

Assessment of Financial Role of
Development Project of Yola South
Local Government in Adamawa State

BY

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HD/ACCCT/2010/12

A Project Submitted to the Department of
Accountancy Adamawa State Polytechnic
Yola In Partial Fulfillment for the award
of a High Diploma in Accounting

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TITLE PAGE

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OF ACCOUNTANCY**

**ADAMAWA STATE POLYTECHNIC YOLA
IN PARTIAL FULFILLMENT FOR THE AWARD OF
HIGH DIPLOMA IN ACCOUNTING**

APPROVAL PAGE

Project presented to the development of accounting Adamawa State Polytechnic Yola in partial fulfillment of the requirement for High Diploma in Accounting



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APPROVED

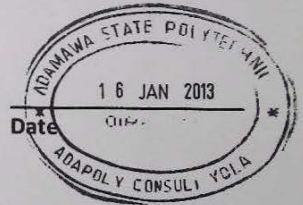


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DEDICATION

This case study is dedicated to my beloved parent Late Alh. Umar Kolo and Haj. Nana Asmau and also my beloved wife and son Abdullahi for their moral support.

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Thanks Allah for his guidance and protection throughout my stay in School. First and for most, I thanks Malam Timothy Siya the supervisor of this project for taking his pairs to go through the crept making useful correction and subjection where necessary I shall remain indebted to him.

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ABSTRACT

Rural Development of the grassroots has been the concern of Yola South local Government. As the third tier of Government whose objective is to ensure effective measurable and efficient services delivery to its people; but the development remain insignificant. The major concern of this project title assessment of financial roles on developmental project is to dwell on the council role to find out its achievements. In achieving this, the research relies on descriptive approach (survey) by use of structured questionnaire as the major instrument for collecting data. A total number of eighty eight (88) respondents were used as population sample. A sample percentage was used to analysed the set of data collected for the study. The research findings revealed Yola South Local council does not sufficiently discharge developmental projects due to multifarious impact. The researcher recommended that the economic base should be adequate, better welfare package for the council staff and electorate should be enlightened of the dangers inherent in money politics.

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CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND OF THE STUDY

Finance has been considered as the life blood of every organization. It is concerned with such decision as how money is spent or used to pay for something such as large project. Finance is usually in physical forms of cash, shares, stock, accounts, receivable equipment and other forms of facilities applied in mobilizing any type of business. Camble (2005) pointed out that finance is the term that covers all monetary resources (Money and Money's Work) for establishment and sustenance of any productive activity. According to Devon (2008) finance, plays an extremely crucial role in establishing continuing and growth of any organization including Local Government. (In order to carry out effective responsibilities by the Local Government there is need for adequate funds).

Role in the purpose or influence of some one or something in a particular situation. It was pointed out by Steven (2007) that role is the action and activities assigned to or require or expected of a person or group or government to perform.

Local Government refer to as the government at the local level established by law to perform specific function effectively within defined jurisdiction which covers rural areas. Asif (2007) said that Local Government is

the sole source of service in the rural sector being closets to the people and central to the participatory development of people. The Nigerian Government created Local Government as the third tier of Government whose objectives is to ensure effective measurable and efficient service delivery to the people at the grass level. Ademola (2004) emphasized that the expediency for creation of Local Government anywhere in the world stems from the needs to facilitate development that are responsible for the development of rural areas. While in USA they refer o it as small town, they provide and cater for the country side areas with the help of non Government organizations (NGOs) together in providing the facilities and services needed by the rural area.

Rural area is the opposite of urban area; Devan (2007) pointed out that rural areas are orilating to the countryside as opposed to the city. When we hear the word "rural" we caste our minds to a place largely characterized by persistent organization (poor health facilities, lack of portable drinking water, poor infrastructure etc) rural is sometimes refer to as a country side where it is large and isolated area of a country or State often with low population which requires development.

Development is the change, growth or improvement over a period of time. Philip (2006) conceptualized development as having to do with the fundamental transaction of the nation mode of production with the hope of bringing about efficient activity pattern enable for promoting massive food and

non foods. Rural development is use to denote that action and initiatives taking to improve the standard of living is known urban neighborhood countryside (rural). Eteven (2007) said that in 1974 World Bank noted rural development as the growth strategies of a particular target of population. According to turner (2006) the policy of rural development by the Local Government have been in operation since the second half of 19th century.

