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Evaluation of impact of corporate charges on performance of construction firms in Nigeria, evidence from selected firms in Nigeria

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Abstract
*This study investigated the **i**nfluence of corporate charges on profit for the year of construction/real estate firms in Nigeria. The study targeted 8 construction/real estate firms listed on the Nigeria Stock Exchange, out of which 3 were selected. The independent variables and proxies for corporate charges are legal fees/charges, registrars' fees, and property insurance. On the other hand, profit for the year was used as the dependent variable of the study. Secondary data for the period of 2013 to 2019 were collected from the sampled firms and analyzed using a multiple regression model. Finding from the analysis suggest that, legal fees/charges positively and significantly influence profit for the year of construction/real estate firms. shows that registrars fees positively, but insignificantly influence profit for the year of the firms. The further finding suggests that property insurance positively and significantly influences profit for the year of the firms. The study recommended that firm managers of construction/real estate firms in Nigeria should ensure that legal practitioners are engaged and that the necessary legal fees are paid before embarking on property development, marketing and leasing. The firm manager should ensure that the properties are dully registered with the relevant authority and registration fees paid before the properties are developed. Finally, the managers should ensure that all properties under their firms are fully insured against possible perils like fire after the properties have been developed.*

Keywords:Stock Exchange, corporate charges, legal fees, insurance, construction firms*

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I. INTRODUCTION

The general cost of a construction company are substances that represent the cost of activities and are generally accounted for as the fixed costs of the company. Overhead expenses represent general and administrative functions, such as human resources, economic/finance, and accounting. Others are information technology, legal services, acquisitions, administrative resources, and strategic plans, among others. The general expenses of the construction company directly reflect their management system, planning of business activities, and the usage of available facilities and resources. Therefore, as much as overhead costs are a large part of construction estimates, evaluating "overhead costs" is a vital duty for construction contractors.However, "the instability of the construction market makes it difficult for contractors to decide on the optimal level of overheads allowing them to win tenders and manage large projects without financial losses" (Assaf et al., 2001). Peurifoy& Oberlander (2002) describe overhead costs as "costs that are not part of the actual construction work but are incurred by the contractor to support the work". Andrew (2019) classifies construction overhead charges into direct and indirect. Indirect or general overhead and direct or job overhead. Indirect or overhead costs are construction expenses that are not specific to a particular job but are commissions that the contractor pays regularly. These costs are non-attributable to anexact project. On the other hand, director-general labor costs are specific to a specific project and the transition from one job to another.

Dagostino and Feigenbaum (2003) allocate construction overhead costs into two categories: project overhead costs and company overhead or general costs. Projected overhead are expenses that cannot be loaded directly to a fixed-line of work, but are necessary for building projects, whereas corporate overhead costs are costs that indicate business expenses, and these are often considered "fixed expenses" which are to be paid by the entrepreneurs. Examples of overhead construction costs include broker payments, search fees, financial costs legal fees, and other statutory costs. To this end, this study adopted the legal fees/charges, registrars' fees, and property insurance as the independent variables and proxies for corporate charges of construction/real estate firms. Kalfrin (2002) states that "real estate lawyers specialize in legal matters relating to the acquisition of property, construction, sale transactions and disputes between parties".Legal fee or legalcharges is the money a legal practitioner or an Attorney get when he offers legal services to a client. profit for the year is the dependent variable of the study. Real Word Law (2020) defines registrars' fees as the fee paid for the registration of real property with the Land Registry Offices. In Nigeria, Land Registry is located in every state of the Federation. Fuscaldo (2021) defines property maintenance expenses as the monthly rent paid by owners for the maintenance of buildings, grounds, and common areas. Kagan (2020) states that profit for the year is also considered a measure of a company's profitability after deducting all of its expenses and can be used entirely by the company to conduct its business or distributed as intended to shareholders. A company's profit for the year is important because it shows how well a company controls its costs.

