

Artificial Intelligence in Auditing: Transforming Fraud Detection, Risk Assessment and Assurance Quality in Financial Reporting

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Abstract

AI, in turn, bears its own set of consequences, markedly changing the course of work for auditors in terms of making it smoother, more precise, and less error-prone, with a reduced risk of fraud as its foundation. The traditional auditing process was systematized and prone to errors due to time and human factors. Improved access to better data analytics, anomaly detectors, and predictive modelling tools was also possible under AI, allowing auditors to undertake their work more effectively with large amounts of data. The current paper aims to address the role of AI in transforming auditing processes, emphasizing the augmentation of efficiency, risk mitigation, and the elimination of financial statement disclosure. The study employs a mixed-method search approach, integrating the latest financial reports and case studies as secondary data, in addition to a survey of 200 auditors from multinational companies being studied. The study has found that auditing-driven studies enhance real-time risk assessment, reduce operating costs, and ensure compliance in a global setting. Auditors further contended that they had increased trust in detecting aberrants as well as suppressing money. They have presented such barriers as algorithmic transparency, ethical dilemmas, and a lack of skills as having hampered full implementation, although not without standing. The research concludes that the report on the implementation of AI in auditing is neither a redirection of technology nor a strategic redirection, but rather involves a process of constant education, principles, and policy interventions. Further studies are therefore aimed at developing models that strike a balance between automation and understanding of human beings to promote further Accountability and trust within the limits of audit processes.

Keywords: Imitative Accountability, Artificial Intelligence, Auditing, Efficiency, Financial Reporting, Transparency.

Introduction

Auditing is a characteristic that is gaining relevance in the financial world. It is significant in the realisation of transparency in a changing environment. The new money transactions could not have been solved through traditional auditing methods, which involved sampling and manual processes, among other sources, as the primary reasons. The recent development of big data, blockchain, and more advanced analytics has not only posed opportunities for auditors but also presented challenges at the same time. AI has already been recognized as an innovative tool that has been

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utilized in auditing modules to automate and detect irregularities, thereby making risk decisions more efficient (Vasarhelyi et al., 2022).

The process of introducing AI to the field of auditing was not only gradual but also involved a significant portion of decentralization of the strategy employed prior to the introduction of the proposed technique. To reveal a more complex theme in the detection of fraud, the experimental methods would need to be refined, and this will entail suitable deviations in techniques for exposing underlying patterns and texts within the information. Kokina and Davenport (2017) mention the usage of artificial intelligence (AI) tools, like machine learning and natural language processing, as triggers to the process of auditing since it enables studying the company documents (financial statements, contracts, and each transaction data, etc.), which do not fill the conventional infrastructure of carrying out the audit. This was achieved by allocating sufficient time and capacity to recognize and uncover the fraud long before it would otherwise have been detected, as organizations were able to save more capacity, which permitted.

Additionally, the presence of such influential AIs in the risk management environment during the audits was also influential. The AI solutions assisted the auditors in assessing the risk of occurrence based on predictive analysis tools and scheduling a watch. The authors defended the view that AI cannot be compared to traditional solutions, which are also frequently based on retrospective analysis, but provide insight into the future (Issa et al., 2016). The element of human act cannot be archaeologically substituted and pilfered out; instead, we will encounter subjugation of the same under the collective interplay.

Ethical legal retribution has the capacity to monitor other aspects that it audits using high-end AI technology. These factors, including such transparency, algorithmic impartiality, and data safety, were to be considered to avoid violating professional values and social standards influenced by technological advancements. Accountants and auditors face challenging situations due to the disruptive impact of new technologies. Nevertheless, AI also provides auditors with a more valuable opportunity to filter fraud, conduct risk analysis, and verify quality certifications regarding the auditing of financial statements, thereby reinventing the audit job into a new obligation and trust (Rozario & Thomas, 2019).

Research Background

Auditing for several years has been linked to property accounting misstatements, maintenance, and identification of accounts. The auditors previously worked by being at the mercy of their own judgment, sampling and reviewing transactions to determine whether they were real or not. Conventional strategies will no longer be effective, as the FX market is becoming increasingly complex and challenging to manage. The amount and number of times financial information in modern firms would be generated can frequently render the manual procedures too complex to implement (Brown-Liburd et al, 2015). These restrictions brought about technological intervention.

