$), indicating that mere availability of auditors does not automatically enhance financial reporting quality. This may suggest that accessibility without structured, timely, or formalized communication may not effectively reduce the audit expectation gap or improve stakeholders' confidence (Olojede, Cornelius & Okoye, 2020). Formal Communication Channels (FCC), however, has a positive and statistically significant effect on FRQ (coefficient = 0.009, $p = 0.002$). This indicates that structured, standardized, and formal channels of communication contribute meaningfully to financial reporting quality by ensuring that critical audit information is systematically shared with stakeholders. This finding reinforces the idea that formalized reporting mechanisms enhance transparency and stakeholder understanding (Deepal & Jayamaha, 2022; Quick, 2020).

The model explains approximately 81.8% of the variation in FRQ ($R^2 = 0.818$), with an adjusted R^2 of 0.792, indicating a strong overall fit. The F-statistic of 31.73 ($p < 0.001$) confirms that the independent variables collectively have a significant effect on financial reporting quality. The Durbin-Watson statistic of 2.086 suggests that autocorrelation is not a concern. Based on the regression results, H_0 is rejected, as Timeliness of Auditor-Client Communication (TIM) has a positive and statistically significant effect on financial reporting quality ($p = 0.000$). This indicates that timely communication by auditors enhances the reliability and usefulness of financial reports.



H02 is accepted, since Communication Openness and Transparency (OPT) shows a negative and statistically insignificant effect ($p = 0.977$), suggesting that openness alone does not meaningfully influence financial reporting quality in the sampled firms. H03 is accepted, as Auditor Accessibility and Availability (AAV) has a negative and insignificant impact on financial reporting quality ($p = 0.499$), implying that mere availability of auditors does not translate into higher reporting quality. Finally, H04 is rejected, because Formal Communication Channels (FCC) exhibit a positive and significant effect on financial reporting quality ($p = 0.002$). This suggests that structured and formalized communication mechanisms positively influence stakeholders' perception and the overall quality of financial reporting.

These findings highlight that timeliness and formal communication mechanisms are critical drivers of financial reporting quality, whereas openness and accessibility alone may not be sufficient. This underscores the importance of structured, timely, and well-coordinated auditor–client communication in enhancing the credibility, transparency, and reliability of financial reports in Nigeria's industrial goods sector.

Conclusion and Recommendations

This study examined the effect of auditor–client communication enhancement on financial reporting quality in listed industrial goods companies in Nigeria. The findings reveal that timeliness of communication (TIM) and the use of formal communication channels (FCC) significantly improve financial reporting quality, highlighting the importance of structured and prompt dissemination of audit information to stakeholders. Conversely, communication openness and transparency (OPT) and auditor accessibility and availability (AAV) were found to have insignificant effects, suggesting that simply providing access or being open does not necessarily enhance the usefulness or reliability of financial reports unless accompanied by timely and formalized communication mechanisms. These results underscore the critical role of effective communication as a strategic tool in auditing, not merely as a procedural or administrative task.



Based on the findings, the following recommendations are proposed:

- i. Auditors should prioritize timely communication with clients and stakeholders throughout the audit process to ensure that relevant audit information is received when it is most useful for decision-making.
- ii. Firms and auditors should adopt and maintain formal communication channels, including standardized reporting formats, structured meetings, and documented disclosures, to enhance clarity and reduce misinterpretation of audit opinions.
- iii. While openness and accessibility are important, auditors should complement these with structured and timely communication, as uncoordinated access or transparency alone may not improve reporting quality.
- iv. Regulatory bodies, such as the Financial Reporting Council of Nigeria, should develop guidelines emphasizing the importance of auditor–client communication timeliness and formal channels as part of audit quality assessment.
- v. Training programs for auditors and clients should focus on improving understanding of audit processes, limitations, and reporting standards to strengthen stakeholder confidence and reduce the expectation gap.



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