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Research Paper

# Forensic audit technology and audit report quality of audit firms in Nigeria

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ABSTRACT

This study focuses on the impact of integrating forensic technology to enhance audit practices, aiming to restore the public's trust in auditors' reports, which has been diminishing. The research specifically investigates the effect of data analytics and textual analytics as forensic audit technologies on the quality of audit reports from selected auditing firms in Nigeria. A survey research design was adopted, utilizing a structured five-point Likert scale questionnaire. A total of 120 completed responses were collected from experienced and professional auditors in Nigeria for year 2024. The census sampling method was used, and the data was analyzed using ordinal logistic regression. The results indicate that data analytics has a positive and significant impact on the quality of audit reports, whereas textual analytics has a negative and significant effect on report quality. The study concludes that applying data analysis techniques to gather audit evidence enhances the quality of reports issued by Nigerian audit firms. The study recommends that audit firms should incorporate forensic technology into their audit engagements to refine their opinions with robust audit evidence, thereby improving audit quality.



## 1 | INTRODUCTION

It is obviously known that auditors' proficiency and relevant skills needed for conducting their assignment properly and diligently is key to the quality of their services. This will also assist them in detecting significant misstatements and errors that may otherwise go unnoticed, thus enhancing the stakeholders' confidence in the auditors (Li et al., 2014). While the fundamental approach to auditing has remained largely unchanged over the years, audit practices in developed countries have started incorporating new technologies to improve auditing activities (Loughran & McDonald, 2016; Mo et al., 2016). Every instrument that contributes to the accuracy of the information given to different users must be used because the auditor's report is vital in assessing the credibility of corporate annual reports in businesses all over the world. Despite the fact that forensic audits and external audits have different goals, forensic audits are becoming more important, and audit firms are utilizing forensic auditing technology to increase the independence of their audits (Amahalu, 2017; Amahalu et al., 2018). Globally, public confidence in auditor reports has decreased (Sulaiman et al., 2018), most likely as a result of well-publicized company failures that were believed to be financially sound according to external auditors' findings. Even in countries that rigorously adhere to financial reporting requirements, this casts doubt on the accuracy of financial reporting. Investors suffer as a result of audit reports' failure to give financial statements the anticipated confidence (Gandía & Huguet, 2021). The practice of auditing as well as the larger accounting profession, which has not adequately updated its abilities to match modern auditing difficulties, are at risk due to the declining quality of audit reports. The knowledge and expertise used by auditors throughout the statutory audit process determine the caliber and dependability of audit reports (Fujianti & Satria, 2020). The quality of auditors' reports is seen to be greatly enhanced by the use of forensic technologies in the auditing process. Given the vast amount of documentation that businesses keep, including sustainability reports and financial statements, incorporating data analytics into audit procedures will enable auditors to find anomalies and produce more insightful reports (Akpan & Akpan, 2021). Additionally, this strategy lessens the likelihood that fraud or significant misstatements will go unnoticed (Chukwu et al., 2019). Expanding audit techniques to include digital forensic technology, such as textual analysis, offers substantial potential to improve audit report quality by allowing auditors to utilize computer technology to examine evidence scientifically and to develop ideas that can be used in court during litigation.

There is little and mostly untapped research on how computer forensic technologies might enhance audit quality in emerging countries. Prior research has mainly examined audit firm attributes like size, diversity, expertise, and audit fees as they impact the quality of audit reports (Gbegi et al., 2018; Knežević, 2015; Okenwa & Nwoye, 2021; Olivier et al., 2018; Salehi et al., 2019; Subianto, 2018). Furthermore, textual analysis in accounting and auditing is still a relatively young topic; most of the earlier study in this area relied on news and online sources and connected them to different capital market indicators (Ugochukwu & Okenwa, 2021). This study aims to bridge this gap in the literature by examining how textual analysis and data analytics influence audit report quality and exploring the potential benefits of applying computer forensics to the auditing process. This study is crucial since it will result in important advancements in auditing procedures and give auditors advice on how to improve the caliber of their reports, especially with regard to their capacity for investigation and possible application in legal settings. Both individuals providing financial advising services and stakeholders who depend on auditors' reports to make educated judgments will find value in the findings. Crucially, management of the firm will learn what is expected of an auditing engagement and whether the chosen auditor is capable of producing a high-caliber report that guarantees the accuracy of financial statements. This study's main goal is to evaluate how forensic audit technology affects the caliber of audit reports produced by particular Nigerian audit firms. Specifically, the study will examine the effects of data analytics and textual analysis on audit report quality within these firms.