According to Rudengren (2008) in Vietman, rural development is the challenges facing the local Government to provide criteria on the rural development planning, rural environment sanitation, village planning to avoid depopulation and the need of farmers this requires assessment.

Assessment is the process of making a judgment or foaming an opinion after considering something carefully. According to Martin (2006) is the systematic collection review and use information about educational programmers undertaking for the purpose of improving students learning. Psychological and counselors use assessment to accomplish a range of objectives. John (2004) said it's allowed interpretation of a test of Local Government of rural area is very important for various policies and action that need sound financial base. The Local Government system is a major area in concern for development of rural areas in most countries of the world. In Pakistan, Arif (2006) made such assessment in north-western Pakistan on role of district government on rural development. In Pakistan strong role have been

given or assigned to the district government in the development in the development of its rural areas. The district government should formulate and implement the center/province rural development. In Hungary Sandor (2004) made his study on the financial role of Local Government in rural development, its aim is to improve the standard of rural farmers. In Nigeria Ajayi (2008) carry the same assessment in Ekiti State in order to help in deforming the actual financial operation of Local Government for proper adjustment. Both Northern and Western States are having the same principles and problems in Local Government of Nigeria.

Local Government system in Adamawa State has not performed to the expectation due to a social and financial impediments have been infringing on its performance and function. In recent time, despite the increase in the total amount of funds available to Local Government in Nigeria since 1990s Ajayi (2008) pointed out that the Local Government Economic and financial profile is still poor relative to the development program it is expected to carryout. This situation is not collected to the mismanagement and embezzlement of these funds by the Local Government councils. According to Omotosho (1998) practically and in true sense Local Government in Nigeria lacks autonomous financial power. Ajayi (2008) Emphasized that Local Government are considered as an extension State's ministry not for rural development are considered as an extension problem has caused subservience a situation where

Local Government waits for next directives from State Government therefore the former could think of let alone embracing on development project. Ajayi (2008) pointed out that the above has made the Local Government an object of control and directives. The problems of diversion of Local Government funds for personal use some State Governors, for instance state there is this unholy alliance between state and local council in the state where the state government constitutes joint action committee tagged "JAC" where federal allocation to the local government in their states are first deposit into a particular adhoc account before calling for the committee meeting. This is a way pave the way for the state government to plan for the local government and release the money installments. The motive behind this according to Omotosho (2008) is to divert the money to another thing entirely which does not have impact on the lives of the rural dwellers but that will be beneficial to the state governors. In Adamawa State out of the local government share from the federation account certain percentage are been deducted for contribution to the state government work such as Adamawa state University, Adamawa State polytechnic security skill acquisition center etc.

Before releasing the remaining amount to the local government.

The above statement indicated that there is unsatisfactory state of affairs in the local government system in respect of funds and the development project

that need to be study for improvement. This study would therefore assessing the financial roles of Yola South Local Government and developmental project.

1.2 STATEMENT OF PROBLEM

Financial decisions are often novel decision regarding allocation of funds and development to competing projects. Such novel financial decisions are usually considered as yardstick which distinguishes effective from non effective financial decision. Non effective financial decisions are decisions resulting to wrong or poor allocation of funds to projects perhaps the diversion of funds to non profitable projects that have no direct effect or bearing of the people of Yola South council could be as a result of poor decision and implementation such as financial decisions for instance the purchase of buses for commercial use by the council while people requires health services, water supply, electrification and so on.

We know the basic rational behind the creation of Yola South Local Government is to meet the peculiar needs of the people at the grassroots, it is important to assess the extent to which Yola South has demonstrated competence in this regard. It is also desirable to suggest ways through which Yola South council could improve it service to the people at the grassroots otherwise the issue could lead to unsatisfactory state of affairs.

The unsatisfactory state of affairs ad pointed out by Ajayi (2008) and Omotosho (2008) could be due to improper discharge of financial role's decision as well as improper implementation of the financial decision. It is in line with this that the study is designed to assess the extent to which Yola South has discharged it financial roles in developing the rural areas. Because if unsatisfactory state of affairs is allowed to continue un-controlled, it could lead to be destruction of any government council in particular. It could also development plans of Nigeria at large.

