Contemporary Journal of Management | ***ISSN 2766-1431***
Published by AIR JOURNALS | *https://airjournal.org/cjm*
12011 WestBrae Pkwy, Houston, TX 77031, United States
airjournals@gmail.com; enquiry@airjournal.org

RESEARCH ARTICLE

Audit Quality and Audit Fees: The Case of Listed Companies in the Nigerian Financial Services Sector

Egiyi, Modesta Amaka PhD.
Department of Accountancy, Godfrey Okoye University, Enugu State

Accepted: March 26th, 2022	Published: March 31st, 2022

Citations - APA

Egiyi, Modesta Amaka (2022). Audit Quality and Audit Fees: The Case of Listed Companies in the Nigerian Financial Services Sector. *Contemporary Journal of Management, 4(2), 14-24.*

The study empirically investigated the relationship between audit quality and audit fees in companies listed on the Nigerian stock exchange in the financial services sector with a panel data set spanning the years 2010 to 2020. The likelihood of employing the services of a Big4 audit firm is used as the proxy for audit quality. In Nigerian companies, the data show a significant negative association between audit quality and audit size. Leverage and firm size, the two explanatory variables, had an insignificant impact on audit quality. The empirical findings suggest that high audit fees threaten auditors' independence, which has a detrimental impact on audit quality. As a result, the report recommends that policies and guidelines be developed to govern and regulate the audit pricing process.

ABSTRACT

Keywords: *Binary Logit Model, Audit Quality, Audit Fees, Auditors' Independence, Panel Data*

Introduction

The necessity for accurate audit reports has skyrocketed in recent years. The growing importance of good corporate governance mechanisms as a result of widely publicized accounting fraud in Nigeria and around the world and the numerous high-profile corporate failures in the Nigerian financial sector in the early 1990s made auditors a centre of attention and forced the public to question their role. As a result, providing high-quality financial statements is critical because it will influence investors in making sound investment and business decisions. The Nigerian corporate environment has been criticized by some as being hostile to both domestic and foreign investors as a result of the difficulty of financial reports to suit the needs of these investors.

To maintain investor confidence, the quality of audits and auditors' views reflected in financial reports is critical. In the previous decade, some accounting and reporting anomalies and frauds have prompted a thorough examination of financial statement auditing, audit approach, and audit quality. ICAN (Institute of Chartered Accountants of Nigeria) and ANAN (Association of National Accountants of Nigeria) are two well-known professional accounting bodies in Nigeria. The regulation of professional accounting practices (including auditing) in the country is one of the core objectives of these accounting organizations. All publicly traded firms in Nigeria must hire an independent (external) auditor, according to the Companies and Allied Matters Acts (CAMA) of 2004. The auditor is tasked by law with the responsibility of performing statutory audits and providing an essential opinion on whether the financial reports are stated truthfully and fairly. Independent certified auditors audit the financial statement and provide an opinion on the statements for users of the financial statement to have confidence that the information in the financial statement is being recorded and measured correctly and fairly presented. This practice verifies the accuracy of the information for the stakeholders' peace of mind, and it also acts as a monitoring mechanism that detects earnings manipulation (Amat et al., 2014)

The audit is a critical component of financial stability and the re-establishment of trust and market confidence. When there are concerns regarding the accuracy of a company's financial statement, we may look to the auditor's report for answers. As a result, the financial reports' credibility is predicated on the notion that the certified auditor is not influenced by their customers or other entities. As a result, both international and domestic scholars have focused their attention on the elements that may compromise audit quality. The auditors' independence is one of the issues that always surface in the audit quality debate (Karsemeijer, 2012). Audit fees, which mirror the billing rates of the entire audit team and are charged by an audit firm or eventually paid by the client for audit services, have become an area of concern in auditing. This is largely due to the possible counterintuitive effects of audit fees on audit quality, wherein the magnitude of the audit fee may enhance auditors' capacity to discern misstatements or damage auditors' independence (Iyer & Rama, 2004). The audit firms are free to charge whatever audit fees they deem fit. As a result, audit fees may be greater or lower than what some other auditors may charge within a given industry (Oladipupo & Monye-Emina, 2016).

