

Professional Accounting Services and Nigeria's Sustainable Economic Growth

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ABSTRACT

The study is an empirical examination of professional accounting services and Nigeria's economic growth for sustainable diversification beyond oil sectors. The study was conducted out of the non-inclusion of accounting services among key non-oil sectors. Specifically, to examine the contribution of audit fees and other professional accounting services fees earned by registered professional accounting firms from listed firms to real gross domestic product (GDP) in Nigeria from 2018 – 2022. Ex-post facto research design was adopted in the study. The population was the one hundred and seventy (176) companies from twelve (12) sub-sectors listed firms in the Nigerian Security Exchange (NSE) now the Nigerian Exchange Group (NGX) that deployed the accounting firms' services from 2018 financial year to December 31, 2022. The data were analysed using descriptive statistics and multiple regression analyses. The results showed that audit fees and other related accounting services fees earned by the listed accounting firms through the select listed firms significantly contribute positively to GDP of Nigeria. It was concluded in the study that professional accounting services (audit fees and other related accounting services fees) earned by accounting firms significantly contribute to Nigeria's economic growth (real GDP) for sustainable diversification beyond oil and non-oil sectors. It was recommended among others that, other listed accounting firms should be synergized for greater impact like the 'Big 4' and attraction of more services and the listed accounting firms should render other accounting services beyond the traditional ones like entrepreneurial accounting services, political campaign fund managers and nation's accounting advisers.

Keywords: Professional accounting services, Nigeria's economic growth, diversification

1. INTRODUCTION

The multifaceted roles and services deliver by accounting profession to individuals, business community and the nations at large cannot be overemphasised. Accounting is one discipline, many dimensions in nature – 'a process, service and profession, information system, financial information and transactions, the means to many vocations, advisory and management service among others (Udo, 2023). In addition, Buffet (2014) described accounting as a language of business and national economies. Economies' systems depend on the growth and development of stripes of businesses, in other word, no business can survive and be sustained without accounting services. Therefore, its sine quo non to any economic system whether profit or not-for profit and no organisation can function well without accounting services (Udo, 2023).

Accounting services are range of activities directed toward preserving accurate financial and non-financial records and implementing effective record keeping systems carryout by professional accountants. Professional accounting services, on the other hand can help in better decision, investment, financial dividend decision by reducing error and increasing efficiency. It can help a nation revenue generation, create employment opportunity, encourage cross border funding evaluate business network and performance economic value added as well as giving confidence to in potential investors and common promotion firms' reputation. The most traditional accounting services include; financial reports preparation, auditing services/assurance services, forensic and fraud examination, merger audit, revolving services, tax advice, investment services and management consulting. These have been affirmed by the services rendered by the "Big 4" accounting firms namely; Deloitte LLP, Ernest & Young (EY), Pricewaterhouse Coopers (PWC) and klynveld Peat Marwick Goerdeler (KPMG). The "Big 4" are professional accounting firms completely dominated the industry, auditing more than 85 percent of all the public companies. The "Big 4" are the four largest and leading accounting firms in term of revenue growth and locations wide.

For instance, Deloitte Limited Liability Partnership is the leading global provider of audit and assurance consulting, financial advisory, risk advisory tax, and related services. Deloitte is currently employed over 332,000 people in more than 152 countries and territories (as at 2022). The second 'big 4' is Ernest and Young (EY). EY renders four main accounting services lines namely; assurance, consulting, strategy and transactions, and tax. EY assists client to capitalize on transformative opportunities, fulfil regulatory requirement, keep investors informed and meet the needs of all of their state holder. EY has about 365,399 employees across over 162 countries and has us\$45.4 billion revenue for the year ended 2022 (ey.com 21 September 2022). The third "Big 4" is Pricewaterhouse Coopers LLP (PwC) provides professional services. The company offers wide range of services to include; business advisory services such as auditing, accounting, taxation, strategy management, and human resources, consulting services, legal services, data and analytics, as forensic accounting. PwC has about 328,000 employees, services over 157 countries across 742 locations/offices worldwide and generated revenue of US\$50.3 billion for the year ended 2022 (www.pwc.com). KPMG International Limited is the fourth biggest accounting firm simply called KPMG. KPMG is a multinational professional accounting services network based in London, England. Services offer include actuarial, assurance, the financial, legal, tax advice, and consulting. The company has in its employment roll over 265,000 staff and generated revenue of US\$343.64 billion for the year ended 2022 (<https://kpmg.com/>).