1.3. OBJECTIVES OF THE STUDY

- i. To assess extent to which Yola South Local Government financial role on developmental project is discharged.
- ii. To assess the impact of Yola South Local Government on developmental project.
- iii. To assess the extent to which Yola South implement and manage the financial role on developmental project.

1.4. RESEARCH QUESTIONS

- i. To what extent has the financial role of Yola South development on developmental project being sufficiently discharged?
- ii. What are the impact of Yola South Local Government on developmental project?

- iii. What is the extent to which Yola South implement and manage its financial roles on rural development project.

1.5. SIGNIFICANCE OF THE STUDY

The study aimed at tracing the developmental efforts of Yola South Local Government in the field of financial role of the council in rural areas. It is also hope that this research work will be a valuable source of data to governmental and non governmental agencies working on rural development program. It is hope to be useful to the resident of the study area in proffering solutions to their problems. It could also add to the volume of literature that is relevant in the academic for teaching and research purposes

1.6. SCOPE OF THE STUDY

The study limits itself to Yola South Local Government in Adamawa State of Nigeria on the assessment of financial role on development from 2008-2009.

1.7. LIMITATION OF THE STUDY

Time factor is one of the limitations because the time frame will not warrant wider coverage of the eleven (11) ward of the study area.

Lack of co-operative attitude from the council workers of finance department and the section responsible for developmental projects known as

works department in the local government despite the fact that everything is known to them. Lack of materials and funds limits the work.

CHAPTER TWO

2.0 LITTRETURE REVIEW

This chapter deals with the review of related literature written by scholars and theories on issued related to this projects. The researcher has decided to examine the view and option expressed by other writers in regard to the study.

2.1 FINANCIAL ROLE OF LOCAL GOVERNMENT ON RURAL AREAS

Financial was defined by Amrer (1975) in Ajayi (2008) as the area of economic concerned with the revenue getting and expenditure in private or public organization. According to Orkut groups scholars (2009) at their web site "financial is critical to the operation of the local government council and responsible for delivery. The financial issues effecting government affects all of us in term of the service we receive and the taxes we pay yet to the local government finance is not the delivering much to the rural areas" Alkali (2009) says that the "financial system of any organization is to control the inflow and the outflow of cash of the organization. The financial system is dynamic as it absorbs and drops. The systems have various components to make it function well".

According to Kundri (2008) financial is refer to as the management of money. This involves the management of the inflow of money in an

organization and claims against the money. Finance are not the same with accounting. Finance uses accounting information to make decisions that will help an organization in achieving its objectives.

Musa (2008) says that "finance play an important role in the running of an organization be it private or non profit making such as government. Without finance, the operation of any set must come half as it is the lifeblood". He calls that thus the ability of the management of an organization to rise and utilize funds effectively determines the success or failure of the organization. So he also refers finance as the money needed or used to support an activity or project. Finance according to Obinna (1995) is the science dealing in supply, regulating or managing the money an credit of an organization.

Lawal (2008) said that finance is "derived from an old French word Finer-meaning to pay, settle or finish. It is science of money and it is the means of paying in business" "every organization needs funds at every steps to bring it into existence and operate successfully. An organization like Yola South Local Government needs funds from cradle to grave. It is due to the pivotal role of finance needed for project making for rural development and finance is drawing increasing attention of all those who are responsible for running financial administration.

Pandey (2008) defined finance by looking at finance as a body of principle and theory dealing with raising and employing of funds by individuals an organization in private and public sector of the economy.

Finance have relationship with so many department in other to carry its role well.

2.4 FUNCTION OF FINANCE

Function of finance refers to the tasks for basic roles of finance in an organization. Although it may not be easy to separate finance functions from personnel, production and other functions in a firm, yet the finance function can readily be identified. According to Kuduri (2008) we can identify two kinds of finance namely:

Managerial function and routine

2.4.1 MANAGERIAL FUNCTION

Managerial functions of finance are called so because it requires skillful planning, controlling and execution of financial activities.

2.4.2 ROUTINE FUNCTION

Routine function of finance and functions that do not require a great deal of material ability to be carried out. They are chiefly clerical in nature and are incidental to the effective handling of managerial function of finance. They are procedures and system that do not require specialized skill of finance but involve a lot of paper work and time to execute. Some of these routine finance include:

- Supervision of cash receipt and payment and safeguarding of cash
- Custody and safe guarding securities and other valuable papers
- Taking care of mechanical details of new outside financing
- Record keeping and recording

2.5 PUBLIC FINANCE

According to Kundri (2008) public finance is a field used by federal, state and local government where large sum of money are received from many sources to utilize in accordance with the details policies or procedures. The bulk of government funds are derived from taxes, royalties and other sources of revenue and government dispenses funds according to legislative provision for the welfare, security and social well being of the citizenry as it main goal.