It was a business-level case, which, with the help of Artificial Intelligence (AI), was able to engage in large quantities of data and detect minor defects, thereby viewing the product as a result. Regarding transaction abnormalities, fraud, and compliance risks, artificial intelligence and machine learning models have proven effective in mitigating these issues. Natural language processing can now be used to process unstructured data, such as audit reports and financial disclosures, and further refine the audit scope, even beyond the standard sets of data (Sun, 2019). The AI has revolutionized risk assessment systems, in addition to detecting fraud violations. Predictive analytics may enable auditors at this stage to determine the essence of the new risks,

refine scenario planning, and assess the risk of misstatement. It might be termed procedural, as AI unbundles financial systematized financial performance and extraneous challenges related to market movements and social media sentiment (Yoon et al., 2021). It enhanced audit services, and organizations were well-positioned to absorb the unscrupulous financial motivations.

Research Problem

These barriers were evident even in the scenario where an AI was used to perform an audit; though it was long known to rely on it and assist in detecting fraud, assessing risk, and quality. One of the most vital issues was the problem of being unclear about who would be in charge and assume responsibility in situations when something did not happen. In most instances, the services provided would be the assurance services offered by the auditors. When the supplementary application of AI was implemented, a loss was incurred. Other possibly contributing factors to the application of AI to the audit process include infrastructural developments, which are structural elements, technical capability, and the regulatory provisions that could be imposed, which may require some time. This was also another ethical problem that occurred in the majority of organizations; the use of algorithms that had raised ethical concerns for many organizations, yet most of these organizations themselves were actually using the algorithms without knowing that they were harming both sides. The expressed concerns necessitated the implementation of empirical studies to determine the fundamental efficacy of AI in enhancing the detection of fraud naivety, assessment, and the integration of quality assurance, as well as a final discussion of the threats.

Objectives of the Study

1. To research the effects of AI tools on reducing risks in terms of the financial reporting methodology.
2. To establish how critical the use of AI is in the process of upgrading the quality of assurance in the audit procedures.
3. To study the issues and constraints related to the know-how of embracing AI in auditing.

Research Questions

Q1: What effects has AI had on the financial reporting risk assessment practice?

Q2: What had been the effects of the adoption of AI on the quality of assurance in the field of auditing as a whole?

Q3: What were the most common AI-related issues and ethical concerns in the profession of auditing?

Significance of the Study

This study was remarkable and intriguing because it presented knowledge about the revolution of the role of AI in the sphere of auditing and reporting. Among the points is the focus of the AI software within the realm of fraud detection analysis, which enriches the academic and professional practice through source analysis. The adoption of AI-based applications for assurance services leads audit professionals to believe that the conclusion will provide valuable insights on how to utilize these applications more efficiently and reliably in assurance services. Additionally, policymakers and regulators can utilize the research in formulating guidelines for the ethical, safe, and transparent application of AI in auditing. Given that the business environment was shifting online, it was necessary to understand what AI was capable of doing and what it could not do, in

order to preserve the integrity behind the financial reporting process. The ongoing study has contributed to the ever-increasing debate about the concern of technology versus human judgment in the field of the audit profession, in which the problem at hand is whether the content is compatible between human perception and technology.

Literature Review

The latest trend in scholarly and professional dealings is the application of Artificial Intelligence (AI) in auditing, given the historically complex changes in the content of modern financial reporting. According to researchers, more formal types of audits were appropriate within a structured framework; however, in the scenario, we had huge volumes of information produced by accounting systems, which were not workable. In its effort to enhance fraud detection, the management team has been augmenting the auditors' capacity to scan large quantities of data with technologies based on artificial intelligence, including machine learning and predictive analytics (Issa et al., 2016; Kokina & Davenport, 2017). The technologies increased efficiency in terms of earning more; moreover, the auditors were able to identify recurring patterns that would not have been observed if the audit had been conducted manually.

The use of intelligent fraud detection apps was regarded as a valuable tool, and it was among the most common applications. As has been observed, the AI-based anomaly detection system was pitted against the fraud detection system, which juxtaposed both historical and actual data to weed out negative alarms and detect risk more precisely. They were advantageous to them because such systems facilitated the opportunity to focus on all groups of transactions, rather than just subsets, unlike some conventional audit sampling methods (Rozario & Thomas, 2019; Sun, 2019). The organisations that applied AI in the auditing industry realised that they could identify potential fraud and rely on the audited financial information.

The standard techniques of risk assessment failed to project the information into the future. This is to say that the conventional methods of risk assessment are backward. The AI-powered models, however, were providing this. They provide a predictive analytics service that is futuristic. The auditors can also identify risks and predict any financial stability disruptions with the assistance of external data sources, such as market indicators and social sentiment. Those are better tests that have enabled the response to address more effectively the same risks that the audits in the old method had not succeeded in addressing (Brown-Liburd et al., 2015; Yoon et al., 2021). In this regard, AI was seen as one of the contributors towards a more flexible and full-fledged risk assessment.