Over the years, oil sector has been the dominant and key source of revenue to Nigeria, thus, making Nigeria a mono-economic. Recently, Nigeria has trying to diversify the economic through non-oil sectors - telecommunication services, financial sector (banking and insurance) services, tourism

service (hotels, restaurants, parks, carnivals, movies; wholesale and retail trade; Health services; export trade; agricultural. But Accounting services which is a language of all organisation has not been considered and this where many advanced nations diversify their economies, increasing their GDP through professional services. In 2021, audit fees earned by 'Big 4' was ₦10.8bn, increased to ₦11.5 bn in 2022. But in 2023, PwC, KPMG, EY and Deloitte alone earned from audit fees of ₦1.39bn from just only seven commercial banks in first quarter of the year (Businessday, 2023). Nigeria has over 116 registered and licensed accounting firms servicing almost all registered organisations. This is of great concern to the researchers as professional accounting services is excepted from non-oil sector. Thus, it is necessary to examine how is Professional Accounting Services influence Nigeria's Economy.

Over the years, oil has been the major source of income and foreign exchange for Nigeria. Because of this dependency on single commodity for decades, agricultural sector which used to be the main sustenance of the economy in the pre-colonial Nigeria had been relegated while management of the oil revenue proved to be ineffective in meeting the prevailing economic growth and development of stripes needed in the present day as a result of corruption in the system. Nigeria government now live on borrowing to develop and grow the economy and even to service the accruing interests. Outside agriculture and oil, insufficient revenue has been generated from tourism and hospitality, technology and innovation and have been opined to be possible options for diversifying any economy. In established countries, for instance UK, professional and expertise services have contributed €59 billion to GDP (4.4%), exported €3.1 billion in 2017; 11% in 2018, 18% in 2022, but in the developing nations, professional services revenue adds little or no value to gross domestic product (GDP). In 2021, Federal government of Nigeria paid over ₦40billion to joint audit team for NDDC forensic audit alone. Yet, the revenue from professional accounting services is not considered as source to growing Nigeria's economy and even excepted from non-oil sector. The implications of this, is that, firms in Nigeria will continue to import professional and expertise services, which means capital flight, the increasing "Japa" syndrome and human capital flight due to increasing rate of unemployment, loss of revenue to the nations and services to SMEs as well as reducing Nigeria's GDP. Hence, this study is set to examine professional accounting services revenue as a source of diversification of the Nigeria economy for a sustainable GDP. Specific objectives were to:

- i. Examine the effect of audit fees of the registered professional accounting firms on real gross domestic product (GDP) of Nigeria from 2018 – 2022.
- ii. Evaluate the influence of other professional accounting services fees of the registered professional accounting firms on real gross domestic product (GDP) of Nigeria from 2018 – 2022.
- iii. Examine the joint contribution of audit fees and other professional accounting services fees of the registered professional accounting firms to real gross domestic product (GDP) of Nigeria from 2018 – 2022.

Research Questions

These questions were raised to guide this study:

- i. What is the effect of audit fees of the registered accounting firms on real gross domestic product (GDP) of Nigeria from 2018 – 2022?
- ii. How do other professional accounting services fees of the registered professional accounting firms influence real gross domestic product (GDP) of Nigeria from 2018 – 2022.
- iii. What is the joint contribution of audit fees and other professional accounting services fees of the registered professional accounting firms to real gross domestic product (GDP) of Nigeria from 2018 – 2022.

