

**EFFECT OF AUDIT CHARACTERISTICS ON FIRMS
PERFORMANCE AMONG SELECTED DEPOSIT MONEY
BANKS IN NIGERIA**

BY

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MATRIC NUMBER: 18020101004

AUGUST 2022

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**A PROJECT REPORT SUBMITTED TO THE DEPARTMENT
OF ACCOUNTING AND FINANCE, COLLEGE OF
HUMANITIES, MANAGEMENT AND SOCIAL SCIENCES,
MOUNTAIN TOP UNIVERSITY, OGUN STATE IN PARTIAL
FULFILMENT OF THE REQUIREMENTS FOR THE AWARD
OF THE BACHELOR DEGREE (B.Sc. HONS) IN ACCOUNTING.**

AUGUST 2022

DECLARATION

I hereby declare that this project report written under the supervision of DR. PIUS ONICHABOR is a product of my own research work. Information derived from various sources have been duly acknowledged in the text and a list of references provided. This research project report has not been previously presented anywhere for the award of any degree or certificate

ODUNAIYA, TOLULOPE.C

Date

CERTIFICATION

This is to certify that this research project report titled **“THE EFFECT OF AUDIT CHARACTERISTICS ON FIRMS PERFORMANCE AMONG SELECTED DEPOSIT MONEY BANKS IN NIGERIA”** was carried out by **ODUNAIYA, TOLULOPE CHRISTIANA**, with the matriculation number **18020101004** at the Department of Accounting and Finance, Mountain Top University Ogun State, Nigeria. This project meets the requirements governing the award of Bachelor Science (B.Sc.) Degree, in Accounting and is approved for its contribution to knowledge and literary presentation.

DR. PIUS ONICHABOR
(Project Supervisor)

Signature

Date

DR. OMOKEHINDE JOSHUA ODUTOLA
(Head of Department)

Signature

Date

DEDICATION

This project is dedicated to God Almighty for seeing me through the completion of this project, to myself for the continuous zeal. I also want to dedicate this project to my parents MR & MRS ODUNAIYA, my big sister MRS BALOGUN, MR& MRS ALABI, MY SIBLINGS and my Guardians for their love and endless support.

ACKNOWLEDGEMENTS

I ascribe all Glory and Honour to God Almighty who has made all things well.

My sincere appreciation goes to my project supervisor, DR. PIUS ONICHABOR who has worked round the clock to see that this research project work never get abandoned and for his immense contribution to this project. May GOD reward you mightily in JESUS name.

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To my roommates ALLEN, SILVER and GHAREVBA.

To my fellow ACCOUNTING Students (Pioneer Accounting Students of Mountain Top University, Class 2022), Labour market shall favour us all, AMEN.

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ABSTRACT

There has been debates over the years on how audit characteristics has effect on the performance of Deposit Money Banks. The main purpose of this study is to investigate the effect of audit characteristics on deposit banks performance in Nigeria. The study used secondary data by adopting an ex-post facto design method that used panel data from audited financial statements of selected deposit bank secondary data for the period 2011- 2020 which was purposively selected. Data was gathered from secondary sources, such as annual reports and accounts, and analysed using descriptive, correlation was used to test multicollinearity problem, and Simple linear regression was used for each of the hypothesis. The package used was Statistical Packages for Social Sciences (SPSS) version 23 for the analysis of data. Hypothesis one revealed results that audit fee (AF) has a significant negative effect on ROA (proxy for performance).Hypothesis two results imply that audit firm size (AFZ) has insignificant negative effect on ROA (proxy for performance).Hypothesis three, results imply that firm size (FZ) has a significant positive effect on ROA (proxy for performance). Hypothesis four, results imply that audit independent (AI) has a significant positive correlation with ROA (proxy for performance). It is recommended that management of deposit money banks in Nigeria should increase audit fee to improve their financial performance.

KEYWORDS: Auditor Fees, Audit Firm Size, Firm Size, Audit Independence, Financial Performance, Deposit Money Banks, and Characteristics