## 2 | LITERATURE REVIEW

### 2.1 | Audit Report Quality

The audit report evaluates whether a company's financial statements are free of material misstatements or mistakes and comply with GAAP. The possibility that an external auditor would find and disclose a violation in the client's accounting system is what Dunakhir (2016) defines as the quality of an audit report. The audit report is the end product of an audit, and since different business stakeholders depend on it to make well-informed financial choices about the company, its quality is vital. Regulators and investors have attempted to guarantee the report's timeliness, detail, and opinion, but these efforts have frequently failed. The defects and sabotage found in recent audit reports make this clear (Akpan & Akpan, 2021). Accurate and objective information can occasionally be missing from financial reports, possibly due to mistakes, omissions, improper application of accounting rules, or even deliberate distortion of financial data. As a result, forensic audits have emerged as a cutting-edge technique for identifying, stopping, and dealing with fraud. Although the contrary may occasionally be true, indicating that numerous significant errors were missed, many audit reports assert that they give a genuine and fair perspective of the opinion that was rendered. This could be as a result of the auditor's inexperience with advanced ICT techniques used to commit fraud.

### 2.2 | Forensic Audit Technology

Forensic technology refers to using technical tools to retrieve and analyze complex data sets, addressing legal, investigative, regulatory, and financial crime needs (Bhusahan et al., 2015; Easwaramoorth et al., 2016).

The recovery and analysis of data from digital devices, frequently in connection with computer crime, is the focus of computer forensics, a branch of forensic science (Paransanthi, 2016). Computer forensic experts collect, store, and examine computer data and evidence to ascertain pertinent facts (Bhusahan et al., 2015). Computer forensics is the process of examining computer systems used for accounting, financial reporting, or financial transactions in order to determine the cause of an occurrence, according to Fenu and Solinas (2016) and Galvan and Battiato (2016). In order to manage the growing challenges in corporate financial reporting and reassure investors who are worried about declining investment values, auditors and forensic accountants need to improve their digital skills (Bhat et al., 2021). The development of trustworthy and efficient computer forensics has greatly improved auditing practices in the United States and other developed nations. Forensic technology allows the preservation of evidence by analyzing data electronically, helping to understand a series of events, storing, classifying, and validating information. Technologies such as data analytics allow auditors to focus less on paperwork and more on investigating potential issues. Textual analysis, helps predict outcomes by identifying patterns, trends, and correlations in large data sets (Akpan & Akpan, 2021). Organizations can convert raw data into useful information by using software that identifies patterns, allowing auditors to gain insights into their clients, evaluate existing audit plans, and reduce costs (Bassey, 2018).

## 2.3 |Forensic Audit Technology and Audit Report Quality

Scholars have been inspired to tackle the issues surrounding auditing procedures in the corporate setting by the incorporation of digital forensics and information technology into enterprises (Mushtaque et al., 2015). In contrast to traditional audits that rely on sampling techniques and key tests, it is thought that integrating textual analysis into statutory audits will result in a more thorough and detailed verification of transactions in questionable areas. This is supported by Vaijayanthi (2017), who claims that textual analysis may automatically employ clustering techniques to organize materials into helpful categories. These categories, often referred to as descriptors, aid in describing the information found on digital devices that have been confiscated and can serve as vital proof for audit opinions. According to Nwaobia (2021), corporate fraud prevention in Nigerian listed financial institutions is greatly impacted by digital forensics. Analytics tools are also thought to help auditors spot irregularities in postings, expenses, and transactions. According to Ham et al. (2020), between 2010 and 2019, there was a significant correlation between audit quality and the necessity for auditors to have intellectual and IT abilities. Additionally, companies with more IT specialists and more difficult clientele had a larger correlation between audit quality and IT expertise. Since the purpose of an auditor's report is to verify the management's financial statements, auditors that incorporate data analytics into their procedures enhance the quality of their audits. By going beyond the conventional judgment-based or statistical sample techniques utilized in both substantive and compliance testing, Verve (2008) contended that audit analytics lower audit risk. According to Hassan (2022), artificial intelligence (AI) gives audit teams more in-depth knowledge about the businesses they are auditing, which increases audit productivity and cost-effectiveness. Additionally, Gentner et al. (2018) discovered that AI expedites the process of identifying trends and forecasts in auditing. According to Noordin et al. (2022), there is no discernible difference between local and foreign audit companies' perceptions of AI's contribution to audit quality.