Hypotheses of the Study

- H₀₁: There is no significant effect of audit fees of the listed accounting firms on real gross domestic product (GDP) of Nigeria from 2018 – 2022.
- H₀₂: There is no significant influence of other professional accounting services fees of the registered professional accounting firms on real gross domestic product (GDP) of Nigeria from 2018 – 2022.
- H₀₃: There is no significant joint contribution of audit fees and other professional accounting services fees of the registered professional accounting firms on real gross domestic product (GDP) of Nigeria from 2018 – 2022.

2. LITERATURE REVIEW

Conceptual Clarification

Professional accounting services means the measurement, processing and communication of financial information about economic entities including, but it is not limited to, financial accounting, management accounting, auditing, costs containment and auditing services, taxation and accounting information. Accounting is a service activity performed by professional accountant at agreed fees under the generally accepted accounting principles (GAAP) IFRS, local GAAP and international standards on auditing (ISA). It is service activity which help other processes of an entity function and provide information that assist the main functions of the entity. Accounting services can help business stay on track with payments, invoices, bookkeeping, and payroll. Professional accountant can provide advice to business on the right investments and best structure for business to ensure financial stability and growth. It is very crucial for businesses to know which types of accounting services need of the entity.

Professional Accounting services can be divided into two main classes namely, accounting services (core accounting services including as audit) and advisory services (other professional accounting services such as consulting and relate services). Accounting services are professional services that help firms stand out against the competition. These Profitability analysis, Budgeting and forecasting, Cash flow management, Internal control and corporate governance review, Pension and profit-sharing plans, Business succession planning, Estate planning among. Whereas accounting advisory services are professional accounting services offer to firms with through their advisory capacities. Such include; Operations review, Business valuation, Information systems consulting, Bank financing assistance, Mergers and acquisitions, Partners and employee compensation plans Forensic/fraud services, Litigation support services, Process Automation among others.

The Nature of Professional Accounting Services

The most common professional accounting services include Bookkeeping, Tax accounting, Chartered accounting, Forensic accounting, Financial controller services, Auditing, investigation and assurance services, Payable accounts, Bank reconciliation, Payroll processing, Account receivables services, Entrepreneurial services, Managerial Services, Investment Services, Merger and business combination schemes, Official receiver managers and liquidators and other professional accounting services. In summary, accounting services cut across all spheres of the society and in all professions. No wonder Accounting is fondly called "jack of all trades". Today, these services keep increasing pace with the changes in socio-economic changes meeting the needs of wider stakeholders.

Audit Services fees and Other Professional Accounting Services Fees

Audit fee is the amount charged by the auditor for any work done in order to express opinion on the true and fair state of affairs or position of the client's enterprise (Onaolapo *et al.*, 2017). Fitriany and Viska (2016) further asserted that the audit fee refers to the fees paid for annual audits and reviews of financial statements for the most current fiscal year. Olutokunbo *et al.* (2020) stated that audit fee is the charged paid to a public accounting firm by a client company for the auditing of the financial statement of the company. AbbasZadeh (2017) reiterates that audit fees show the economic charges of efficient auditors. This is as Moutinho (2012) stated that the amount of fees charged for audit services and other accounting services by an audit firm shows the extent of work perform in the professional process to the client firm. The amount of audit fee can vary depending on the complexity of services, assignment risk, the cost structure of Public Accountants Firm, the required level of expertise and other professional considerations. According to Okoye *et al.* (2019), these highly professional services rendered by accounting firms which come with charges have significant influence on the financial performance of the client firms which comes in form of sustained public confidence and trust to the originality and authentic of transactions reported in the audited financial statement, thus, adding to gross domestic product.