Naturally, the construction business is fraught with risks. This is because the estimation of work to be done is difficult and maybe highly underestimated during the process of bidding. Each year, the construction sector generally experiences a proportionately higher number of bankruptcies than other sectors. This is as a result of the small level of profit margin allowed to the contractors during the construction estimating process and also the overhead charges incurred by the contractors during the construction process. As a result, many construction companies in Nigeria were liquidated resulting in a huge flight of capital from the industry. On top of that, many entrepreneurs have suffered untold hardships sometimes caused by hypertension and premature death due to their companies' inability to meet their financial commitments before, during, and after every job. If the firm is constantly in debt as a result, the creditors have expropriated the contractors of their collateral to collect their debt/capita. This study was compelled by this development to investigate the influence of corporate charges on profit for the year of construction and real estate firms in Nigeria

II. REVIEW OF RELATED LITERATURE

Conceptual Review

Zavadskas et al (2008) state that "the competitiveness of a construction company can be assessed in terms of the price level and quality of the services provided, additional services, and other factors". However, the essential factor of the competitiveness of a construction corporation remains the price of the offer, because it is the main criterion of customers in the choice of contractors. They also added that the only effective way to increase the company's competitiveness in the very intense competition in the construction market with declining contractor profits and declining market share is to control production costs. Dagostino and Feigenbaum (2003) state that transaction costs in the real estate sector are many and varied; however, this is what makes real estate investing such a long-term game.Some of the costs include broker fees, search fees, legal fees or legal charges, financing costs, statutory costs. Brokerage is one of the most well-known costs associated with real estate transactions. This cost is usually a charge from a broker. The broker's job is to bring the buyer and seller together. The broker should also help during the negotiation and negotiation period to transmit offers and counter-proposals between buyers and sellers. Research costs are another commonly known cost associated with real estate investments. These costs include money paid to newspapers and magazines to advertise the property. These days, online portals allow sellers to post their properties for free. All over the world, whenever real estate transactions take place, the government typically adds to the transaction costs by taking a portion of the proceeds from the sale. This is called the statutory cost. This study, however, adopted legal fees/charges, registrars fees, and property insurance as independent variables and proxies for corporate charges of construction and real estate firms.

Legal Fee/Charges

A legal fee is a money a legal practitioner gets when he offers legal services to a client. These fees are prescribed in the scale of charge**s** for legal practitioners. Getting a property is not like every other form of business transaction where you pay for an item, then you are issued a receipt, therefore, making you the owner of the item. In real estate, things work differently. Paying for a property doesn't automatically make you the legal occupant/owner of the property till you pay for some documents and to do this, the service of a legal practitioner/real estate professional is needed. Real estate affairs require full documentation. This is because real estate costs are extremely high. Therefore, when a person makes a transaction i.e. buying or selling a property, they want to make sure that the deal that was made in person also results in a black and white deal. As such, lawyers and attorneys must be involved in the process. Real estate transactions tend to be complicated. This is why lawyers are specializing in real estate law. In addition, the transfer of ownership of utilities such as water, electricity, cable, etc. incurs administrative costs. These transfers also require a small but significant amount of time and money. The money or fee paid to the Lawyer or Attorneys that handle the legal paper works is called legal charges (Kalfrin, 2020).

Registrars' Fee

Registrars' fee is the fee paid for the registration of real property with the Land Registry Offices. Registration with Land Registry is crucial because the Registrar administers the laws, regulations, and procedures put in place to ensure the protection of the rights of buyers, sellers, and leaseholders of all real estate properties. In Nigeria, land registry offices are located in all states of the Federation where registers and registers of all real estate properties are kept and updated as other real estate transactions are made. Land title registers are duly documented in the Deeds Register securely kept at the respective Land Registry Offices of the respective states of Nigeria. The register represents an authoritative register of interests in specific real estate. All future transfers of real estate interests are recorded and updated in the respective files (Real Word Law, 2020).

Property Insurance

Kegan (2021) defines an insurance premium as "the amount of money that an individual or business must pay for an insurance policy, and insurance premiums are paid for policies that cover health, the automobile, real estate, and life insurance". Twin (2021) states that "property insurance is an umbrella term for a series of policies that provide property protection coverage or liability coverage to homeowners". Property insurance provides financial reimbursement to the owner or lessee of a property and its contents in the event of damage or theft and a person other than the owner or lessee if that person is injured on the property. However, property insurance can include "several policies, such as home insurance, tenant insurance, flood insurance, and earthquake insurance". this is usually covered by purchasing an add-on to the policy called a "driver". In the event of a claim, the property insurance contract will reimburse the policyholder for the actual value of the damage or the replacement cost to resolve the problem. The risks covered by property insurance generally include certain weather-related illnesses, including damage caused by fire, smoke, wind, hail, snow, ice, lightning, etc. Property insurance also protects against vandalism and theft by covering the structure and its contents. It also provides liability coverage if someone other than the owner or renter is injured while traveling through the property and decides to take legal action. Property insurance policies generally exclude damage resulting from a variety of events, including tsunamis, floods, drains and sewers, groundwater infiltration, standing water, and a variety of other water sources.