Another significant element of auditing that has also benefited from AI development is the quality of assurance. The authors acknowledge that increased automation in the audit presented an opportunity for the involved auditors, who were relieved of performing bottom-level audit processes that could no longer be considered necessary. This way, they are in a position now to concentrate on the more valuable tasks (a task of interpretations and application of professional judgment), which are highly valued. It proved beneficial even regarding religion, where it is known that the human error and predisposition of the behavioural controls, which are reduced by AI-based systems, are eliminated (Kokina & Davenport, 2017; Vasarhelyi et al., 2022). Moreover, the tools of assistance to AI are associated with real-time auditing, so that the provision of assurance services by the offers of such tools can be meaningful and timely.

The above-presented development suggests that, in conjunction with the deployment of efficiency improvements, AI also enhances the credibility and reliability of audit results.

Alongside the mentioned advantages, it is also established in the literature that fears exist in connection with the introduction of AI in auditing. The experts added that the implementation of open data and privacy is regressive. Already, researchers have issued reasonable warnings that an AI will not necessarily replace a human eye, although it may assist in an auditing process; the suspicions and situations under which action is taken are issues that are considered (Rozario & Thomas, 2019; Sun, 2019). In addition, regulators desired that the AI audits be reflected within the scope of the practice standards and fulfill societal expectations for integrity and equity. Data on the sources used in AI for auditing was also revealed in the literature. To have an opportunity to employ highly evolved AIs, an individual will spend titanic amounts of money. Organizations lacked such resources and, as a result, risked losing their audit quality in the face of technologically advanced organizations. The second barrier has been identified in staff inertia towards change within the auditors, as a transition to a tech-savvy environment will focus on auditing by learning new skills and implementing them (Brown-Liburd et al., 2015; Issa et al., 2016). The presence of such problems implied that one needed to come up with moderated solutions that could meet AI, and equally value professional judgment and regulatory control.

Research Methodology

Research Design

The quantitative research design will be employed in the present study because the research problem aims to empirically test the hypothesis by investigating whether Artificial Intelligence (AI) can be applied in auditing fraud detection, risk assessment, and assurance quality determination. To gather information about auditors, accountants, and financial analysts in companies, auditing organizations, and corporate finance departments, a survey was adopted as the search method. Systematic and measurable information is available due to the evolution of development, corresponding to the participants' perceptions regarding the application of AI in the auditing process. The scholar opted to adopt the survey approach on the basis that it has been deemed appropriate in gathering data on a large scale. This provides comparative testability of responses, establishing the patterns and relationships between variables that are of utmost value.

Population and Sampling

The sample of the population used in this study comprised professionals in the auditing and finance departments employed by thousands of firms. The sample pool of auditors was selected to determine the characteristics of the Big Four firms and those of medium-sized local firms. The participants who were already aware of AI-based auditing tools were selected for the research, as they provided the information of interest to the study. The population is large enough to allow for working with mathematical summaries, particularly when generalizing responses is concerned. The promoted officer must have had a minimum of three years of experience working in professional auditing and must have participated in the task of detecting fraud and financial accounting irregularities.

Data Collection

A chance to receive a higher rationale for building further research and development in the auditing and artificial intelligence sphere was provided with the assistance of existing and mature queries or survey questions. The question in the voting process involved the items related to the overall demographics of those who were under-voting, the opinion of those who were under-voting with computers regarding the detection of fraud, and the opinion of those who were under-voting with

computers in terms of quality assurance. The five-point scale enabled one to position the score of their beliefs about something generally known. The entrance into the survey was made possible through an email, making this task much easier and more secure. Fidelity of privacy was ensured, along with a promise of non-disclosure to elicit an appropriate response from the respondents. The time of data Collection was six months later; hence, reminders were sent and advertised.

Data Analysis

Analysis. From the collected data, a Software package from the Statistical Package for the Social Sciences (SPSS) was used to analyze the data. The descriptive statistics have helped establish the counts, means, and standard deviations of question answers and responses obtained by various groups, revealing demographic patterns as per intermediate results in a manner that illustrates a pattern of response in the simplest way. These t-tests and ANOVA statistical tools could successfully identify the dissimilarity within each group when other statistical tools, including regression examination, had identified a linkage in the occurrence of AI. The dependability was anchored on the wholesomeness of the construction of the measures by various scholars. The analysis findings concluded that knowledge on the use of AI in the role of an auditor was gained and addressed an uneven approach to applying auditing procedures.