Economic Growth Concept

Economic growth policymakers tend to focus on monetary issues for promoting growth in the economy. The concept of economic growth has been conceptualized differently by economists (Ola, 2001). For example, Jhingan (2016) defined economic growth as a process which increases the real per capita income of a country. Economic growth is measured by the increase in the amount of goods and services produced in a country. Apelogun *et al.* (2015) suggested that there are two main indicators of economic growth, that is, Gross Domestic Product (GDP) and Net National Product (NNP). The sustained increase in GDP and NNP make an economy self-sufficient which reduces its reliance on foreign countries support (Shahzad & Maqbool, 2016). Also, economic growth can be defined as the increase in a country's productive capacity measured by comparing the increase in gross national product over the year. The increase in capital stock, technological advancement and improvement in the literacy rate are considered to be key drivers of economic growth. Niculae and Ciupitu (2013) asserted that tax income becomes effective only if it leads to sustainable GDP growth. Real gross domestic product (GDP) is an inflation-adjusted measure that reflects the value of all goods and services produced by an economy in a given year. Real GDP is expressed in base-year prices. It is often referred to as constant-price GDP, inflation-corrected GDP, or constant-dollar GDP. In this study, the real GDP of the twelve sub-sectors of the Nigerian Economy was used.

Theoretical Framework

Resource-Dependence Theory (RDT): Jeffrey Pfeffer and Gerald R. Salancik (1978) publicized RDT. RDT is underpinned by the idea that the nation's resource is paramount to its success and that access and control over resources is a basis of power. This theory assumed that firms and even nations are dependent on resources provided by others in order to sustain growth, as well as other organisations that may be dependent on them. The theory is important to this study because it helps to measure a nation's intellectual capital and the nation's ability to harness and exploit the human capital and rewards faster, effectively and efficiently than other nations for a fundamental success. The theory generally suggests the exploitation of national resources of a country is, at the very least an important first step in its economic development and growth (Barbier, 2019). Nigeria is blessed with blessed with huge potential human capital and natural resources. There is a clarion call for economic development and growth in Nigeria.

Empirical Review

Orji and Nwaeze (2022) studied the causal link between audit fees paid by Deposit Money Banks in Nigeria and their financial performance. *Ex-post facto* research design was adopted for the study where panel data extracted from the financial reports of ten (10) banks in Nigeria for the periods 2014 to 2020 were used. The dependent variable was financial performance measured with return on asset while the independent variable was audit fee. The variables were moderated with firm size and leverage. Generalized Method of Moments (GMM) Model was used to analyze the data under E-views version 10. The result revealed that audit fee has a positive and significant influence on financial performance of banks while firm size and leverage show negative but significant relationship with financial performance. The study therefore concludes that audit fee positively influences the financial performance of banks in Nigeria. The study recommends among others that bank management should ensure that audit fees charged by the auditors translate to better audit quality which is the reliance of financial users to contribute positively to GDP. Syder and Miebaka (2022) evaluated the influence of independent auditing services on firm financial performance of quoted insurance firms in Nigeria. The study employed ex-post facto research design and data which were secondary in nature, were sourced from the financial statements of the firms. A linear regression model was adopted to analyze the data and the result shows that audit fees were positively and significantly related to the return on asset and profit after tax of Insurance firms in Nigeria. Ugwu *et al.* (2020) evaluated the effect of audit quality on financial performance of all the 15 listed Deposit Money Banks in Nigeria from 2011-2017 with emphasis on audit fee as the independent variable in addition to firm size and joint audit, while ROA which is the dependent variable was proxy for financial performance. The data used were of secondary source of data and were obtained from the annual reports of the listed banks. The study used ex-post facto research design while extracted data were analyzed using correlation and multiple regressions. The study showed negative relationship between audit fee and ROA that are insignificant. Olutokunbo (2020) studied corporate characteristics, audit fees and the Nigerian corporate environment using secondary, data extracted from annual reports of the sampled firms. The data such as audit fees, firm size and profitability were analyzed using panel regression. The result indicated that firm size and profitability has positive significant effect on audit fees while leverage and board size had negative effect on audit fees. Serem *et al.* (2020) reviewed audit fees and financial performance of Deposit taking SACCOs in North Rift, Kenya. The study adopted descriptive cross sectional research design where both primary and secondary were used. Questionnaire collected primary data while secondary data used, were extractions of the annual financial records of SACCOs. The data extracted were analyzed using inferential and descriptive statistics. The study showed that audit fees have significant positive influence on financial performance of Deposit taking SACCOs. Ezenwoke *et al.* (2020) studied modeling of audit fees of Nigerian banks. The study reflects audit fees in terms of variables like firm age, audit firm, companies' profitability, firm size etc. The study applied generalized least square regression technique in analyzing the collected data. The result revealed that audit fee is a decreasing function of firm profitability but an increasing function of firm size, risk, age and location. Syder and Miebaka (2022) evaluated the influence of independent auditing services on firm financial performance of quoted insurance firms in Nigeria. The study employed ex-post facto research design and data which were secondary in nature, were sourced from the financial statements of the firms. A linear regression model was adopted to analyze the data and the result shows that audit fees were positively and significantly related to the return on asset and profit after tax of Insurance firms in Nigeria. Olutokunbo *et al.* (2020) studied corporate characteristics, audit fees and the Nigerian corporate environment using secondary data extracted from annual reports of the sampled firms. The data such as audit fees, firm size and profitability were analyzed using panel regression. The result indicated that firm size and profitability has positive significant effect on audit fees while leverage and board size had negative effect on audit fees.