Profit for the Year

Kenton (2020) describes profit as "the financial benefit realized when the income generated by a business exceeds the expenses, costs, and taxes involved in supporting the business in question any profits made go back to the business owners, who choose to distribute the money to the business owners or reinvest it in the business". Ajator, Okoye, and Agbonome (2015) postulate that "profit is one of the most important metrics and parameters in determining the health and success of a business and is the primary goal of any construction business, even if it is may not be the only goal any business that suffers substantial losses will be liquidated in no time".

The survival of the industry largely depends on the ability of entrepreneurs to maintain and sustain economic profits, to finance growth and expansion.

Farouk (2006) states that "in the construction sector, tendering is generally the most popular form for contractors to obtain the right to provide services in a new job, the excess of the return on the expenditure or the expenditure implies that the company makes a fair profit".

Profit is the return on the use of capital after deducting the amount paid for raw materials and wages, actual or estimated rent, interest, insurance, and other charges. The magnitude of the profit (loss) at a given point in time can be estimated by measuring the vertical deviation in monetary value between the cumulative sales and cumulative cost of production curves.Ajator (2014) further states that "the sale of products in a profitable construction project largely depends on the ability of managers to analyze and interpret the conditions of supply and demand to control production costs and contain costs so that prices can be set competitively, for example, to obtain the best machine, material and labor factors at economical costs to obtain the maximum profit possible under certain supply conditions".

Theoretical Reviews

This study is fixed on the Growth of the Fitter theory was propounded by Alchian (1950). **Growth of the Fitter Theory**

Growth of the Fitter Theory was propounded by Alchian in 1950Alchian (1950) hypothesized that a "fitness business is represented by the profitability of the business because only profitable businesses grow and survive in the market while other businesses exit due to poor performance"(Kouser et al., 2012). Alchian's (1950) theoretically argued that the fittest firms grow and survive, but less vigorous firms lose market share and exit through the evolutionary selection mechanism. Therefore, if profit rates reflect the degree of adequacy, it is possible to predict that profitable firms will grow (Jang and Park, 2011). Delmar et al (2003) suggest that "the most profitable companies may have higher growth potential because they have already shown greater compatibility with the environment and may be able to finance future competitive actions with their cash flow".Profitability limits the risk associated with acquiring and using external sources of financing but also shows a satisfactory level of market demand. Some studies assume that profit provides the funds for growth. A business can grow internally by investing in development projects in a variety of ways. it can take advantage of technological opportunities to develop through research and development, leading to product and process innovations. Empirically, business growth and profitability are both major concerns for the organization, but there is still no generalized relationship between them. Many researchers find evidence that "profitability has a positive effect on business growth" (Jang & Park, 2011; Kouseret al., 2012; Delmar et al, 2003; Vijayakumar&Tamizhselvan, 2011),

Empirical Reviews

Yismalet& Patel (2018) conducted a study on improving project cost management practices and profitability of home-based entrepreneurs in India. A survey method was used by the study. Primary data collected were analyzed using tables and chats. After the analysis, it was established that the management of construction costs is the most important function for the success of the project and that the performance of the construction project is usually expressed in terms of cost and its deviation from the budget; it was not used effectively due to the presence of a large amount of data with many complex interrelationships. This project cost management system combined the extensive functions of estimation and tendering, planning and scheduling/budgeting, as well as cost and financial control. Because of this, it was recommended that Indian entrepreneurs have a cost management system that integrates estimation, bidding, budgeting, and control. Smithwick, Lines, Sawyer & Sullivan (2017) analyzed construction overhead expenses during the great recession USA. The purpose of this article was to conduct a study on how the industry adjusted its overhead costs due to the decline of the sector in 2008-2013. Many entrepreneurs try to keep the volume of work the same, but this can reduce profitability. One way to combat declining profits is to adjust overhead (indirect expense). A survey method was adopted for the study which gathered information on how companies cut spending in thirteen general categories, along with various demographic information. A total of 480 entrepreneurs responded to the survey and 95 percent said they had reduced their overhead costs in one or more areas. Correlation analysis was used to perform an analysis to test the strength of the association between two different relationships. The results suggest that almost all of the companies surveyed for this study indicated that they had reduced their overhead costs as a result of the Great Recession. The average percentage reduction in overhead was between 1125 percent. While the recession has negatively impacted many people, and construction companies, in particular, the study suggests that it also represents a new opportunity for organizations to reconsider how they manage their overhead costs.