Conceptual Review

Audit Quality

Auditing determines the likelihood of misstatement and lowers the incidence of undiscovered misstatement to an appropriate degree of reliability. Audit quality refers to the degree to which an auditor's independence, and objectivity influence the auditor's perceptions of the quality of financial reports (Amahalu & Obi, 2020). DeAngelo (1981) defines auditor independence as the provisional possibility that the designated auditor will reveal any material distortion in financial reporting if the material distortion has been determined previously.

Audit quality evaluates the likelihood that an internal or external quality auditor or audit team will uncover and report significant errors, fabrication, and omissions in a client's accounting system (DeAngelo, 1981). Audit quality might be a function of the auditor's capacity to discover severe misstatements and report the inaccuracies (Seyyed et al, 2012). Various proxies are commonly used to assess audit quality, including discretionary accruals, the employment of Big4 audit firms, and audit fees, among others.

Audit Fees

An auditor's remuneration from a client can be divided into two categories: audit services fee and non-audit services fee. The independent auditor receives an audit fee that is charged to the customer as payment for the auditing services provided. A non-audit services fee is a payment for extra services offered by auditors, whereas an audit fee is a payment for auditing services. The fee charged for audit tasks is typically tied to the reputation of audit firms and the quality of their services (Jusoh et al, 2013)

As previously stated, listed companies are legally compelled to have their accounts reviewed by an external auditor. To ensure that the quality of the audit is not compromised, it is expected that the costs they pay are appropriate. Auditors, on the other hand, would hope to be compensated enough for their audit services to sustain a good quality of service.

Audit Quality and Audit Fee

The relationship between audit fees and audit quality is contradictory in the literature. The audit fee charged to auditors can impact audit quality in different ways. High audit fees may enhance auditor effort, resulting in higher audit quality; higher audit fees are evident in higher expenses as a result of enhanced audit quality (Okolie, 2014). Higher-quality audits can be conducted by more experienced competent auditors, and clients are ready to pay a high price to achieve this quality (Cahan & Sun, 2015). High audit fees paid to an auditor improve the audit quality by raising the auditor's professionalism and efficiency (Ettredge et al., 2007). Conversely, Karsemeijer (2012) contends that the greater the audit fees, the more significant a customer is to the company, and hence, independence and thus audit quality may be jeopardized.

According to Ettredge et al. (2007), if a client (auditee) pays lower audit fees than other firms in the same sector, the firm is more likely to become faithful to the audit firm, which could lead to the auditor ignoring material misstatement or permitting management to engage in aggressive earnings management. Exorbitant fees paid to auditors, especially for non-audit services make them more reliant on their clients (Kimeli, 2016).

Theoretical Literature

The basic theoretical underpinning for this work is Limperg's Inspired Confidence Theory of 1985. The importance of the notion of inspired confidence is that the auditors' responsibilities are derived from the public's trust in the audit process' performance and the assurance that the accountant's opinion provides. Because the existence of the process is determined by this conviction, a breach of the conviction must logically result in the termination of the process.

Literature Review

It is well acknowledged that unusually large audit fees or astonishingly low audit fees can have an impact on auditor independence and, by extension, audit quality. However, a few empirical research on the relationship between audit fees and audit quality has been conducted in Nigeria. The few studies that have been conducted thus far have all produced contradictory results. Oladipupo and Monye-Emina (2016) investigated the impact of abnormal audit fees on audit quality in Nigeria's audit market. They discovered that audit fees have no significant impact on audit quality in Nigerian quoted companies; Olarinoye and Ahmad (2016) found the same thing employing companies listed on the Nigerian Stock Exchange (NSE). Olarinoye and Ahmad (2016) used a dataset from 89 companies listed on the Nigerian Stock Exchange (NSE) from 2008 to 2013 to investigate if audit fees hinder auditor independence. The study's findings demonstrated that unusual audit costs charged by Nigerian auditors may not jeopardize their independence, but instead may reflect extra efforts made during the audit.