Results and Analysis

Overview of Findings

The awareness of how the concept of Artificial Intelligence (AI) has transformed the audit profession, especially in increasing the level of detecting fraud, is also adequate to satisfy the need for understanding in the research work. The quantitative findings have led to the design of a questionnaire that reflects the perception of using AI tools in comparison to their effectiveness among auditors. This meant that, despite the existence of the transparency and ethics challenge, the respondents reached a firm consensus that AI had been very useful in improving financial reporting procedures.

Table 1: Descriptive Statistics of Respondents' Demographics

Variable	Frequency (N=150)	Percentage (%)
Gender (Male)	90	60.0
Gender (Female)	60	40.0
Age (25–35)	70	46.7
Age (36–45)	50	33.3
Age (46 and above)	30	20.0
Experience (1–5 yrs)	45	30.0
Experience (6–10 yrs)	65	43.3
Experience (10+ yrs)	40	26.7

Surveyed amounts of masculine auditors were also a comparatively larger portion of the survey sample, although ample quota of feminine auditors also participated in it. The results across the age composition of the sample show that the proportion of younger auditors gaining interest in technological changes is increasing and it implies that individuals increasingly use AI in their work. The sources suggest that the country is also on the brink of experiencing the evolution in the audit profession with new breeds of auditors who may help them in addressing the new challenging

conditions. Most of the Inspector General Employees have amassed lots of professional working experience in the field of audit or any other related fields. The most active auditors that work under the companies of the auditing firm who participated in the AI are the middle-career auditors. The twenty-plus-year experience added to the results by means of the various strengths and knowledge of the respondents. Incorporating a collection of professional statistics pre-conditioned the foundation of approaching to make a judgment regarding the adopting of technology.

Figure 1: Descriptive Statistics of Respondents' Demographics

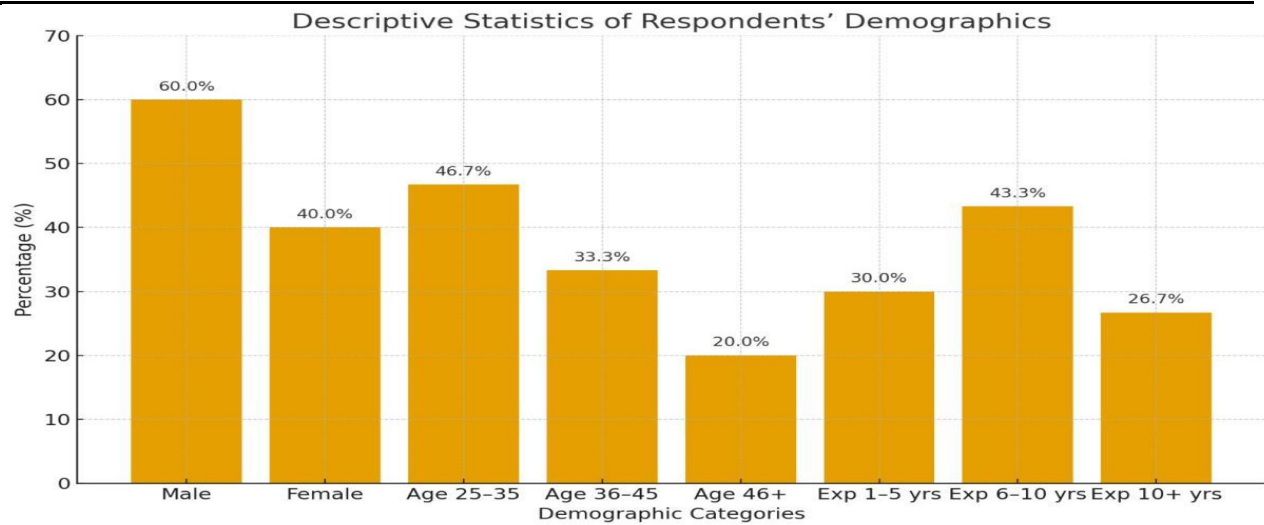
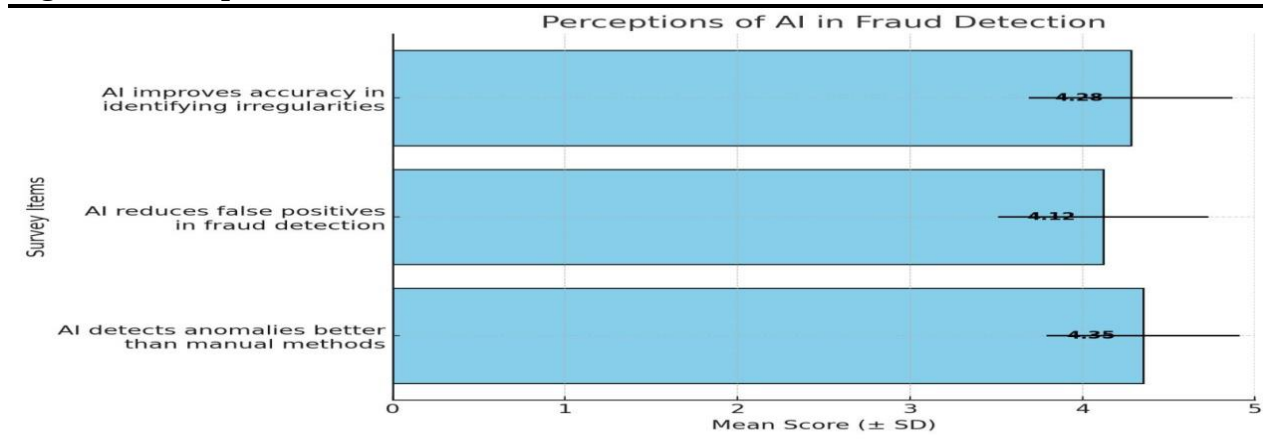