## 2.4 |Empirical Review

Gandía and Huguet (2021) investigated the application of sentiment and textual analysis in the accounting domain. They defined these terms, emphasized their significance for accounting, and then went over earlier studies on the use of these techniques in accounting and finance. They also described the procedures required to successfully apply textual analysis. In order to find subtle hints that might go against an intermediary's stated position in audit reports or opinions, the study recommends using textual analysis. Furthermore, Liu (2019) looked at the advantages of using textual analysis into auditing, with a particular emphasis on how it may enhance comprehension of the internal control risks, audit fee calculation, and annual report review procedure. The study evaluated the tone of SEC comment letters by looking at how they used modal verbs, using the lists of strong and weak modal words from Loughran and McDonald (2011). Higher audit costs were found to positively correlate with a more unusually negative tone in earnings press releases, suggesting that press release tone may be a reflection of the client's company circumstances. Additionally, the study noted that the intensity of comment letters was linked to the likelihood of a restatement in the reviewed 10-K filings. Before and after the implementation of IFRS, Ugochuckwu and Okenya (2021) investigated whether the use of forensic digital technologies might forecast cases of material falsification in Nigerian financial reporting. They used digital forensic tools including the Probit Model and e-enabled spreadsheets to examine pre- and post-IFRS annual reports from 2006 to 2016 using secondary data from 50 Nigerian manufacturing enterprises. Key hypotheses were tested using multiple regression analysis and the Mann-Whitney U test. The findings showed that the possibility of serious falsification in these organizations' financial statements could be accurately predicted using digital forensic techniques. According to Vaijayanthi (2017), textual analysis clustering approaches can automatically classify documents into useful categories. The contents of clustered texts are described by descriptors, which are word groupings, and carefully examined data from digital devices can offer important proof. Likewise, Bassey (2018) concentrated on how computer forensic accounting helps manage fraud in Cross River State's microfinance organizations. The ordinary least squares method was used to analyze both primary and secondary data, and the study's regression results showed that all estimated coefficients had negative indications. According to the study's findings, audit failures have caused a change in accounting procedures throughout time, underscoring the crucial role forensic accounting plays in stopping corruption and criminal activity. To evaluate the effect of digital forensic accounting on government tax collection in the lottery industry, Akinadewo et al. (2019) carried out a study in Nigeria. The study, which collected primary data using semi-structured questionnaires, discovered that forensic accounting is essential to stopping the misappropriation of public monies. It was also mentioned that news and online sources, which are connected to different capital market indicators, have been the main focus of textual analysis, a new field in accounting and auditing (Li et al., 2014; Loughran & McDonald, 2016; Mo et al., 2016). By investigating how textual analysis and data analytics might enhance the quality of audit reports and assessing the possible advantages of using computer forensics in auditing, this study seeks to close that gap.