Likewise, Ibrahim and Ali (2018) employed the pooled OLS and random effect regression methods of estimation to analyse the association between audit fees and audit quality of listed conglomerate companies in Nigeria for 12 years (2004-2015). They discovered that when audit quality is measured using discretionary accruals, the audit fees and audit firm size positively impact the audit quality; nevertheless, audit fees are not statistically significant.

Ilechukwu (2017) studied the effect of audit fees on audit quality in Nigeria's consumer goods sector between 2011 and 2016 using the pooled data OLS regression technique was used. Their findings revealed that audit fees and other explanatory variables account for 38% of the audit quality of the selected firms. The study discovered that audit fees have a positive but insignificant effect on audit quality in the consumer products sector of Nigerian listed companies.

Alternatively, Abdul-Rahman, Benjamin, and Olayinka (2017) used secondary data gathered from the annual reports of listed cement manufacturing companies from 2010 to 2015 to investigate the effect of audit fees on audit quality in Nigeria. Their findings revealed that audit fee, client size, audit tenure, and leverage ratio all had a significant relationship with audit quality, with audit fee having a particularly positive significant impact. Rahmina and Agoes (2014) investigated the effect of auditor independence, audit tenure, and audit fee on audit quality both separately and simultaneously utilizing primary data obtained through the questionnaires distributed to audit companies quoted in the Capital Market Accountant Forum (FAPM) in Indonesia. Their findings show that audit fee has a positive and significant impact on audit quality.

Karsemeijer (2012) also revealed that high audit fees are significantly related to low audit quality using a dataset of US-listed corporations; Babatolu et al. (2016) and Okolie (2014) both find that audit fee is significantly related to audit quality. The contradictory evidence persists. Mohammed, Joshua, and Ahmed (2018) studied the relationship between audit fees and audit quality of 9 listed companies in Nigeria's downstream petroleum industry. They found that audit cost has a negative significant relationship with audit quality

Kraub, Pronobis, and Zulch (2015) used a sample of 841 Frankfurt Stock Exchange-listed companies to investigate abnormal audit fees and audit quality in the German audit market between 2004 and 2010. They revealed that Positive abnormal audit fees are negatively associated with audit quality, whereas negative abnormal audit fees have a statistically insignificant positive influence on audit quality. They argued that paying a higher audit fee compromises the auditor's objectivity and economic interdependence, whereas paying a lower audit charge compromises objectivity or reduces audit efforts. Cahan and Sun (2015) investigated the impact of audit experience on audit fees and audit quality using distinctive data from China. Their findings showed that experience is positively related to audit fees and negatively related to absolute discretionary accruals.

Further research is required to fully comprehend the impact of audit fees on the quality of audit reports. To the best of the researcher's knowledge, there are few studies on Nigeria. Considering the aforementioned, it is obvious that none of the empirical research has specifically studied the relationship between audit fees and audit quality of publicly traded Nigerian companies in the financial services sector. As a result, it is thought necessary to investigate the relationship between audit fees and audit quality of listed financial services companies in Nigeria. Since The research examined did not include data from the most recent period, this study is more recent because it uses data from 2010 to 2020, bringing the empirical discussion on the effect of audit fees on audit quality up to date. Auditors are expected to be objective in all respects throughout their audit job. The independence of an expert auditor instils confidence and trust in the users of the financial reports.

This study's main objective is to investigate the relationship between audit fees and audit quality among Nigeria's publicly traded companies. In view of the foregoing, the following hypothesis is proposed.

H_0: Auditor fees have no significant positive relationship with audit quality.

Methodology

The study employed an ex post facto research design to collect already existing data from records of the selected firms for the study. The companies studied include African Alliance Insurance Plc, Fidelity Bank Plc., Zenith Bank plc, Union bank Nig. plc., NPF Microfinance Bank plc., sterling bank plc., Axamansard Insurance Plc., Consolidated Hallmark Insurance plc, Ecobank Transnational Incorporated, Goldlink Insurance Plc., International Energy Insurance Plc., Standard Alliance Insurance Plc., Sovereign Trust Insurance Plc., Linkage Assurance Plc. and Prestige Assurance Plc. The data used in the study were collected from the financial statements of fifteen (15) Nigerian firms in the

financial services sector listed on the Nigerian stock exchange from the period 2010 to 2020. Due to a lack of sufficient data, the investigation was limited to fifteen (15) companies.