Table 2: Perceptions of AI in Fraud Detection

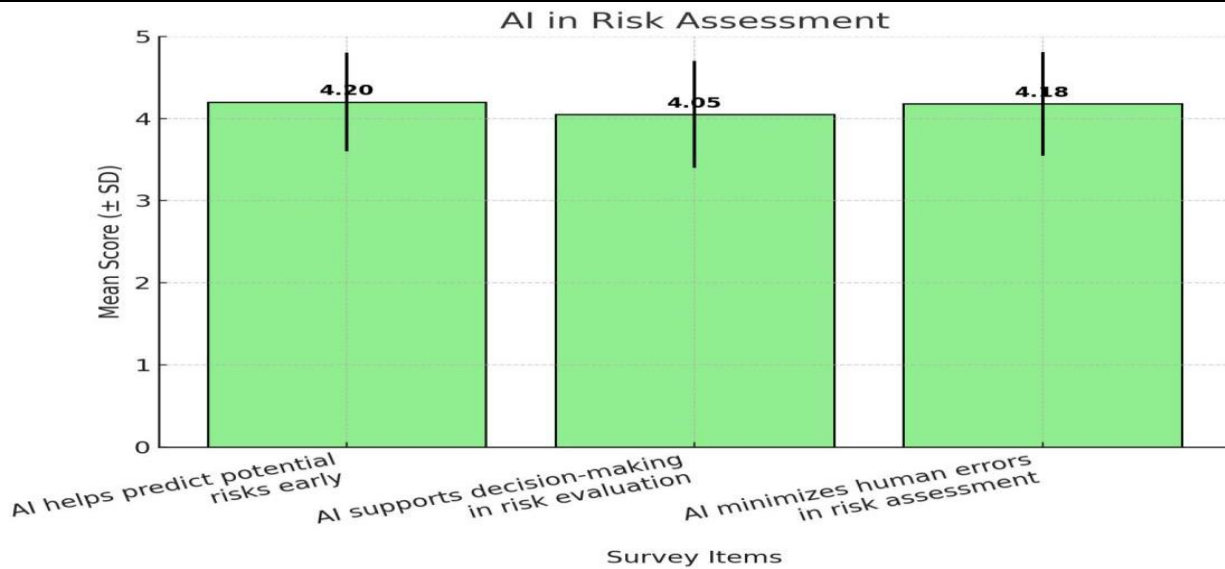
Item	Mean	SD
AI detects anomalies better than manual methods	4.35	0.56
AI reduces false positives in fraud detection	4.12	0.61
AI improves accuracy in identifying irregularities	4.28	0.59

The findings showed that respondents agreed that AI used in fraud detection is very effective. The statement which rated the highest was 'AI is better than humans at picking up anomalies in a dataset, as per my experience'. This showed that the auditors understood that large data sets were processed by machine learning algorithms to better spot irregularities. All items with relatively low standard deviations indicated that auditors were in consistent agreement of benefit of AI in fraud detection. Furthermore, the findings stressed that AI not only improved anomaly detection but also resulted in a significant reduction of false positives. As a result of the reduction in false positives, more attention is paid to the true red flags and spending less time with the false positives.