Ads by Google (2009) viewed that public finance is termed as government finance and it is an important sector of finance and economics.

2.6 CONCEPT OF PUBLIC FINANCE

The concept of public finance according to ads Google (2009) at their websites deals with the budgeting techniques of the income and expenditures of the public sector organization, normally government.

The concept of public finance focuses on the following factors:

- The consequences of government taxation, expenditure and the debt on commercial enterprises, household as well as the economy.

- The term and conditions of public finance
- The cost benefit analysis of government functions
- Tax incidence (the party which is actually paying a specific tax)
- Efficiency of government
- The government's function in accomplishing distribution of income with the help of taxation, transfer payments and government expenditure on commodities.
- The effectiveness and distribution results of various types of taxes, such as consumption tax and income tax.
- The admit of government function taking into consideration the market public goods and extensiveness.
- Supply of commodities and services as prescribed by the government versus voluntary interchange.
- Public expenditure model, fiscal politics and taxation policies.

The revenue earned by the government by imposing different types of taxes if utilized in various types of public or social utility project.

The financing process of local government is performed with the help of the following.

- Federal allocation (seigniorage)
- Taxation
- Borrowing or taking loan

This research work has discovered that the statutory allocation from the federation account constitute the higher sources of revenue income to Yola South Local council.

According to finance department of Yola South Local Government (2008) show that the government got sum of N61, 262,242.69 in 2007 obtain from local government treasury department of Fufore.

2.6.1 PUBLIC REVENUE

Public revenue pointed out by Adams (2005) as the fund require by the government of financed its activities such are generated from various source such as taxes, borrowing, fees, income from public undertaking, sales of government assets, rents mining and royalties. According to Prof. Delton it may be useful to make distinction between revenue and public receipt.

2.7 LOCAL GOVERNMENT IN NIGERIA

The definition of local government have been defined by many scholars. Local Government involves a philosophical commitment to democratic participation in the government process at there grassroots level.

Agugu (1998; 18) pointed out that local government is meant for meeting peculiar grassroots need of the people; According to Appadorai (1975) is the 'government by there popularly elected bodies charged with administrative and executive duties in matters concerning the inhabitants of a particular Local Government as that ties of government closest to the people 'which is vested with contain powers to exercise control over the affairs of people in its domain'. According to Oyeneye, Onyenwenu and Olusunde (1998) is a "Government at the local level, established by an act of parliament statue

decree or edict, charged with administrative and executive duties on matters concerning the inhabitants of a particular district and given the power to make laws for their purposes".

Among the reason for the creation of local government include according to Oyeneye (1998) the following.

- Participatory democracy
- Bringing government closer to the people
- Equitable socio-economic development
- Choice of leadership
- Familiarity
- To serve as link between the people and the government experimentation of government policies.

2.8 IMPORTANT OF LOCAL GOVERNMENT DEVELOPMENT

Oyeneye et al (1980) pointed out that decree 12 of 1989 clearly spelt the importance of LGA's in Nigeria. Similarly, the fourth schedule (part1) of the decree also spelt out in detail the function of the LGA's, according to Adeniji-Adele and Davies (1993). LGA's have exclusive and concurrent functions and these can be divided into four function namely regulatory and licensing, social service, protective and economic function respectively.

In (1976) local government reform guideline, the late major-Gen Shehu Yar-Adua (RTD) argue that "the reform of our Local Government system is aimed at the involvement of the rural people in decision making on developmental efforts which effect them. It also includes the contribution of their resources to development activities as well as the assurance that the rural people will benefit from interventions intended to help them and ensure rural development and transformation".

The report of the political Bureau (1987) also observed that local government is widely acknowledged as vital instrument for rural transformation and for the delivery of social services to the people. This arises from the fact that the psychological distance between officials of the other tiers of government and the people frustrate efforts in making people fully identify with government programme. People at the grassroots are only able to feel it presence and impact on their day to day activities. This id therefore makes the LGA's very unique.

