DETERMINANTS OF AUDIT FEES IN SAUDI ARABIA

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DECLARATION

I declare that this thesis entitled “Determinants of Audit fees in Saudi Arabia” is a result of my own research excepted as cited in the references. The thesis has not been accepted for any degree and is not concurrently submitted as a candidate of any other degree.

I certify that any help had received in preparing this thesis and all the sources that used have been acknowledged.

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CHAPTER ONE

BACKGROUND OF STUDY

1.1 Introduction

Saudi Arabia in the recent years has embarked on a mission of increasing the number of companies, which is one of the pillars in the economy of Saudi Arabia due to the accrued tax paid by these companies and also led to reduction of unemployment. As a result of these important role played by companies in the Saudi economy, Saudi Arabia is keenly interested in the legislation of these companies through business laws issued by the Ministry of Commerce (1965). The regulations governing Saudi companies imposed on the management of companies to appoint an external auditor to protect the interests of investors (Article 130).

Given the fact that the external auditor as a neutral party to facilitate objective auditing process. The government directed the Ministry of Commerce to prepare standards for the audit and resources as an official guide for all external auditors licensed to work in the Kingdom of Saudi Arabia (KSA) (Ministry of Commerce 1985). The independence of the external auditors has won special support of the legislature and the Saudi scholars, as one of the main pillars for the success of the external audit process Abu-Ghazaleh (1991). Many studies have been arguing on the level of external auditors based on the quality of auditing practice as well as auditing fees.
The contents of the thesis is for internal user only
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Al-Husseini, Mohamed Ahmed. (1991). Factors that affect the decision to appoint the external auditor by the shareholders of joint stock companies in Saudi Arabia, Saudi Arabia. Fifth Symposium for ways to develop the accounting, College of Administrative Sciences, King Saud University, Riyadh, 533-577.