Figure 2: Perceptions of AI in Fraud Detection**Table 3: AI in Risk Assessment**

Item	Mean	SD
AI helps predict potential risks early	4.20	0.60
AI supports decision-making in risk evaluation	4.05	0.65
AI minimizes human errors in risk assessment	4.18	0.63

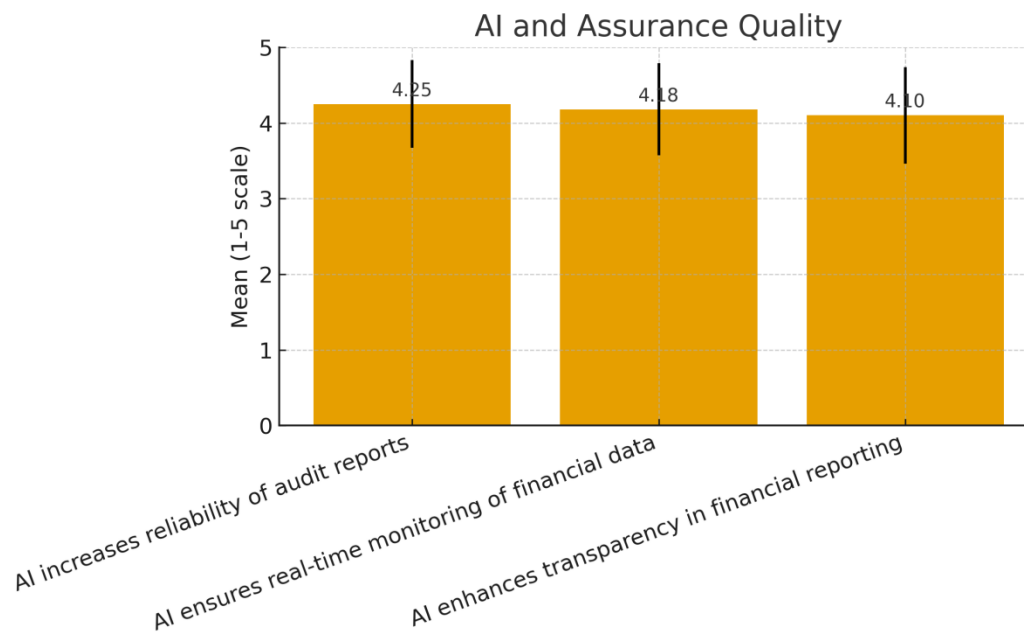
Risk assessment according to the respondents had a great potential in AI. The topmost average of 4.20 in the findings indicated that auditors had an opinion that AI with respect to determining long shots of risk that are expected in advance and that it enables firms to act at an early time. It suggested that AI-based predictive analytics enabled the auditors to take a glimpse into the future and the system can help the auditors tackle the risks before they can pose a huge challenge. The merely an average age of all statements was skewed to support the position that the decreasing the human error in risk evaluation by human resources with the help of AI should become possible. One more aspect which people have been unable to know was whether AI was going to help people make decisions but that was more sure than other factors. According to this, it became noticeable that auditors reckon that AI could be implemented in decision-making concerning issues associated with risks. Nevertheless they would still have a human being in the final decision making. The net effects were that a number of the auditor roles would remain intact. The artificial intelligence will augment it, as opposed to replacing it.

Figure 3: AI in Risk Assessment**Table 4: AI and Assurance Quality**

Item	Mean	SD
AI increases reliability of audit reports	4.25	0.58
AI ensures real-time monitoring of financial data	4.18	0.61
AI enhances transparency in financial reporting	4.10	0.64