From the past view by the scholars one will agree with Farah (1995) that one of the principle objectives of having a local government therefore is to Provide social services of all kinds to meet some specific needs of the local people. This is because a local government authority has the knowledge and times to concern itself with details of this nature.

Maisskoss (1996) pointed out that administratively local government should be more responsive to the need of their people by virtue of their proximity of the people that they have knowledge of better position of research quickly to their needs economically. Local government should become ninety percentage efficient in research allocation by virtue of their superior ability is identify priorities in term of different service to develop the potential leadership capacity and aggregates its interest.

2.9 PROBLEMS OF LOCAL GOVERNMENT AREA

According to Adams (2005) the problems of finance of local government on rural development are as follows: -

- They have limited revenue sources.
- Absence of loan funds
- Arising from the two (2) above the inability to proceed with essential capital development projects.
- Poor revenue collection with reimbursement that sometimes staff salaries cannot be paid promptly.
- Non payment or delay in payment of federal state government grant or share of tax revenue to local government.
- The non availability of certain local authority especially those whose area are of small population.
- Rising cost and increasing demand for improving salaries.

- Ineffective financial control and management both internal and external.

2.10 DEVELOPMENT

Slooman (1994) view that the simplest definition of the level of development is the level of human welfare.

Another scholar Harvey (1983) said economic development can roughly be increased in the real growth national product (GNP) per head of the population. However, when people talk about growth or development, they are thinking of the difference to the standard of living than output itself.

Jitendra (1992) economic development may be use it in different sense as "economic growths through some waters prefer to use it in different sense. They prefer to use the term growth to mean to further development of an already developed economy; while in other term development is used by them to describe a shift from and under development is the level of human welfare. The rate of development becomes the rate of increase welfare" Todaro (1997)said, "Economic development means the capacity of a nation or state economic where initial economic condition has been more or less static for a long time to generate and sustain an annual increase in its gross national product (GNP).

According to Nail and Tyicicloinen refer local development as to the mobilization and management of recourses in order any other to create wealth in a community. If ink to the economic policy measure adopted.

2.11 RURAL DEVELOPMENT

Rural development as according to the World Bank (1973) define its as improving the living conditions of poor people residing in rural areas. And it was also been define in the workshop on rural development in Africa (1976) as terms of contribution of nation resources as a comprehensive made of social transformation which calls for the nationwide development of all citizens both urban and rural people, that's (enjoying the national cake at every nooks and cranny).

Taiwo (1976) recall that rural development involves the transformation of the rural community into a socially economically educationally orderly and materially desirable condition with the purpose of improving the quality of the rural population. He defined further as a socio-economic process which seeks to bring about a more equitable distribution of resources and incomes within a society. It involves the integration of the rural which constitute majority of people. Agricultural development therefore is an important aspect of rural development.

2.12. RURAL DEVELOPMENT STRATEGIES

Rural development strategies according to workshop on rural development in Africa (1996) are a comprehensive and reliable too aimed at effecting the desirable transformation in the variable.

Rural development strategy, therefore is also said to be a process of planning and directing of the while operation of a campaign policy or way that

objective change from social to community development activities to improve their economic, social and cultural conditions i.e through self-help project, health and nutritional improvement and similar projects.

Community development is not concerned with only one aspect of life but with the total community life and needs, ideally it involves all the participation in planning and implementing programmes for their own development. It stimulates government and other development agencies to provide technical advice and materials in planning and implementing the projects towards transformation of their lives.

2.12.2. AGRICULTURAL EXTENSION

This sector also aimed at the favour rendered to the rural society to assist them improves their agricultural skills, knowledge development. Technical knowledge on how to solve agricultural problems is also transmitted to them through research because such problems of farmers are taken to research institution for solution farmers are also through the utilization of demonstration farms, farm visits, audio visual aids and other method.

2.12.3. INTEGRATED RURAL DEVELOPMENT

This is a recent strategy but it is generally gaining ground in many countries in contrast to form approaches. An integrated rural development strategy is a multi-purpose approach. It combines the development of the

various areas of the rural society including agricultural, educational, health, nutrition, rural electrification, rural water supply and cooperatives simultaneously. It is also aimed at improving employment access to production resources, access to social services and management of development resources.