Serem *et al.* (2020) reviewed audit fees and financial performance of Deposit taking SACCOs in North Rift, Kenya. The study adopted descriptive cross sectional research design where both primary and secondary were used. Questionnaire collected primary data while secondary data used, were extractions of the annual financial records of SACCOs. The data extracted were analyzed using inferential and descriptive statistics. The study showed that audit fees have significant positive influence on financial performance of Deposit taking SACCOs. Oluwatuyi *et al.* (2018) examined accounting and economic development in Nigeria. The sub-objective identifies the significant roles of Accounting on Economic development. This study was conducted in Osun state. 147 respondents from both private and public sectors were randomly selected as sample size. Data were collected via questionnaire's administration while descriptive statistics, Pearson Product Moment Correlation (PPMC) and Ordinary Least Square Regression method were used for analytical purposes with the aid of Statistical Package for Social Sciences SPSS, window 23. The findings showed that, there is a relationship between Accounting and Economic Development in Nigeria as measured by economic planning, investment appraisal function, financial statement preparation, cost saving, fraud prevention, national income and budget preparation, financial services and adequate returns and reward were significantly positive. The result also revealed that, accurate and reliable accounting information is significantly influenced Nigerian Economic Development.

3. METHODOLOGY

Ex-post facto research design was used in the research. The design was considered best for the study as it allows for the use of existing data that the researcher cannot be manipulated. The population was the one hundred and seventy-six (176) companies from twelve sub-sectors listed firms in the Nigerian Security Exchange (NSE) now the Nigerian Exchange Group (NGX) actively traded stocks on floor of the Nigerian Exchange Group (NGX) from 2018 financial year to December 31, 2022 financial year.

Purposive sampling technique was used to determine sample size of ninety-two (92) companies namely; Alternative Security Market (AseM, 9 companies), agriculture (5 companies), Conglomerates (6 companies), Construction/ Real Estate (9 companies), consumer goods (9 companies), Financial Services (9 companies), Health (8 companies), Information Communications Technology (6 companies), Industrial Goods (9 companies), Oil and Gas (9 companies), natural resources (4 companies) and Services (9 companies) at error term of 7.2% . These companies were fully traded in the floor of NGX as at January 01, 2018, which means that their 2018 – 2022 annual reports were accessible and available. Purposive sampling technique was adopted in the study on the basis of the easiness with which the data can be collected from the companies' websites. Secondary sources of data were used consisted of the annual reports and accounts of the selected companies and formed the main sources of data of this study. Specifically, NGX Factbook, Nigeria Data Protection Commission (NDPC) and Compliance Reports were also utilized. The data extracted were financial and non-financial in nature and were available both in soft copies and hard copies. The data were pooled from the ninety-two (92) listed companies of the twelve sub-sectors used. Both online and hard copies of annual reports and accounts of the sampled companies were collected from Port Harcourt Branches of Nigerian Exchange Group (NGX) for the period, 2018 to 2022. Annual reports of the selected companies were extracted, examined and computed for the required data. Secondary data were also obtained through reviewing relevant e-books, journals among others. The theoretical and empirical specification of model, where Economic Growth (EG) is measured by real gross domestic product (GDP) and Professional Accounting Services (PAS) as proxied by audit fees (AF) and other professional accounting services fees (OPASF) of the registered accounting firms in Nigeria. A multiple linear regression

