

INTRODUCTION

Sustainability accounting and reporting (Canning et al., 2019; Al-Shaer, 2020; Kwakye et al., 2018) encompasses corporate commitment, the degree of the public perception of sector-wide environmental issues, exposure to legal liability, and the extent of dialogue and transparency associated with the auditing process (Albitar et al., 2021). Sustainability accounting includes assumptions about business continuity, activities that affect the sustainability of an organization's activities, and the reporting period of the production life-cycle. Sustainability accounting also involves the reporting of environmental and social challenges as well as the responsibility to provide an account of the actions of the organization (Kwakye et al., 2018). Within the context of sustainability accounting, financial performance is not necessarily measured in terms of historical profits. Instead, as advocated by Canning et al. (2019), financial performance should be measured in terms of the going concern principle or the ability to continue operations in the foreseeable future, and it should be assessed from the perspective of the threat of business failure.

The COVID-19 pandemic has had considerable economic and financial effects worldwide (Goodell, 2020). It has brought instability in income, health challenges, and uncertainty in business continuity and operation. The economic turbulence, coupled with market uncertainty, has affected investor confidence and the financial performance of firms, and consequently might lead to financial distress (KPMG-Services, Cooperative & International, 2020). Due to the lack of investor confidence, earnings may also be more volatile (Silva & Schutte, 2021; Castka et al., 2020). Silva and Schutte (2021) posit that 50 million jobs are at risk as stay-at-home measures continue, especially now that most countries have entered the fourth wave of the pandemic. Taylor (2020) commented that many countries in full lockdown experienced a standstill in their economic activities. The problem also makes industries prone to different external and internal factors such as recessions, fluctuations in exchange rates, unprofitability, and a decline in income (Kemenkes & Germas, 2020) as well as reducing shareholder confidence.

In terms of auditing practices, previous studies have argued that such a crisis significantly influences auditor ability to detect material misstatements (Rinaldi et al., 2020). If a firm does not ensure a top quality audit procedure, the literature suggests it will reduce shareholder confidence in the reported earnings figures (Rinaldi et al., 2020). The outbreak of COVID-19 has heightened this risk as companies, including audit firms, are forced to work from home (Igwe et al., 2020). Scholars have also posited that prolonged lockdowns in developing countries represent a trade-off not between saving lives and saving economy, but between saving some lives from COVID-19 and condemning far more people and/or firms to hardship and death by other means (World Bank, 2020, cited in Igwe et al., 2020).

In the wake of this pandemic, a first potential response of companies to satisfy the growing interest of stakeholders necessitates the adoption of strategies enabling them to provide forward-looking information in the annual reports and accounts, which will install confidence in the users of the accounts. A second response is the use of alternatives to onsite auditing as an option for firms to remain in business. Remote auditing represents one form of sustainability initiative put in place as an alternative to physical auditing and as a platform for the use of electronic means to conduct inquiries, access and verify data, and perform testing procedures (Silva & Schutte, 2021).

Two benefits are associated with being sustainability conscious during accounting practices in the era of COVID-19. First, the quality of audit reports is an important determinant for continuous reliance on audit reports by stakeholders, current and prospective investors, suppliers, and creditors. Second, the robustness of audit evidence is a prerequisite for a quality

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