Sărăcin, Stancu, &Bănacu (2016) analyze the performance of Romanian Real Estate firms by finding the most important financial indicators that are influencing the profitability of the firms. A sample of 14 listed Real Estate firms listed in Bucharest Stock Exchange during the period were sampled for the study. Panel data of the 14 firms were used covering the period of 2002 to 2013 and resulting in a total of 140 observations. Return on equity is the dependent variable while leverage, inflation, interest rate, receivables turnover, payable turnover are the independent variables. Results of the analysis indicate that all the financial indicators chosen are relevant in terms of influence on the company's performance. Bustami&Heikal (2019) analyzed the "factors affecting profitability performance as well as the implications for stock returns on real estate and property sectors listed on the Indonesia Stock Exchange between 2007 and 2014". Twenty-three (23) firms were sampled out of the 45 property firms listed in Indonesia during the period. The factors tested are interest rates charges, solvency, total asset turnover (TATO), and exchange rate and liquidity. A random-effect model of panel data regression analysis was used to analyze the data collected from the firms. It was ascertained after the analysis that features that affect the firm's stock returns are return on assets, liquidity, solvency, total assets turnover, and exchange rate while interest rate charges do not affect the stock returns.

El-Sawalhi& El-Riyati (2015) examined the "overhead costs management practice in the construction industry in the Gaza Strip, Israel; the awareness of construction companies and techniques followed by the contractors in estimating the overhead costs, affecting factors and mitigation measures was examined". The study adopted a survey method using a structured questionnaire supported by personal interviews to collect primary data from respondents. Sixty-three (63) contractors working in the construction sector in the Gaza Strip were interviewed. 34.34% of respondents work in buildings, while 25.30% are roads, 22.89% are jobs in water and sanitation, 13.25% are electromechanical jobs and 4.22% are jobs in other types. The result of the analysis indicates a good knowledge of overheads and their components. Entrepreneurs take several precautionary measures to minimize the risks associated with overhead costs.Factors that influence the overhead estimate include the management capacity of the company and its policy, guided by the experience of the company and the ability to implement the project on time. Eksteen& Rosenberg (2002). Conducted a study on "the management of overhead costs in construction companies" in South Africa. A survey method was adopted in the study and questionnaires were administered to the respondents. Data collected were analyzed using charts and tables. The result indicates that large construction companies are generally clear about the nature and extent of their overhead costs and monitor and manage them carefully; the management of overheads is influenced by the evolution of turnover due to fluctuations in the construction cycle and the success rate in obtaining the work.

Reducing overheads and capacity through reductions and reducing other aspects of competitive advantage can have a negative impact on the position of companies in the market. General budgets and allocations in tenders are based on records, business strategy, market forecasts, and estimated business volume and resource requirements. it does not appear to have a noticeable effect on overhead costs. The effects of information technology on overhead costs have not been identified as beneficial or harmful.