The distinguished feature of this strategy is that the various development sectors are considered together rather than in isolation so that their relationship can be seen.

The uses of strategy involve increase mobilization and motivation of rural people to participate actively in decision making process concerning their progress and in the development activities. There will also be established institutional relationship, which will facilitate the development of the sector in the three (3) tiers of government.

This administrative arrangement was adopted during General Ibrahim Babangida's regime and set up the directorate of food road and rural infrastructures (DFRI) which require facilitating food production, road construction and provision of other infrastructural facilities.

2.13. PROBLEMS ON RURAL DEVELOPMENT

Adewuyi (1988) viewed the problem faced by Local Government in rural development include "the scarcity of managerial capacity to put effect and to

sustain innovative policies, social and technological plan and resource of development programmes". He also pointed out that the effect of relocation and transfers of project generally have their own impact on socio-economic development in every public sector.

According to joint staff advisory note traditionally concentrated on Agricultural development to the neglect of the other sectors and on the hand had included very many sectors and projects a situation which has resulted in the problem of over loading and consequent ineffectiveness and inefficiency.

- Role conflict may arise where the change agent is expected to fulfill the desires of the sponsoring agency rather than what he considers as appropriate for the rural people.
- Rural development projects being carried out by education and research institutions suffer from lack of full attention of the researcher and educators to rural development because much of their interest is placed on research, which is their primary concern in the community.
- Many rural development projects suffer from shortage of resources and infrastructure. When plans are made for delivery of these, hardly the plans adhere to such resources as land; labour personnel buildings equipment and financial capital are scarcely obtained as anticipated.
- There is inadequate understanding of the rural community such as its structure of influence communicating and decision making patterns

existence of factions, norms and values by the change agent. This is because they merely live with the rural people. However, adequate understanding is a vital foundation for effective work in rural communities.

2.14. REMEDIES TO PROBLEMS ON RURAL DEVELOPMENT

- Provision of funds at all levels.
- Honesty among the council personnel/manager on NEEDS, IDA and IMF

(2005) pointed out "regardless of the effort which various institutions have made in trying to develop the rural areas there is the general discontent that the rural area has remain backward in many societies.

This state of limited development could be attributed to many problems which have confronted rural development and implementation.

In the report of an international workshop on designing rural development strategies (1985) the following problems in rural development planning by Africa government were stated.

- Lack of commitment to rural development as symbolized by export-oriented planning at the expense of local food production for local consumption.
- Poor statistical base for effective planning.
- Top-down planning in which few top administrators make decision on rural development programme planning and pass this down for implementation.

- Shopping list planning in which packages of unrelated projects are sent to potential funding agencies based on no development policy strategy and programme except isolated projects which are lacking in horizontal and vertical linkages.
- Planning without implementation and implementation without planning of programmes.
- Lack of plan monitoring and evaluation hence there is no systematic way for determining programme accomplishment facilitation effectiveness and efficiency.
- Rural development programmes on the one hand had create good awareness about very potential or intended programmes.
- Continuity education, workshop, training and seminars.
- Strengthening of the role of state government in supporting local government to provide basic health services to all nooks and crannies.
- Developing a national health insurance scheme to help more effectively channel the significant provide resources in the system.
- Strengthening the federal government's direct support to primary health act: for better health services to all rural areas.
- Rapid development of energy resources as critical for growth and poverty reductions. It outlines ambitious strategy to raise and ensure power supply to all parts of the country and rural areas through public/private partnership.

2.15. STRATEGIES FOR IMPROVING SOURCES AND MANAGEMENT OF FINANCIAL ROLE

Strategy is the way of finding solution to problems.

According to Adam (2005) the strategies for improving the local government financial position will depend on the following sub-topics.

- Internal and external control system of the council
- Revenue finance
- Formulation of changing policies

2.15.1. INTERNAL CONTROL SYSTEM

Internal control system as viewed by Spicer and regular is whole system of control finance and or otherwise, established by management in the conduct of the business including internal check, Internal audit and other form of control.