Consistent with previous literature, audit quality is measured as "1" if firm i is audited by a Big4 audit firm at year t and "0" otherwise. Akintola Williams Deloitte, KPMG, PricewaterhouseCoopers, and Ernst & Young are the Big4 audit companies in Nigeria. Skinner and Srinivasan (2012) give empirical support for using large audit firms as a proxy for audit quality. To generate empirical results for the paper, a linear econometric model is formulated based on the previous empirical studies (Olarinoye and Ahmad, 2016; Mohammed, Joshua, and Ahmed, 2018). The model's general expression is as follows:

Audit Quality = f(Audit fees) …….. (1)

Audit Quality = f(Audit fees, Size, Leverage)……..(2)

The functional relationship between audit fees and audit quality is expressed as follows in the panel OLS model specifications expressed the model in the econometric form:

$AQ_{it} = \beta_o + \beta_1 AFEE_{it} + \beta_2 SIZE_{it} + \beta_3 LEV_{it} + e_{it}$……..(3)

Where:

AQ_{it} = Audit quality (measured as the likelihood that a firm employs one of the big 4s)

$AFEE_{it}$=Audit fee (measured as the logarithm of total fees paid by company i in year t for audit)

$SIZE_{it}$=The size of the firm (derived from the total asset (fixed asset + current asset))

LEV_{it}= Leverage (computed as the ratio of total debt to the total asset of the company)

β_0 = Intercept

β_{1-3} = Unknown Coefficients

e_{it} = Error term

The data were analysed using descriptive statistics. To empirically analyse the previous functional form, the Levin, Lin, and Chu (2002) and Im-Pesaran-Shin (2003) unit root tests were employed to establish the order of integration of the variables in the model. The Kao residual cointegration test is performed to establish that the variables in the model have a long-run relationship, and the model is then estimated using the binary logit model estimation technique, with the dependent variable (audit quality) being binary (1 and 0). When the dependent variable is dichotomous, the pooled ordinary least squares (OLS) multiple regression model cannot produce robust coefficients. Unlike other regression models, binary regression relies on a dichotomous dependent variable, in which an observation receives a one(1) if it is present and zero(0) if it is not. A cumulative logistic probability distribution is used in the logistic binary regression.

Result and Discussion

The table below shows the simple descriptive statistic of the variables in the model.

Table 1: Descriptive statistics of the variables

	AQ	AFEE	SIZE	LEV
Mean	0.745455	3.639055	2.822340	16.09399
Median	1.000000	2.175089	2.582844	16.17795
Maximum	1.000000	8.270210	4.007333	19.93501
Minimum	0.000000	2.198085	1.098612	5.482278

Std. Dev.	0.437599	2.480583	0.821297	1.757067

Source: Authors' Computation, 2022

The mean value for Auditor quality (AQ) is 0.745, indicating that 74.5 percent of the organizations in the study employ the services of the Big four audit firms in Nigeria, according to the descriptive statistics of the variables provided in table 1. The standard deviation, in this case, was 0.437, indicating that there was considerable clustering of the sample about the average auditor quality. The mean Audit fee was 3.64, with the maximum and minimum values of 8.270210 and 2.198085, respectively. The standard deviation of 2.480 indicates that there is significant clustering of firm size around the mean, implying that the audit fees of the companies in the sample are likely to be similar to the mean audit fee.

Furthermore, the firm size has a mean of 2.822340, with maximum and minimum values of 4.007333 and 1.098612, respectively. The standard deviation, which measures the spread of the distribution, was 0.821297, which is low and indicates that the firm sizes are not significantly different from the average. Finally, Leverage has a mean of 16.09399 and maximum and minimum values of 19.93501 and 5.482278, respectively. Strong aggregation around the mean is indicated by the standard deviation of 1.757067.

The Levin, Lin, and Chu (2002) and Im-Pesaran-Shin (2003) unit root tests were used to determine the order of integration of the variables in the model. In panel data analysis, if the unit root is found in the data, the problem of spurious regression will arise. The results are shown in Table 2.

