

Reality, Relevancy and Accountability of Existing Audit Practices: Empirical Evidence on Auditor's Behavior in Selected National Universities in Sri Lanka

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Fraudulent financial reporting and misappropriation of resources served to undermine stakeholder's confidence on organization. The purpose of this paper is to investigate the accretion in wastage of resources within the National Universities in Sri Lanka (NUSL), which is creating an ultimatum impact on the public treasury and civil tax burden due to controversy over the role of the auditor with respect to the detection of fraud. The case study method was used to carry out this study. A sample of 08 auditors and longitudinal stakeholder analysis were employed to investigate the existing audit practices using a qualitative approach.

The findings indicate that the expectation gap has been evoked between the public interest and the auditors' service provided within NUSL, as auditors felt that the fraud detection, poor internal control mechanism, and addicting to orthodox methodologies were due to lack of adequate resources, political biasness, financial and non-financial biasness, harassments and sometimes life threats. Prevailing condition has been highly impacted by the state inherited inefficiency, sluggish attitudes towards cost controls, deficient maintenance and records keeping. It is believed that no previous research has examined this issue. The results of this paper will be of concern to academics and practitioners in their attempt to efficient usage of resources.

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