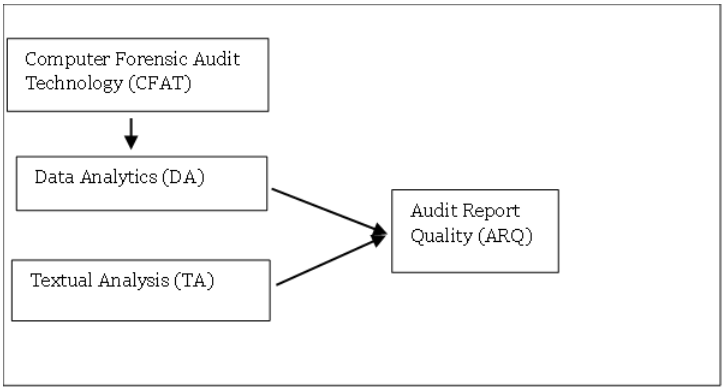


**Figure 1.** Conceptual framework

## 2.5 |Theoretical Framework

According to Hayes et al. (2005), credibility theory states that the main goal of an audit is to improve the public's opinion of auditing and the credibility of financial statements. The public is more inclined to believe reports from independent auditors, according to this notion, since greater credibility increases faith in the caliber of financial reports (Umeogu, 2012). This idea serves as the foundation for this study since the auditor's report can improve the dependability of financial statements utilized for decision-making, particularly when auditing methods are more scientific and offer higher degrees of reasonable assurance. Because of their increased trustworthiness, auditors are therefore likely to continue delivering high-quality reports, which will raise demand for audit services (Ellula & Buttigiegb, 2021).

According to Limperg's (1932) Theory of Inspired Confidence, the auditor's wide-ranging societal role as a trusted agent is predicated on the requirement for an independent, professional assessment backed by sound judgment. According to this approach, auditors should do their work in a way that reduces the possibility that significant misstatements will go unnoticed (Amahalu, 2020). It acknowledges that auditing practices must change as public expectations change and links the requirement for trustworthy financial information from stakeholders with the capacity of audit procedures to satisfy these demands. The idea emphasizes how crucial forensic audit technology is in connecting the increasing need for reliable financial data with audit techniques' capacity to provide this need. Audit firms are spending extensively in cutting-edge technologies to increase the efficacy and efficiency of the audit process because auditors must fulfill the public's expectations as audit techniques progress (Albawwat & Frijat, 2021). The goal of this expenditure is to boost trust in auditing procedures.

## 3 | METHODOLOGY

The study adopted a survey design to gather information on the application of forensic audit technology and auditors' reports. The use of questionnaires was deemed most suitable in this context, as it allows for comprehensive insight into the views of auditors who are directly involved with the subject matter. Consequently, data were gathered from primary sources through questionnaires distributed to the targeted respondents. The research population consisted of 293 registered auditing firms with the Institute of Chartered Accountants of Nigeria (ICAN) as of January 1st, 2024 (according to the ICAN website). A census sampling method was used, focusing on experienced auditors within these firms who could offer relevant insights to address the study's objectives. The research instrument's reliability and validity was assessed using the Cronbach alpha test and the KMO test. Given the widespread locations of the auditing firms, the questionnaires were distributed online, and the collected data will be analyzed using ordinal logistic regression.

Since the study deviated from the normal norm of evaluating audit attributes as determinants of audit quality, the model to be analyzed was adapted from the study of Kertarajasa, et al. (2019) that analyzes the influence of competence, experience, independence, due professional care, and auditor integrity on audit quality using the ordinary least square model through the regression equation as follows: AQ = β + 1KOMP + 2PENG+ 3IND+ 4DPC+ 5ING + e..... Equation 1

The model was adapted because employing computer forensic audit will improve the competence, experience, and integrity of the auditor, and the new model is specified as:

ARQ = β0 + β1DA + β2TA + e..... Equation 1
Where
ARQ: Auditor's Report Quality;
DA - Data Analytics
TA- Textual Analysis

## 4 | RESULTS AND DISCUSSION FINDINGS

### 4.1 | Descriptive Statistics

The summary of respondents' answers concerning the study variables—data analytics (DA), textual analysis (TA), and audit report quality (ARQ)—is presented in Table 1.