model was fitted to determine how the dependent variable real Gross Domestic Product (GDP) is explained by the independent variables, Professional Accounting Services (PAS) in Nigeria. In order to test the research hypotheses, multiple regression model (functional form and econometrical) was used as:

$$\begin{array}{ll} \text{EG}_{it} = f(\text{PAS}_{it}) & \text{Functional Relationship Equation} \quad 1 \\ \text{Y}_{it} = \alpha_0 + \alpha_1 \text{X}_{1it} + \alpha_2 \text{X}_{2it} + \epsilon_{it} & \text{Econometric Equation} \quad 2 \\ \text{ROA}_{it} = \alpha_0 + \alpha_1 \text{AF}_{it} + \alpha_2 \text{OPASF}_{it} + \epsilon_{it} & \text{Model Equation} \quad 3 \end{array}$$

Where; EG = Economic Growth is measured by real gross domestic product (GDP) of the listed firms in Nigeria from January 01, 2018 – December 31, 2022.

AF = Audit Fees (X_1), OPASF = Other Professional Accounting Services Fees (X_2)

α_1, α_2 = estimated coefficients of the independent variables

α_0 = constant term; ϵ = error term; i, t = company i in year t.

Descriptive and inferential statistics were used to analyse the data. In order to determine audit fees, other professional accounting services fees and GDP, the descriptive statistics – mean and standard deviation were deployed while multiple regression technique was adopted to examine the contribution of independent variables, audit fees, other professional accounting services fees on real GDP. This was carried out with the help of Statistical Package for Social Sciences (SPSS) Version 20.0 at 5% level of significance in order to reach valid conclusions for the study.

4. RESULTS

In this Section, the data, results of data analysis and discussion of the findings were presented.

Table 1: Descriptive Statistics for audit fees, other professional accounting fees and GDP

Variables	N	Min.	Maxi	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
Audit fees	460	127.00	6000000.00	173985.77	599354.10	6.22	0.11	44.42	0.23
Other professional accounting services fees	442	150.00	29978000.00	1128314.46	3662288.37	5.45	0.12	34.25	0.23
GDP	460	70536.35	75768.95	72516.54	1919.00	0.63	0.11	-0.98	0.23

Source: Researcher's Computation (2023).

Results of the descriptive statistics for audit fees, other professional fees and GDP were presented in Table 1. Result shows mean values of 173985.77, 1128314.46 and 72516.54 for audit fees, other professional accounting services fees and GDP with the standard deviation of 599354.10, 3662288.37 and 1919.00 respectively. The average fees from audit services were found to be higher than that revenue on other professional accounting services as well as the GDP. In terms of variation in the values, other professional fees were more discrete than audit fees and GDP. For skewness, all the variables were skewed to the right. The summary of the normality test of these variables were tested using the Shapiro-Wilks test and results obtained are presented in Table 2.

Table 2: Summary of Normality Test using Shapiro-Wilk test for the Research Variables

Variables	Shapiro-Wilk		
	Statistic	df	P-value
Audit fees	0.385	442	0.000
Other professional fees	0.379	442	0.000
GDP	0.214	442	0.000

Source: Author's Computation (2023).