The committee of sponsoring organization (COOP) of the Tread way commission is generally considered at the backbone of the modern internal control objectives whether in the private of public sector amongst which include:

- Effective and efficient utilization of resources
- Compliance wit the established code of ethics
- Provision of reliable financial information

While according to Adams (2005) internal control should include the following:

- Insurance of financial authority e.g warrant

- Appointment of committee for different service
- Centralizations of all payment to an out of control
- Preparation of standing order and instruction on signing of cheque issued payment of account
- Preparation of estimate of income and expenditure for the year
- Establishment of authority limits

2.15.2 EXTERNAL CONTROL SYSTEM

- Parliamentary contribution
- State, federal contribution
- General public
- External audits

2.15.3 REVENUE FINANCE

Adams (2005) pointed out that in order to improve revenue to the council the two (2) should take in to consideration

- Borrowing
- Leasing

BORROWING

Adams (2005) "Is the form of revenue to the local government council it takes the form of sales of treasury bills and treasury certificate as well as loan from internal tax sources generated by federal government and state"

LEASING

According to Adams (2008) it could be defined as a system by which organization enjoy the use of fixed or without directly purchasing instead of

these assets for itself, the organization enter an agreement with a leasing company where by the latter purchases the asset to the system and they base than in return local government usually lease equipment such as tractors, harvesters, caterpillars, etc to individuals who are in need of it and charge fees for this service. It is also source of revenue.

2.15.4 FORMULATION OF CHARGING POLICY

According to Adams (2005) said local government usually charge fees for each services they perform to individuals and corporate bodies. It is function of the local government to advise the local authorities on the level of various charges for each service render. In formulating of charging policy his local government authority take In consideration of the following:

- The level of development in local government
- The calibre of people in the community
- The nature of services
- The skill and technical competence of these require for performing a particular service etc.

According to honorable minister of state for finance Remi Babalola (2009) in his address at the 11th Annual tax conference of chartered institute of taxation of Nigeria, speaking on boosting or improving of government revenue through non-oil takes. He pointed that "government need to be strategic and innovative in if thinking and creative in its approach so as to reduce as much as possible the knock effectives of the global crisis. The whole country Nigeria is

having serious developmental challenges including Fufore local government which is left unchecked or according to Babalola (2009) "as long as the revenue base to support the the population growth does not sufficiently, support such growth can be worsen as long as population growth".

Babalola (2009) give remedies for improving and managing funds.

- The needs to diversity our source or income for the council mainly on Federal allocation by deepen and expand tax bases.
- "Plan and initiate fundamental change in the management of the economy sustained growth and advancement"
- To have good correlation with the level of Gross Domestic production (GDP) to have automatic increase of revenue from taxes.
- Organizing of seminars and workshop to revenue collectors on accounting officers.

CHAPTER THREE

3.0. RESEARCH METHODOLOGY

Survey-research design was used in Carrying out the research work the design document the nature, scope, dimension and direction of the research. The design gives answers to research questions that is why the research considerate as appropriate the study.

3.2. AREA OF STUDY

The area of the study was carried out in Yola South Local Government area of Adamawa State. The name Yola South was derived from Fulfulde word "yolde" meaning a knoll" which means settlement on a high land. Modibbo Adama (flag bearer) of nineteenth (19th) century Islamic revival moment in the upper venue valley established Fufore in 1814. Fufore was served as a capital of emirate of fombina.

The local government has a total land area 951.75 square kilometers. It has roughly between latitude 9° - 27° N and longitude 10° - 12° E. It is bordered with Yola South local Government, at the east with Fufore local government to the south with Girei Local Government and Mayo-Balwa Local Government at the west all in Adamawa State. The study area has two (2) distinct seasons rainy and dry seasons with annual average rainfall of 759mm.

The 2004 census and head count revealed that the population of the local government was 191,004 the majority of the people lives in the rural areas. The major ethnic groups in the area are Fulani, Bata and Vere. The main occupations of the people in the study area are predominantly farmers, fishers, traders and civil servants. The Fulani know cattle rearer while habitants or communities living on the Bank or river Benue engage in fishing and farming. The local government was divided into eleven ward areas. Namely Bole-Yolde Pate, Bako, Mbamoi, Mbamba, Makama "B", Adarwo, Yolde Kohi, Namtari, Makama "A", Ngurore and Toungo wards.

It is blessed with three (3) big markets whose days are Fridays for Yola Town main market, Tuesday for Waila cattle sites along Yola-Jimeta main road and Ngurore market on Wednesdays.

3.3. POPULATION OF THE STUDY

The population of Yola South Local Government according to 2004 census was 191,004 people with eleven wards (11).