Table 2: Panel Unit Root Test Result

Variables	Levin et al		Order of Integration	Variables	Im et al		Order of Integration
	Levels	First Diff.			Levels	First Diff.	
AQ	-3.44886**	-	I(0)	AQ	-2.87930**	-	I(0)
AFEE	-2.81324**	-	I(0)	AFEE	-0.19569	-2.46000**	I(1)
SIZE	-1.73839**	-	I(0)	SIZE	-1.23535	-1.70369**	I(1)
LEV	-19.8105**	-	I(0)	LEV	-5.37841**	-	I(0)

Source: Authors' Computation, 2022
Notes: Values reported are t-statistics value.
** denote significance 5 percent.
The test was conducted with the assumption of intercept and no trend in both Levin et al (2002) and Im et al (2003) specification

Because both unit root tests yielded different findings, it's unclear if audit fee and size are integrated at levels (I(0)) or first difference (I(1)).

The correlation matrix depicts the association between all of the variables investigated. If the coefficient of a correlation is 0.8 or higher, it is deemed problematic. A significant degree of positive or negative correlation between the explanatory variables suggests a multicollinearity problem in the model. It's undesirable since it makes it harder to determine the individual influence of such correlated explanatory variables on the dependent variables. On the other hand, a strong correlation between dependent and explanatory factors is optimal.

Table 4: Correlation Test Result

	AQ	AFEE	SIZE	LEV
AQ	1.000000			

AFEE	- 0.071107	1.000000		
SIZE	0.150550	0.232920	1.000000	
LEV	-0.004561	-0.107671	-0.182906	1.000000

Source: Authors Computation, 2022

There are no variables in the table above with a value greater than 0.8, showing that high correlation was not an issue. Multicollinearity does not pose a difficulty. The variables are considered healthy if their correlation coefficients are less than 0.8.

The data sample is then subjected to a panel cointegration test to see if the model demonstrates a long-term relationship. Cointegration analysis is performed after the unit-roots of the series have been examined. The Kao cointegration technique is used to analyse the long-term relationship between the variables in the Panel cointegration test.

Table 4: Kao Residual Cointegration Test Result

ADF t-statistic	Probability
-1.962540	0.0248**

Source: Authors Computation, 2022
Note: Null Hypothesis: No cointegration.
** denotes significance at 5 percent
The ADF t-statistic probability value is less than 5%, indicating that the variables in the model have a long-term association, as shown in Table 4.

The findings reveal a long-term association between the variables, confirming the validity and consistency of empirical findings. Because the model includes a long-run relationship, the binary logit regression technique was used to investigate the link between audit quality and audit fee. Table 5 shows the results of the binary logit regression models.

Table 5: Binary Logit Regression Results

Dependent Variable	AQ
Constant	1.128303 (4.574016) [0.00000]
AFEE	-0.279224 (-1.900886) [0.0473]
SIZE	0.061680 (0.382973) [0.7017]
LEV	-0.370286 (-0.936668) [0.3489]
McFadden R-Squared	0.56911
LR Statistics (3 df)	6.400564 (0.03664)
Log Likelihood (LL)	-53.03323
Probability distribution	logistic

Source: Authors' Computation, 2022

Note: (1) Parentheses ( ) are Z-statistic while bracket [ ] are Probability values
(2) * 5% level of significance respective

The McFadden R-squared value from the binary regression results shows that about 56.9% percent of the outcome of the dependent variable is explained by the variations in all the independent variables. The LR statistic for the two models 6.4 reveal that they are statistically adequate at explaining the outcome of the dependent variable as their p-values of (0.037) is less than the critical value of 0.05 at a 5% significance level.

In analyzing the marginal effects of the selected explanatory variables, it is observed that Audit fee impacts negatively and significantly on the audit quality of listed financial services companies. This was depicted by the slope coefficient of -0.279224, the z-Statistics -1.900886 and probability value of 0.0473 which are statistically significant at 0.05 (5%) levels. Thus, a unit increase in audit fee (AFEE) will ultimately cause a significant decrease in audit quality (AQ) by up to 27.92%. The result suggests that the fee paid to an audit firm by a company has an impact on the likelihood that the company will have quality audit reports.