Table 2 is the presentation of the summary of the results of the normality test using Shapiro- Wilk's for each of the research variables and the result obtained is as presented in Table 2. Result reveals p-value of 0.000 for audit fees, other professional accounting services fees and GDP respectively. The p-values were all less than 0.05 meaning that the distribution of these variables departs from normal distribution. Due to the nature of the data, the \log_{10} transformation was carried out of all the variables. The summary of the multiple regression for the influence of audit fees, other professional accounting fees on GDP is as presented in Table 3.

Table 3: Multiple regression summary showing the relationship between audit fees, other professional fees and GDP

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin -Watson
	0.233	0.068	0.055	0.26302	1.738

Source: Author's Computation (2023).

Result reveals the total contribution of the multiple regression of R is 0.233 (23.3%), R square of 0.068 which implies that 6.8% of the variation in GDP was accounted for by audit fees and other professional accounting fees. To examine whether there is presence of autocorrelation, the Durbin Watson test was used and the result yielded Durbin Watson statistic of 1.738 was obtained which is greater than 1 and less than 3.00 meaning that there is no evidence of autocorrelation (Field, 2013). Result of Analysis of Variance (ANOVA) showing whether there is a regression relationship between GDP and the two independent variables (audit fees and other professional fees) is presented in Table 4.

Table 4: ANOVA result summary of audit fees, other professional fees and GDP

Sources of variation	Sum of Squares	df	Mean Square	F-calc.	F-crit.	Sig.
Regression	1.708	2	0.854	12.342	3.02	0.000
Residual	30.370	437	0.069			
Total	32.078	439				

Source: Author's computation (2023).

Table 4 presents ANOVA result summary showing the relationship between audit fees, other professional fees and GDP. The F-calculated of 12.342 was obtained with P-value of 0.000 as against the F-critical of 3.02 at 0.05 level of significance. Result reveals that the F-calculated (12.342) is greater than F- critical (3.02) which means that there is a significant regression

relationship between the dependent variable (GDP) and the two independent variables (audit fees and other professional accounting fees). The parameter estimates of the multiple regression model as well as the significance of each of the parameter in the multiple regression model is as presented in Table 5.

Table 5: Parameters estimates of the regression of GDP with audit fees, other professional fees

Model	Unstandardized Coefficients		Standardized Coefficients	t-calc.	Sig.	Collinearity Statistics	
	β	Std. Error	Beta			Tolerance	VIF
1 (Constant)	4.515	0.077		58.285	0.000		
Audit fees (AF)	0.047	0.023	0.124	2.004	0.046*	0.559	1.788
Other professional accounting services fees (OPASF)	0.031	0.015	0.128	2.069	0.039*	0.559	1.788

*Significant at 5% ($p < 0.05$), t-critical = 2.06, Source: *Author's Computation (2023).*

In Table 5, parameters of the regression result showing the influence of audit fees, other professional fees on GDP. Result shows Variance Inflation Factor (VIFs) value of 1.788 for audit fees and 1.788 for other professional fees with tolerance of 0.559 and 0.559 respectively. The VIFs were less than 5.00 while the tolerance was higher 0.20 meaning that there is no evidence of multicollinearity. The unstandardized regression coefficients of 0.047 and 0.031 were obtained for audit fees and other professional accounting services fees meaning that they all have significant positive contribution to real GDP.

In summary, the predicted model therefore is:

$$GDP_{it} = \text{N}4.515 + \text{N}0.047AF_{it} + \text{N}0.031OPASF_{it} + \epsilon_{it}$$

Test of Hypotheses

H₀₁: There is no significant effect of audit fees of registered accounting firms on the real GDP of listed companies in Nigeria. Result in Table 5 reveals that audit fees ($\beta = 0.124$, S E = 0.023, t-calc. = 2.004, P-value= 0.046, P-value < 0.05) has significant positive effect on real GDP of listed the companies in Nigeria. Result also shows standardized beta coefficient of 0.124 which mean that, if other variables are held constant, for every N1 unit increase in audit fees, the GDP will increase by 12.4%. Result also reveals that the t-calculated (2.004) is greater than the t-critical (2.06) at the 0.05 level of significance. The null hypothesis is rejected, which means that there is a significant positive impact of audit fees and GDP of the listed firms. This indicates that as the audit fees increases, there is a corresponding significant increase in GDP of the listed firms.