Property Insurance and Profit for the Year

Wahid, Farah Ahmad & Aziz (2018) studied “the determinants of firm profitability and risk on real estate industry” in Singapore. Five (5) real estate and properties firms operating in Singapore from the year 2013-2017 were sampled for the study. The selected firms: Frasers Centerpoint Limited, Far East Orchard, CapitaLand, City Development, and Bukit Sembawang show that the performances were favorable from the year 2013-2017. Return on equity was used as the dependent variable while operating ratio, average collection period, liquidity ratio, market risk, and index score were used as the dependent variables. The data collected were analyzed using Pearson Correlation analysis. The result indicates that firm-specific risk that ROE, credit ratio, quick ratio, and operating ratio have a close relationship to the return on assets of the firms. Lim (2017) conducted a study to explore the determinants of profitability of KerjayaProsepk real estate firm from 2011 to 2015. Specifically, the study seeks “to identify the relationship between the profitability of KerjayaPerspek with exposure risk factor and the macroeconomic factor”. Gross Domestic Products, inflation rate, and exchange rate are the macroeconomic factors considered in the study while assets size, liquidity ratio, financial ratio are the other factors considered. Linear regression analysis was used to analyze the data got for the study. Return on assets is used as a measure of profitability for the firm. Results of the analysis show that only two variables, namely, return on equity and debt-equity ratio are significantly to return on assets. Nevertheless, liquidity, GDP, inflation rate, exchange rate, and total assets size are insignificant to return on assets with the low impact on the profitability of the firms. Plebankiewicz&Leśniak, A (2013) studied “overhead costs and profit calculation by Polish contractors in 2004 and 2010”The study believes that overheads and profits represent a considerable part of the bid price and that their incorrect calculation can significantly affect the financial position of the company. The study adopted a survey method and the first pilot one was carried out in April 2004 among twelve contractors. The questionnaire used during interviews with company representatives had three parts. Part one consists of the demographic questions. On that of the second and third ones, questions concerning aspects of overhead costs and profit calculations are interesting for the authors. The subsequent survey, including 58 companies, was carried out in the first half of 2010. The questionnaire, similarly, to the one from 2004, consisted of three parts. Data collected were analyzed using regression and correlation analysis. The results suggest that legal regulations in force in Poland since 2001 leave the entrepreneur free to define overheads and profits. Polish entrepreneurs are unwilling to calculate overhead costs in detail, which is common practice in other countries. Polish entrepreneurs use country-specific overhead and profit ratios, which are most often tailored to a particular project.It could be observed that none of the nine studies reviewed was conducted in Nigeria. This indicates that the study on corporate charges of Construction and Real Estate firms is entirely new in Nigeria. Also, none of the nine studies covered the year 2019. This implies that a time gap exists in this area of study. Furthermore, most of the studies reviewed adopted the survey method, which implies that more empirical studies are required in this area of study. These research gaps instigated the current study to examine the influence of corporate charges on profit for the year of construction and real estate firms in Nigeria from 2013 to 2019.

III. METHODOLOGY

This study adopted an *ex-post-facto* researcher design. The concept of *ex-post-facto* implies that the data used for the study were historical data that were obtained from secondary sources of data collection.

Sample Size Determination

A sample of 3 firms was taken out of the 8 construction/real estate firms listed on the Nigeria Stock Exchange during the period. Three firms with consistent nomenclature of the variables of the study were chosen as the sample. The variables of the study were present in the financial statement of the firms from 2013 to 2019, hence the study was restricted to this period.The selected construction/real estate firms are UPDC Real Estate Investment Trust, Union Homes Real Estate Investment Trust, and Smart Products Nigeria Plc. Legal fee/charges, registrar's fee, and property insurance while profit for the year is the independent variable.

Model Specification

The following model was developed in line the variables of the study:

$PFY = \beta_0 + \beta_1(LFC) + \beta_2(RGF) + \beta_3(PTI) + \varepsilon$

Where:

PFY = Profit for the Year
LFC = Legal fee/charges
RGF = Registrars fee
PTI = Property Insurance
β = Beta
ε = error margin

Table 1: Description of Variables

Variable Name	Label	Description of Variables
Profit for the Year	PFY	"Profit is the financial benefit realized when the income generated by a business exceeds the expenses, costs, and taxes involved in supporting the business"
Legal fee/charges	LFC	**A legal fee** is a money a **legal** practitioner gets when he offers **legal** services to a client. These fees are prescribed in the scale of **charges** for **legal** practitioners.
Registrars fee	TRF	Registrars' fee is the fee paid for the registration of real property with the Land Registry Offices.
Property Insurance	PTI	Property insurance is a general term for several policies that provide property protection coverage or liability coverage to homeowners.

Source: Authors Compilation 2021.

Method of Data Analysis

Multiple regression analysis" was employed for the study and was used to analyze the secondary data collected. T-statistics was also used in the data analysis. Adjust R-square was used to ascertain the extent to which the changes in the dependent variable are explained by the independent variable. The independent variables of the study and measures of corporate charges are legal fees/charges, registrars fee, and property insurance while the independent variable is profit for the year.