The size of the firm appears to have a positive insignificant impact on the audit quality of quoted companies. This implies that larger companies are likely to have a quality audit report although the relationship is not significant. Similarly, the variable of leverage (LEV), which acts as a control variable in the study, also appeared to have an inverse relationship with audit quality (AQ). However, the relationship between leverage and audit quality is not statically significant because the p-value of 0.3489 exceeds the 0.05 benchmark.

Maximum Likelihood Huber/White Heteroskedasticity-consistent standard errors and covariance were used to calculate the outcomes of the two binary regression models. This suggests that the given binary regression results are devoid of the Heteroskedasticity problem.

Discussion of Findings

The relationship between audit quality and audit fees was found to be inverse, which, as previously stated, could inspire discussion about avoiding excessive audit fees because it may be successful in lowering audit quality. Because large audit companies are practically connected with greater audit fees for which high-quality audit service is expected, the implications of this result may unleash conflicting opinions. According to Mohammed, Joshua, and Ahmed (2018), there is a negative association between auditor quality and audit price, confirming the hypothesis that greater audit fees are likely to impair auditors' independence and, as a result, result in lower audit quality. More specifically, Babatolu et al. (2016) and Okolie (2014) suggest that a higher audit fee paid to an external auditor is likely to increase the economic relationship between the auditor and the auditee, compromising the auditor's objectivity. The findings of the study are in agreement with those of Karsemeijer (2012) and Kraub, Pronobis, and Zulch (2015), who used German data.

The other variables examined alongside audit fees such as leverage and size were found to be inversely related and positively related to audit quality respectively. However, their impact is not statistically significant. Highly levered firms may be tempted to save costs and engage in lowering audit fees which may negatively affect the audit quality and bigger firms would tend to have more quality audit reports than smaller firms in the financial services sector of the Nigeria Stock Exchange.

Conclusion and Recommendation

The objective of this study was to examine the relationship between audit fees on audit quality in the financial services sector of Nigeria using cross-sectional data was gathered from the annual financial reports and statements of 15 companies in the financial services sector listed on the floor of Nigeria Stock Exchange for 10 financial years. Audit quality, the dependent variable, was measured by the likelihood that a sampled company employs the services of one of the big audit firms.

Based on the findings, the study concludes that there is a negative significant relationship between audit quality and audit fees. The findings revealed that higher audit fees are linked to lower audit quality. The more the audit fees, the more important a company is to the auditor, and thus the auditor's independence may be undermined. This will put the audit quality in jeopardy. The other explanatory variables (leverage and firm size) had no statistically significant impact on audit quality. The findings of this study have significant policy implications for Nigerian firms seeking high-quality audits to make better financing and investment decisions. As a result, the report suggests that professional bodies keep a close eye on government actions and raise concerns about regulations that affect audit practice, particularly in the financial services industry, as well as developing rules to oversee and monitor the audit pricing process.

References

Abdul-Rahman, O. A., Benjamin, A. O. & Olayinka, O. H. (2017). Effect of Audit Fees on Audit Quality: Evidence from Cement Companies in Nigeria. *European Journal of Accounting, Auditing and Finance Research*, 5 (1), pp. 6-17.

Ado, A. B., Rashid, N., Mustapha, U. A., & Ademola, L. S. (2020). The impact of audit quality on the financial performance of listed companies in Nigeria. *Journal of Critical Reviews*, *7*(9), 37-42.

Ajani, S. A. (2012). Auditing as a tool for enhancing the principal-agent relationship. Study Guide: Masters in Business Administration, Ahmadu Bello University, Zaria

Akinyomi, O. J., & Joshua, A. A. (2022). Determinants of audit quality in Nigeria: evidence from listed consumer goods sector in Nigeria. *Academy of Accounting and Financial Studies Journal*, *26*, 1-14.