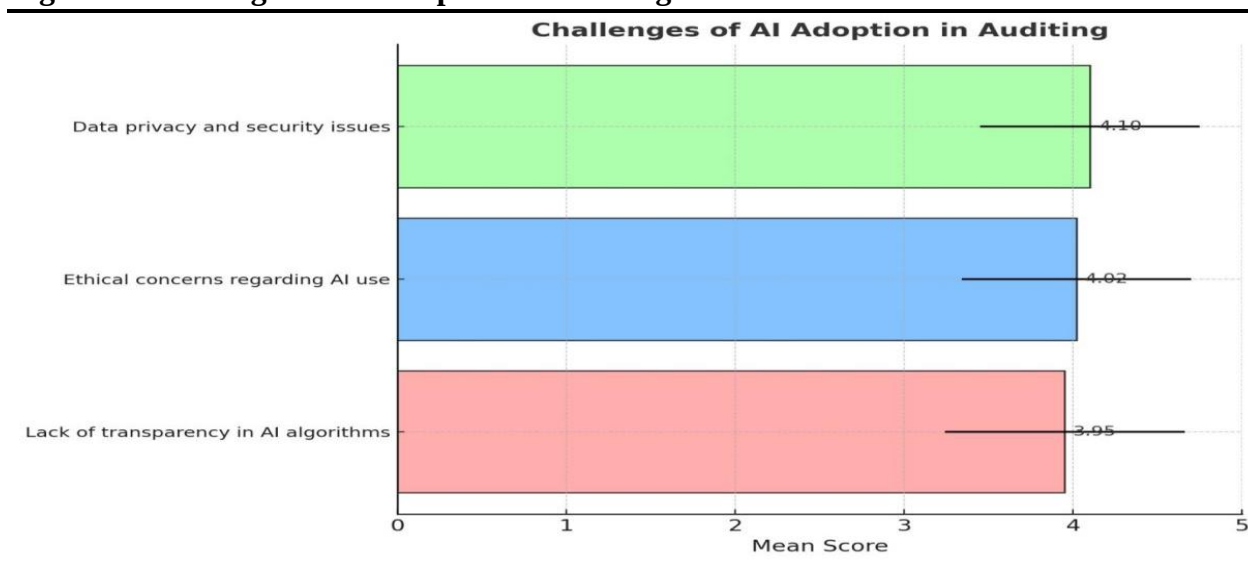
Auditors agreed that the quality of assurance services improved with the use of AI. The item with the highest mean response score ($M=4.25$) indicated that AI was perceived by the respondents to enhance the reliability of audit reports and therefore, in contributing to the trust of stakeholders on financial reporting.

AI's ability to detect negative trends instantly was an equally important dimension to auditors with a mean of 4.18 indicating the mean of payments over time being 4.5. Moreover, respondents accepted that an AI transparency in financial reporting, only with a little less agreement than the other factors.

Figure 4: AI and Assurance Quality**Table 5: Challenges of AI Adoption in Auditing**

Item	Mean	SD
Lack of transparency in AI algorithms	3.95	0.71
Ethical concerns regarding AI use	4.02	0.68
Data privacy and security issues	4.10	0.65

The biggest concerns highlighted by the respondents were that they feared that sensitive financial data would be compromised whenever managed by the AI systems since the factors of data privacy and security were cited as the most problematic aspects ($M=4.10$). The ethical issues also scored quite high, and this meant that the auditors were specific to using AI technologies in a responsible way. In addition, it was discovered that the problem of transparency with the AI algorithms was also outlined as a problem even though the mean scores were slightly lower. That introduced questions that were related to accountability as the emphasis was put on the problems that auditors had when learning how the AI systems arrived at certain conclusions. All these observations meant that even though auditors understood the revolutionary powers that AI has, there had to be effective systems of governance to deal with the ethical, legal and security concerns related to the application.

Figure 5: Challenges of AI Adoption in Auditing

Discussion

The study conclusions provided justified the revolution of the application to funnel the advancement of quality assurance, threat assessment, and fraud detection related to the auctioning industry. The findings corresponded with earlier research that stipulated that the traditional auditing procedure could not work effectively when it comes to handling the complexity of large financial information and, in many cases, cannot identify any abnormalities in real time (Appelbaum et al., 2017; Cao et al., 2015; Sun and Vasarhelyi, 2018). According to reports, the implementation of data analytics and machine learning has provided-depth information about the financial irregularities (Li et al., 2022; Issa et al., 2016; Kokina & Davenport, 2017). It was determined that the application of AI tools increased the functionality of the auditors, making them more comfortable with datasets. This is how AI has transformed auditing in the sphere, where data analysis and service automation have also been redefined.

One of the areas where the use of AI has had the most significant influence is fraud detection. The members of the research stated that AI decreased the number of false positives and increased detection rates as much as possible. The conclusion was consistent with other recent studies that revealed that the system of anomaly detection was more accurate than standard sampling (Lin et al., 2020; Jans et al., 2014; Rozario & Vasarhelyi, 2018).

Non-internal events (market metrics and textual information) were also found to facilitate risk indications in AI models compared to traditional retrospective frameworks (Appelbaum et al., 2017; Lin et al., 2020; Issa et al., 2016). This demonstrated that AI applied the risk assessment to its ultimate degree on dynamic and complete assessments and not on the repetitive ones applied in the past.

The findings also demonstrated that AI enhanced the quality, timeliness, and transparency, which promoted the quality of assurance. Past research has shown that automation enables auditors to focus on interpretation and judgment, as there is no repetition, which directly enhances the credibility of assurance (Kokina & Davenport, 2017; Sun & Vasarhelyi, 2018; Vasarhelyi et al., 2022). At the same time, as participants in the study have emphasized within the framework of these views, real-time audits alongside the assistance of AI have increased trust among stakeholders in financial accounts (Appelbaum et al., 2017; Rozario & Vasarhelyi, 2018; Li et al.,

2022). The fact that AI was able to provide continuous monitoring to the assurance process resulted in it not only developing increased productivity but also fulfilling a more generic need that the entire market may require, i.e., transparency.