IV. DISCUSSION OF FINDINGS

Data Presentation

The main objective of this study is to examine the influence of corporate charges on profit for the year of construction and real estate firms in Nigeria. Secondary data were collected from the annual accounts and financial statements of the selected construction/real estate firms listed on the Nigeria Stock Exchange and presented in table 1

Table 2: Raw Data from Selected Firms

FIRM	YEAR	LEGAL FEE/ CHARGES	REGISTRARS FEE	PROPERTY INSURANCE	PROFIT FOR THE YEAR
		N(000)	N(000)	N(000)	
UPDC	2013	194,235	-	**10,182**	3,155,419
	2014	104,669	1,534	**9,000**	3,589,077
	2015	133,879	1,602	9,477	380,778
	2016	107,075	-	18,321	(1,550,055)
	2017	112,963	1,889	15,872	(2,947,683)
	2018	115,955	1,889	16,012	2,644,763
	2019	114,778	2,129	11,810	(449,293)
UNION HOMES	2013	1,055	271	12,250	593,215
	2014	1,159	291	14,283	(1,290,182)
	2015	1,150	390	15,030	523,683
	2016	4,146	291	3,150	371,058
	2017	3,670	261	11,956	294,706
	2018	855	1,021	10,743	363,650
	2019	2,921	540	10,555	350,578
SMART PRODUCTS	2013	3,631	216	**279**	12,021
	2014	538	469	-	12,644
	2015	420	240	279	16,665

2016	18	364	279	12,836
2017	275	419	279	8,703
2018	210	722	279	11,839
2019	327	973	279	5,431

Source: Author's Compilation 2021.

Data Analysis

The secondary data were collected from the selected firms were analyzed usingmultiple regression analysis. The results of the data analysis are presented in tables 4.2.1 and 4.2.2.

Table 3: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.718(a)	.650	.501	1341425.59791

a: Predictors: (Constant), LFC, RGF, PTI

Source: SPSS output

Model summary in table 3, presents the result of the coefficient of determination of the study. From the table, the result indicates that the value of Adjusted R-Square is 0.501. This displays that 50% of the variation in the breweries' firms' profit for the year is explained by the combined effect of the explanatory variables (legal fee/charges, registrars fee, and property insurance) while the remaining 50% is explained by other factors not included in the model of the study. Thus, it can be stated that the independent variables of the selected breweries firms are significant in explaining the changes in the dependent variable (profit for the year) during the period.

Table 4: Multiple Regression Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	Constant	.348	.394		1.792	.180
	LFC	.512	.146	.156	2.226	.044
	RGF	.189	.250	.550	1.781	.530
	PTI	.427	.152	.234	2.019	.006

a Dependent Variable: PFY

Source: SPSS Output

From table 4, column B' represents the coefficients of the variables used for the study. All the coefficients are positive as can be observed from the table. This shows that all the independent variables (legal/charges, registrars fee, and property insurance) positively respond to the dependent variable (profit for the year). The 'std. Error column' represents the margin of error while 'column t' is the t-statistics column of the study. The last column market 'sig' is the level of significance column. It shows whether the effect of each explanatory variable on the dependent variable is significant or insignificant. The effect is significant when the significant level is less than 0.05 and insignificant when it is more than 0.05. As can be observed from the table, the effects of both legal fees/charges and property insurance on profit for the year are significant while the effect of registrars' fees on profit for the year is insignificant.

Table 2 presents the result of multiple regression analysis which was used to analyze the data collected for the study. If the coefficients of the variables in the table are replaced in the model of the study, it will be presented thus: $PFY = 0.512LFC + 0.189RGF + 0.427PTI + \varepsilon$

From the results presented in table 2, it is evident that the significant value of legal fees/charges in the regression model is significant at a 5% level of significance (0.05>0.044). Based on this, we reject the null hypothesis and accept the alternative which states that legal fees/charges significantly influence profit for the year of construction/real estate firms in Nigeria. Also, **t**he significant value of registrars' fees in the regression model is not significant at a 5% level of significance (0.05<0.530). Based on this, accept the "null hypothesis" registrars' fee does not significantly influence profit for the year of construction/real estate firms in Nigeria. Finally, the significant value of property insurance in the regression model is significant at a 5% level of significance (0.05>0.006). Because of this, reject the "null hypothesis" and accept the alternative that property insurance significantly influences profit for the year of construction/ real estate firms in Nigeria.