**Table 1:** Descriptive Statistics

| Variables | Data Analytics | Textual Analytics | Audit Report Quality |
|---|---|---|---|
| Mean | 3.5559 | 4.1332 | 3.3172 |
| S. Dev. | 0.60726 | 0.49046 | 0.3296 |
| Coeff. V | 0.20202 | 0.11866 | 0.0993 |
| Minimum | 1 | 1 | 1 |
| Maximum | 4 | 4 | 4 |
| Skewness | -0.33410 | 0.05967 | 0.7742 |
| Kurtosis | 2.1375 | 2.0102 | 2.7805 |
| Obs | 120 | 120 | 120 |

Source: Researcher's Computation (2025)

The data indicates that the average response for data analytics is 3.56, with a standard deviation of 0.6072. This suggests that, on average, respondents express a positive opinion about the variable, as the value is close to the "agree" option on the Likert scale. The standard deviation indicates moderate variability in responses, with a distance between the mean and the standard deviation value. The coefficient of variation is 0.2020, signifying that the extent of variability is approximately 20%. The minimum response is 1 (strongly disagree), and the maximum response is 5 (strongly agree). The distribution of responses is negatively skewed, with skewness and kurtosis values of -0.33410 and 2.1375, respectively. Regarding textual analysis, Table 1 shows an average response of 4.1332 and a standard deviation of 0.49046. This indicates that respondents generally give a positive opinion on the variable, with the value lying between "agree" and "strongly agree" on the Likert scale, leaning more toward "agree." The standard deviation reflects moderate variation in responses, with a distance between the mean and standard deviation value. The coefficient of variation is 0.1186, indicating that the variability is around 11.86%. The minimum response is 1 (strongly disagree), and the maximum response is 4 (agree). The distribution of responses is positively skewed, with skewness and kurtosis values of 0.05967 and 2.0102, respectively, indicating a roughly normal univariate distribution.

Finally, regarding audit report quality, the average response is 3.3172, with a standard deviation of 0.3296. This shows that, on average, respondents lean toward a positive opinion on the variable, falling between "agree" and "undecided" on the Likert scale, but closer to "undecided." The standard deviation suggests low variation in the responses, with the standard deviation value being relatively close to the mean. The coefficient of variation is 0.09938, indicating that the variability is around 9.93%. The minimum response is 1 (strongly disagree), and the maximum response is 4 (agree). The distribution of responses is positively skewed, with skewness and kurtosis values of 0.7742 and 2.7805, respectively, suggesting a normal univariate distribution.

### 4.2 | Test of Variables

To verify the validity of the research instrument, the Cronbach alpha test was conducted, and the KMO test was used to assess whether the questions in the questionnaire are meaningfully related to the study's objectives.

**Table 2:** Reliability and Validity Test

| Variable | Average interitem covariances | Scale reliability coefficient | No of items |
|---|---|---|---|
| Data Analytics Cronbach Alpha | 0.8231 | 0.7432 | |
| Kaiser-Meyer-Olkin (KMO) | - | 0.534 | |
| Textual Analytics Cronbach Alpha | 0.21214 | 0.7441 | |
| Kaiser-Meyer-Olkin (KMO) | - | 0.650 | |
| Audit Report Quality Cronbach Alpha | 1.1011 | 0.7413 | |
| Kaiser-Meyer-Olkin (KMO) | - | 0.5451 | |

Source: Researchers' Computation (2025)

After performing factor analysis, the retained questions underwent a reliability test, and the findings indicated that the remaining questions demonstrated strong reliability. The reliability coefficients were 74.32% for data analytics, 74.4% for textual analysis, and 82.31% for Audit Report Quality.

A factor is deemed reliable if it has four or more loadings of at least 0.4, regardless of sample size (Pituch & Stevens, 2016), and a 0.4 cut-off was used for interpretation. The results, displayed in Table 4, show that three questions were retained for data analytics, four for textual analysis, and three for audit report quality after factor analysis. The principal-components method of factor analysis was applied to the questions in order to identify the most significant and unique questions that best represent forensic audit technology. Respondents concurred that data analytics makes it easier for auditors to find errors, inconsistencies, evaluate risks, and spot transaction trends, all of which help them obtain appropriate audit evidence. Additionally, the investigation showed that textual analysis can improve audit evidence quality and quantity. Additionally, auditors concurred that textual analysis increases the possibility of identifying fraud and internal control flaws. Furthermore, it was observed that the assurance of stakeholders and the provision of opinions free from biases and misstatements enhance the quality of the audit report (see the tables in the appendix).