H₀₂: There is no significant influence of other professional accounting services fees of registered accounting firms on GDP of listed firms in Nigeria. Result in Table 5 reveals that audit fees ($\beta = 0.128$, S E = 0.128, t-calc. = 2.069, P-value= 0.039, P-value < 0.05) has significant positive influence on real GDP of listed manufacturing firms. Result also reveals standardized beta coefficient of 0.128 which mean that for if other variables are held constant, for every N1 unit increase in other professional accounting services fees, the real GDP will increase by 12.8%. Result also reveals that the t-calculated (2.069) is greater than the t-critical (2.06) at the 0.05 level of significance. The null hypothesis is rejected, which means that there is a significant positive influence of other professional accounting fees and GDP of the listed firms. This indicates that as other professional accounting fees increase, there is a corresponding significant increase in GDP of the listed firms.

H₀₃: There is no significant joint contribution of audit fees and other professional accounting services fees of the registered professional accounting firms on real gross domestic product (GDP) of Nigeria.

Table 4 presents ANOVA summary reveals F-calculated of 12.342 is greater than F-critical of 3.02 at 0.05 level of significance, which means that, there is joint contribution of audit fees and other professional accounting services revenue of the registered professional accounting firms on real gross domestic product (GDP) of Nigeria.

Discussions

Audit Fees Effect on Real Gross Domestic Product (GDP)

Hypothesis one was tested and the result from the regression analysis showed that, Audit fees has a significant positive effect on real GDP as shown by the results in Table 5. This is confirmed as the p-calc (0.039) for the effect of AF on real GDP is less than 0.05 level of significance. The t-calculated of 2.004 indicated that, AF has significant positive effect on the real GDP. The result obtained is in support of the views of other researchers like Serem *et al.* (2020).

Other Professional Accounting Services Fees influence on Real Gross Domestic Product (GDP)

Hypothesis Two was tested and the result from the regression analysis showed that Other Professional Accounting Services has a significant positive impact on real GDP as shown by the results in Table 5. This is confirmed as the p-calc (_{0.046}) for the effect of AF on real GDP is less than 0.05 level of significance. The t-calculated of 2.069 indicated that, OPASF has significant positive influence on the real GDP. The result obtained is in support of the views of other researchers like Daproza (2021).

Professional Accounting Services (PAS) Contribution to Real Gross Domestic Product (GDP)

This Hypothesis was tested and the result from the regression analysis showed that PAS Fees has a significant positive contribution on real GDP as shown by the results in Table 4. This is confirmed as the p-calc (_{0.046}) for the joint contribution PAS on real GDP is less than 0.05 level of significance. This is confirmed as F-calculated of 12.342 is greater than F-critical of 3.02, meaning that, there is significant positive contribution of PAS to the real GDP. This agrees with the views of Oluwatuyi *et al.* (2018) that accounting services has significant effect on economic development of Nigeria.

5. CONCLUSION

However, the following position can be drawn from the results of this study; that there is significant positive effect of audit fees and other professional accounting services fees of registered of accounting firms on the real GDP of listed companies in Nigeria. It can be concluded that professional accounting services is key to Nigeria's economic growth for sustainable diversification beyond oil and other non-oil sectors. It was recommended among others that, other listed accounting firms should be synergized for greater impact like the 'Big 4' to attract more professional services and the listed accounting firms should render other accounting services beyond the traditional ones like entrepreneurial accounting services, public governance accounting and reporting, promoters and political parties/campaign fund managers and nation's accounts advisers. The 'big 4' accounting firms should collaborate with Nigeria's education sector regulators (NUC, NBTE, NCCE and UBEC) to redesign and upgrade the accounting courses curriculum and course specifications to meet the current challenges and disruptions in accounting profession.

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