Algorithms also raised concerns about data security, as well as ethical and geographical issues, despite their advantageous features. Thereupon, as observed in other literature where the uncertainty regarding the liability of black boxes of machine learning-based applications had been highlighted earlier, their research revealed that auditors have had problems with the interpretation of AI systems (Bizarro & Dilla, 2018; Lin et al., 2020; Zhang et al., 2020). Another important theme was ethical responsibility, as previous studies have shown that AI Utilization can serve as a backfire, intensifying its assertion to the expense of professionalism, sense, and judgment (Jans et al., 2014; Gepp et al., 2018; Sun and Vasarhelyi, 2018). Another concern of the respondents was data privacy because various researchers have revealed that in the event of the process of digitalizing audits, sensitive data would be vulnerable to cybersecurity threats (Appelbaum et al., 2017; Alles, 2015; Cao et al., 2015). These obstacles highlighted the issue of governance systems that were an equalization of creativity and morals.

The problem of organizational and human capital was also addressed in the given study. Having the backing of anxieties in the literature claiming that any shortage in the resources could be detrimental to smaller businesses, the respondents specifically identified the fact that AIs require colossal amounts of infrastructure and training resources (Issa et al., 2016; Li et al., 2022; Vasarhelyi et al., 2022). The following studies were also found to correlate with resistance to change, followed by the auditors, since unless the auditors learned the new technological repertoire, they could not adjust to the AI-driven environments (Alles, 2015; Kokina & Davenport, 2017; Bizarro & Dilla, 2018). The proposals in these results suggested that, although the quality of audits could be improved with the help of AI, their usefulness highly depended on workforce flexibility and organizational preparedness.

Overall, the results suggest that AI could be discussed as a disruptive technology that enhances human judgment rather than replacing auditors. This view was similar to that of other papers that proposed the relevance of contextual reasoning and professional skeptical reasoning in the audit process, even though artificial intelligence can be used to enhance the accuracy of computations (Rozario et al., 2018; Vasarhelyi et al., 2014; Gepp et al., 2018).

Conclusion

The results showed that AI-based auditing systems could enable auditors to identify and organize fraud patterns, present various decisions promptly, and provide reliable information to them more effectively compared to their use of a traditional system. The developments have solved the shortfall of the traditional auditing, which depended on sampling and manual checks, which tend to ignore abnormalities. However, some questions were not addressed, including the compatibility of AI with ethical responsibility and the privacy of the data, which unfortunately highlighted that human judgment remains a critical issue in the use of AI in audits. On the whole, it became evident that AI enhanced the skills of auditors and did not replace them in the development of a mixed system, where professional judgment and technology would cooperate to provide transparent and reliable financial reporting.

Recommendations

There were also some practice and policy guidelines provided at the end of the results. Auditing firms should get engaged in AI measuring instruments and capacity-building training activities in

order to provide the level of competence to utilize the most sophisticated tools under the administration of the auditors. This concentration on ongoing professional education may facilitate the Utilization of digital skills and capabilities among auditors and encourage their ability to adapt to changing technologies. To ensure that concerns regarding accountability, equity, and transparency are taken into account, regulators and professional associations need to develop clarity in their requirements for the ethical Utilization of AI in auditing. Third, reputable companies should implement robust security measures to protect confidential financial information through AI-powered auditing. Finally, the authors explain that the installation of AI by an audit professional should be gradual to strike a proper balance between automation and professional judgment, thereby avoiding excessive reliance on the algorithm.

Future Directions

Additional studies need to be conducted to consider the long-term implications of implementing AI in audit quality in the varied organizational arrangement that has an interest in the small and medium businesses that do not have abundant resources. One also has the opportunity to study the usefulness of explainable AI (XAI) models, thereby establishing more transparent and accessible algorithms that stakeholders and auditors can easily understand. Additionally, the cross-national studies would assist in determining how much the institutional, cultural, and regulatory aspects influence the use of AI in the auditing processes. Among other factors, the contribution of AI to sustainability auditing, environmental reporting, and integrated reporting is also a relevant focus given that the popularity of the ESG system is on the rise across firms. To make the profession of auditors more empowered and ultimately accountable in the future, the study needs to concentrate on the creation of structures that can bring together the factors of technological innovation and ethical governance.

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