Spearman correlation was used to evaluate the study's hypothesis by examining the relationship between audit report quality and forensic audit technologies, such as data analytics and textual analytics. In survey research, this non-parametric test is suitable for assessing hypotheses. As shown in Table 4, the goal of this method is to evaluate the ways in which data analytics and textual analytics, two of these technologies, improve the caliber of audit reports. The findings show a significant negative association between data analytics and audit report quality. A 32.21% drop in audit report quality is linked to a one-time increase in data analytics.

Likewise, there is a negative correlation—significant at the 5% level—between textual analytics and audit report quality. A 54.32% drop in audit report quality results from a one-time improvement in textual analysis. These results suggest that including computer forensic auditing into auditing procedures does not improve the overall caliber of audit reports produced by Nigerian companies; rather, it seems to have the opposite effect. This implies that increasing the dependability of auditors' reports may not require the same considerations that led to the adoption of this technology.

**Table 4:** Correlation between Computer Forensic Audit and Audit Report Quality

| Forensic Audit Technology | Audit Report Quality | |
|---|---|---|
| | Coefficient | Probability |
| Data Analytics | -0.3221* | 0.0012 |
| Textual Analysis | -0.5432* | 0.0000 |

Source: Researchers' Computation (2025)

### 4.3 | Computer Forensic Audit and Audit Report Quality of Audit Firms in Nigeria

The study examined the impact of computer forensic audit measures, such as data analytics and textual analysis, on the quality of audit reports. Ordered logistic regression was deemed the most suitable method for analyzing the relationship between the dependent and independent variables, as the survey data was ordinal, meaning it was on a scale.

**Table 5:** Ordinal Logistic Regression Analysis

| Audit Report Quality | Coef. | Std. Err. | Z | P>\|z\| |
|---|---|---|---|---|
| Data Analytics | 0.67461 | 0.26524 | 2.23 | 0.015 |
| Textual Analytics | -3.5620 | 0.53974 | -6.35 | 0.000 |
| Number of obs | 120 | Prob> chi2 | | 0.0000 |
| LR chi2(2) | 39.22 | Pseudo R2 | | 0.1528 |

Source: Researchers' Computation (2025)

The findings, which are displayed in Table 5, interpret the linear association between computer forensic audits and audit report quality using probability values and Z-statistics. The results show that the quality of audit reports generated by audit companies following independent audits is considerably impacted by computer forensic audits. The significant likelihood ratio, which indicates that the model is significant at the 5% level, supports this. Computer forensic audits account for 15.28% of the variation in audit report quality. With Z-statistics of 2.23 and a probability of 0.015, the regression analysis demonstrates that data analytics has a positive and significant impact on the quality of audit reports. However, textual analysis significantly and negatively affects the quality of audit reports. The findings imply that the quality of audit reports is enhanced by auditors' capacity to identify mistakes and discrepancies using data analytics. This also suggests that data analytics can assist auditors in evaluating transaction risks, guaranteeing the validity of the audit opinion offered for making sound financial decisions. These results are consistent with those of Al-Ateeq et al. (2022), who discovered that big data analytics improves audits' overall quality, utility, and simplicity. Additionally, the study supports Ugochukwu and Okenya (2021), which stated that digital forensic techniques can accurately predict financial report falsifications, providing valuable information for investors.

Since it aids in identifying possible management fraud risks, the influence of textual analysis on audit reports implies that gleaning valuable information from financial records is a crucial step in the audit process. The adverse consequence, however, suggests that textual analysis might not always live up to auditors' expectations or improve the credibility of audit reports by preserving evidence. Although textual analysis may not always meet the expectations of shareholders, auditors are generally expected to identify and disclose fraud. The low use of this technique in auditing, which might have detrimental consequences if improperly implemented, may potentially be the cause of the negative association. It can be concluded that the benefits of adopting computer forensic accounting in external audits may be limited by the absence of established methodology and procedures. These results run counter to those of Bassey (2018), who claimed that forensic accounting is important in preventing crime and corruption, albeit his findings were limited to internal audits at Cross Rivers microfinance banks. Furthermore, the results of this study are contested by the conceptual work of Gandía and Huguet (2021) on the use of textual and sentiment analysis in accounting.