Discussion of Results

Discussion of Result One: The coefficient and significant value of legal fee/ charges in the multiple regression table are0.512 and 0.044 respectively. It shows that legal fees/ charges positively and significantly influence profit for the year of the firms during the period. The result of the t-statistics has also corroborated this finding. From the table, t-calculated is 2.226, which is more than the "critical value" of t=2.Thus, corroborating the result that legal fees/charges were statistically significant and positively influenced profit for the year of the construction/real estate firms during the period of the study. This result is consonant with the studies conducted by Eksteen& Rosenberg (2002) who found that The effects of information technology on overheads have not been known as being beneficial or detrimental. Plebankiewicz&Leśniak (2013) fund that Polish contractors use overhead and profit indexes peculiar to the country which is more often adjusted to suit a particular project. ElSawalhi and ElRiyati (2015) observed that a good knowledge of overheads and their components makes contractors take several precautionary measures to minimize the risks associated with overhead costs.

Discussion of Result Two

Table 2 also indicates that the coefficient and the significant value of registrars' fees in the multiple regression model are 0.530 and 0.530 respectively. This implies that the registrar's fee positively and insignificantly influences profit for the year of the firm. The result of the t-statistics is also in line with this finding. From the table, t-calculated is 1.781, which is less than the critical value of t=2.This confirms the result that the registrar's fee positively and insignificantly influences profit for the year of the construction/real estate firms during the period.This result is in line with the studies conducted by Sărăcin, Stancu, &Bănacu (2016) who noted that all the financial indicators chosen are relevant in terms of influence on the company's performance. Smithwick, Lines, Sawyer &Sullivan (2017) noted that almost all of the companies surveyed on this topic reported cutting overhead costs due to the Great Recession.Lim (2017) found that two variables, namely, return on equity and debt-equity ratio are significantly to return on assets.

Discussion of Result Three:

The coefficient and significant value of property insurance in the regression table are 0.427 and 0.006 respectively. It means that property insurance positively and significantly influences profit for the year of the firms during the period. The result of the t-statistics is also consistent with this finding. From the table, t-calculated is 2.019, which is more than the critical value of t=2.Thus, confirming the result that property was significantly and positively influenced profit for the year of the construction/real estate firms during the period, This result is in agreement with the studies carried out by Yismalet and Patel (2018) is of the view that project cost management system integrates the extensive functions of cost estimation and tendering, planning and scheduling/budgeting, and cost and financial control.Wahid, Farah Ahmad & Aziz (2018) noted that "firm-specific risk that ROE, credit ratio, quick ratio, and operating ratio have a close relationship to the return on assets of the firms". Bustami and Heikal (2019) found that corporate stock returns are returned on assets, liquidity, solvency, total asset turnover, and the exchange rate, while interest rate charges do not affect stock returns.

V. CONCLUSION

The study examined the **i**nfluence of corporate charges on profit for the year of construction/real estate firms in Nigeria. The research work adopted an ex-post research design using multiple regression analysis and t-statistics to analyze the secondary data collected from the sampled firms. From the analysis, we conclude that the overall model is significant in explaining the variations in profit for the years of the firms. We equally conclude that legal fee/charges, as well as property insurance positively and significantly, influence profit for the year of the construction/real estate firms in Nigeria while registrars fee positively and insignificantly influences the profit during the period. The study recommended that: Firm managers of construction/real estate firms in Nigeria should ensure that legal practitioners are engaged and that the necessary legal charges relating to property acquisition and registration are

Duly paid before embarking on property development and marketing/leasing. The managers should ensure that the properties acquired by their firms are fully registered with the relevant authority and registration fees paid before the properties are developed. The managers should ensure that all properties acquired by their firms are fully insured against possible perils like fire after the properties have been developed. This is to prevent the properties from possible damage.

LIMITATION OF STUDY

This study is constrained by the fact that it focused on the evaluation of corporate charges on the profit of construction and real estate firms in the stock market of the Nigerian economy. Therefore other future researches could evaluate charges in the industry of the Nigerian stock market.

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