

**AUDIT EVIDENCE COLLECTION DURING THE TIME OF
PANDEMIC: EXTERNAL AUDITOR'S PERCEPTION**

THESIS

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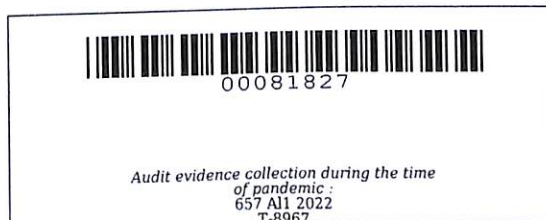
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ABSTRACT

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This study was conducted to describe the perception of external auditors from big four auditing firms in the Philippines such as SGV & Co., Deloitte, PWC, and KPMG regarding the collection of audit evidence during the COVID-19 pandemic. Specifically, the study intended to: (1) determine participant's profile; (2) determine the external auditors' perception on the challenges in audit evidence collection procedures brought by the pandemic in terms of: (a) sufficiency and (b) reliability of audit evidence; (c) management's cooperation in providing audit evidence; (d) obtaining audit evidence from third-party sources and; (e) reliance on technology to obtain audit evidence; and (3) identify alternatives in obtaining physical forms of evidence during the pandemic.

Descriptive research design and quantitative data were used in the study. Primary data were collected and statistically analyzed with the use of statistical tools such as frequency and percentage for participant's profile and alternatives used in obtaining audit evidence and five-point Likert scale and mean for ungrouped data for external auditors' perception on the challenges in audit evidence collection procedures brought by the pandemic. The findings of the study revealed that external auditors perceived that they obtained sufficient and reliable audit evidence even during the pandemic. Client management has been cooperative in providing audit evidence and external auditors often collect audit evidence from third-party sources to check audit evidence gathered from clients. External auditors also relied on technology to obtain audit evidence to meet the needs and changes that the pandemic imposed.

The study uncovered external auditors' experiences in audit evidence collection during the pandemic. Furthermore, the study has given external auditors the

opportunity to assess their perception of their work as the field is now being transitioned to the new normal.

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INTRODUCTION

The work environment provides the ability to build professionals. Before the emergence of COVID-19, the workplace was efficient, innovative, and competitive, especially in the business industry. People usually work 40 hours over five days a week; mainly, the external auditor collects data and supporting documents from Monday to Friday in the client's office. The traditional workplace can provide workers intellect to further enhance due to the competent and flexible environment, unlike in home where the body is set to rest. Moreover, the external auditors must communicate on a timely basis and interact with client management to obtain data needed to meet the required quantity of audit evidence.

Nevertheless, in March 2020, widespread coronavirus disease began. This infectious disease caused most people who are infected to experience mild to moderate respiratory disorders. The virus is being spread through droplets produced when an infected person coughs, sneezes, or speaks (World Health Organization, 2020). COVID-19 has brought unprecedented challenges to people. The factor that adds stress during a pandemic that every individual is concerned about is the risk of being exposed to the virus at work. As COVID-19 patients increase, the fear of