## 5 | CONCLUSION AND RECOMMENDATIONS

The study emphasizes how independent audits can improve the caliber of audit reports by including digital forensics. Even at big audit companies that primarily use computer technology as a primary instrument in their audit procedures, it was discovered that the usage of computer forensic audits is restricted. The study's conclusions about the influence of textual analysis are different from those of earlier studies that found a favorable relationship between audit results and textual analytics. Even though previous research lacked empirical backing, this study offers insightful information about auditing procedures. The study comes to the conclusion that computer forensic technology is essential to raising the overall quality of audit reports by boosting their dependability and trustworthiness. Basic data analytics can enhance the quality of audit reports, but textual analytics may not be effective unless auditors possess the necessary skills, such as machine learning and statistical or linguistic techniques, to gather relevant and adequate data. The study offers the following recommendations:

- Audit firms should strategically use software applications that enable data analytics to restore the credibility of audit reports.
- Auditors should enhance their financial intelligence by incorporating textual analysis into audits to strengthen their skepticism and improve the quality of the audit.

### 5.1 | Policy Implication of the Study

As investors look for strategies to close the audit expectation gap by gaining trustworthy assurance from auditor reports, auditing techniques have changed in the twenty-first century. In order to maintain the credibility of the auditor and raise the caliber of the reports produced by businesses, accounting professional associations should utilize this study as a basis to encourage the use of computer forensic technologies in auditing.

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## Appendices

Data Analytics

| S/N | STATEMENT | Factor Loadings |
|---|---|---|
| 1. | Errors and inconsistencies in data can easily be visualized for proper audit evidence. | 0.2900 |
| 2. | Trend patterns discovered through analysis will influence the reliability of financial reporting | 0.14765 |
| 3. | assessment of the client's financial history increases the credibility of financial reporting | 0.17630 |
| 4. | A doubtful pattern can be detected when financial information is analyzed | 0.45271 |
| 5. | software applications can improve the time taken to analyze information | 0.17349 |
| 6. | A review of past transactions from the source document is a requisite for credible reporting. | 0.16219 |
| 7. | Auditors can strategically do risk assessments by visualizing the trend of transactions. | 0.18644 |

Textual Analytics

| S/N | STATEMENT | Factor Loadings |
|---|---|---|
| 1. | The use of Textual Analysis helps auditors to meet clients' audit expectation | 0.1653 |
| 2. | Analyzing content in financial statements aid in audit investigation when an error is detected. | 0.1443 |
| 3. | The risk of management fraud can be observed when data are analyzed from written sources. | 0.2154 |
| 4. | The use of content analysis increases the quantity and quality of audit evidence | 0.1632 |
| 5. | Financial intelligence of a system can be reviewed and tested which will invariably influence audit quality | 0.1785 |
| 6. | The weakness and strengths in internal control can easily be identified in the process of extracting meaningful information. | 0.1320 |
| 7. | extracting meaningful information from financial documents is part of the audit process | 0.1453 |
| 8. | scanning and processing vast amounts of financial data can be possible and can influence the credibility of an audit | 0.1411 |

Audit Report Quality

| S/N | STATEMENT | Factor Loadings |
|---|---|---|
| 1. | Ability to analyze a different range of financial data from different sources will influence the credibility of audited financial statements | 0.3210 |
| 2. | The reliability of an audit report requires it to be free from material misstatements and bias | 0.2121 |
| 3. | There is less risk of audit failure due to forensic expertise applied | 0.3245 |
| 4. | The opinion expressed in the auditors' report is of high relevance when forensic audit technology is employed. | 0.1235 |
| 5. | audited financial statements must faithfully represent what they purport to represent | 0.2042 |
| 6. | A credible audit provides assurance to stakeholders. | 0.2108 |
| 7. | The preservation of the evidence used in preparing an auditor's report is facilitated by forensic audit technology | 0.2732 |
| 8. | Engaging in forensic audit technology guarantees reliable audit reports. | 0.2213 |