Amahalu, N.N., & Obi, J.C. (2020). Effect of audit quality on the financial performance of quoted conglomerates in Nigeria. *International Journal of Management Studies and Social Science Research*, 2(4), 87-98

Babatolu, A.T., Aigienohuwa O.O. and Uniamikogbo E. (2016). Auditor's independence and audit quality: A study of selected deposit money banks in Nigeria*. International Journal of Finance and Accounting*, 5(1), 13-21

Cahan, S. F., & Sun, J. (2015). The effect of audit experience on audit fees and audit quality. *Journal of Accounting, Auditing & Finance*, *30*(1), 78-100.

Dakhlallh, M. M., Rashid, N., Wan Abdullah, W. A., & Al Shehab, H. J. (2020). Audit committee and Tobin's Q as a measure of firm performance among Jordanian companies. *Journal of Advanced Research in Dynamical and Control Systems*, 12(1), 28–41.

DeAngelo, L. (1981) Auditor size and audit quality. *Journal of Accounting and Economics* 3(2), 183-199.

Ettredge, M., Scholz, S. and Li, C. (2007). Audit fees and auditor dismissals in the Sarbanes-Oxley era. Accounting Horizons, 21(4): 371-386

Ibrahim, M., & Ali, I. (2018). Impact of audit fees on audit quality of conglomerates companies in Nigeria. *International Journal of Service Science, Management and Engineering*, *5*(1), 1-8.

Ilechukwu, F. U. (2017). Effect of audit fee on audit quality of listed firms in Nigeria. *International Journal of Trend in Research and Development*, *4*(5), 319-326.

Jusoh, M.A., Ahmad, A. and Omar, B. (2013). Managerial ownership, audit quality, and firm performance in Malaysia. *International Journal of Arts and Commerce*, 2(10), 45-58

Karsemeijer, M. (2012). The relation between audit fees and audit quality. Master Thesis of the University of Amsterdam. 1-36

Kimeli, E. K. (2016). Determinants of Audit Fees Pricing: Evidence from Nairobi Securities Exchange (NSE). *International Journal of Research in Business Studies and Management*, 3 (1), pp. 23-35.

Kraub, P., Pronobis, P. & Zulch, H. (2015). Abnormal Audit Fees and Audit Quality in German Audit Market. *Zeitschrift für Betriebswirtschaft*, 85 (1), pp. 45-84.

Mohammed, A. M., Joshua, O., & Ahmed, M. N. (2018). Audit fees and audit quality: A study of listed companies in the downstream sector of the Nigerian petroleum industry. *Humanities and Social Sciences Letters*, *6*(2), 59-73.

Nwafor, P. U., & Amahalu, N. N. (2021). Auditors' independence and audit quality of quoted deposit money banks in Nigeria. *American Research Journal of Humanities Social Science (ARJHSS)*, *4*(09), 77-85.

Okolie, A.O. (2014). Auditor tenure, auditor independence, and accrual-based earnings management of quoted companies in Nigeria. *European Journal of Accounting Auditing and Finance Research*, 2(2), 63-90

Oladipupo, A.O. and Monye-Emina, H.E. (2016). Do abnormal audit fees matter in the Nigerian audit market*?* *International Journal of Business and Finance Management Research*, 4(6), 64-73.

Olarinoye, S. A. & Ahmad, A. C. (2016). Audit Fees, Corporate Governance Mechanisms, and Financial Reporting Quality in Nigeria. *DLSU Business & Economics Review*, 26 (1), pp. 1- 14.

Rahmina, L. Y. & Agoes, S. (2014). Influence of Auditor Independence, Audit Tenure, and Audit Fee on Audit Quality of Members of Capital Market Accountant Forum in Indonesia. *Kuala Lumpr, Malaysia*, s.n., p. 324–331.

Seyyed, A.M., Mahdi, M., & Mohsen, K. (2012). An Investigation into the Relationship between Audit Committee and Audit Quality. *Australian Journal of Basic and Applied Sciences* 6(10), 409-416.

Skinner, D. J., & Srinivasan, S. (2012). Audit quality and auditor reputation: Evidence from Japan. *The Accounting Review*, 87(5), 1737-1765.

Walid, E.G. (2012). Determinants of audit fees: Evidence from Lebanon. *International Business Research*, 5(11), 136-145

Yuniarti, R. (2011). Audit firm size, audit fee and audit quality. *Journal of Global Management*, 2(1), 84-97.