3.4. SAMPLE AND SAMPLING TECHNIQUES

The sample of the study population was randomly composed which covered the total population.

Random sampling techniques (by ballot method) were employed to select three wards out of the eleven wards of Yola South Local Government

one hundred respondents were selected by the same ballot method. Makama "B" ward thirty three (33), Adarawo, thirty three (33) while Bole Yolde-Pate wards thirty four (34). The respondents were served with well structured questionnaire out of the one hundred questionnaire been served only eighty eight (88) questionnaires were been retrieved for the study.

The sampling techniques used in the research were simple random sampling. The sampling technique is easy and cost less using. It gives research specific needs.

3.6. INSTRUMENT FOR DATA COLLECTION

The instrument used for collecting data in this research was questionnaire.

3.7. METHOD OF DATA COLLECTION

The Primary data were collected by the use of self structured questionnaire.

The data was collected by the researcher himself. The self administered questionnaire was served to the respondents. They were filled and were returned. While the secondary data was sourced from journal, textbooks, seminar papers, workshop papers and use of websites.

3.8. VALIDATION OF THE INSTRUMENT

The instrument used in this research work was validated by expert in the field.

3.9. METHOD OF DATA ANALYSIS

The data collected from the respondents have been analysed y using a statistical tool in order to simplify and make the data interpretable.

The data was analysed with the aid of tables and percentage in order to draw conclusion on the research.

One hundred questionnaires were being served but only eighty eight (88) were retrieved.

CHAPTER FOUR

4.0. DATA PRESENTATION AND ANALYSIS

All the data collection were presented, analysed and discussed based on the research questions being raised. The analysis on the data could e through the help of tale y converting the figures of respondents into frequency and percentage.

4.1. RESULT AND DISCUSSION

A number of one hundred questionnaires were distributed out of which eighty eight (88) were received.

4.1.2. RESEARCH QUESTION 1

To what extent is the financial role of Yola South on developmental project being sufficiently discharged?

Table 2: Showing responses on the extent sufficient discharged on developmental project.

ITEM	STATEMENT	RESPONSES				Decision
		Agreed		Disagreed		
		Frequency	Percentage %	Frequency	Percentage %	
1.	Tap	18	20	70	80	Disagreed
2.	Commercial	74	94	14	16	Agreed

	Bore Hole					
3.	Public Borehole	20	23	68	77	Disagree
4.	River	24	27	64	73	Disagree
5.	Pond	62	70	26	30	Agreed
6.	Well	84	95	4	5	Agreed

Figure 1: Source: field survey 2009

Table 2 shows that the respondents agreed with item 2,5 and 6 while they disagreed with item 1,3 and 4 on sufficient developmental (drinking water) discharged.

4.1.3. RESEARCH QUESTION 2

What are the impacts of Yola South Local Government on development project?

Tale 3: showing responses on the impact of Yola South Local Government on developmental project.

4.1.3. TALE 3

ITEM	STATEMENT	RESPONSES				Decision
		Agreed		Disagreed		
		Frequency	Percentage %	Frequency	Percentage %	

7	Lack adequate fund	70	80	18	20	Disagree
8	Corruption	80	91	8	9	Agreed
9	Lack of skills	64	73	24	27	Disagree
10	Lack of tax payment	8	9	80	91	Disagree
11	Lack of actual population figure	2	2	86	98	Agreed
12	Political issue	48	55	40	46	Agreed

Figure 2: Source: field survey, 2009.

Table 3 show that the respondents agreed with item 7,8,9 and 12 but disagreed with item 10 and 11 on development project impact of Yola South.

4.1.4. RESEARCH QUESTION 3

What is the extent to which Yola South implements and manage its financial roles on rural development project.

TABLE 4: showing responses on the whether the developmental project of Yola South is only principle or implementing and manages.

Table 4:

ITEM	STATEMENT	RESPONSES				Decision
		Agreed		Disagreed		
		Frequency	Percentage %	Frequency	Percentage %	
13	Principle	55	63	33	37	Agreed
14	Implemented and manage	33	37	55	63	Disagree

Figure 3: Source: field survey, 2009.

Table 4 shows that the respondents agreed that with item 13, developmental project in Yola South is only a principle while item 14 was disagreed that the developmental project have not being implemented.

4.2. RESEARCH FINDINGS

The following are the major findings of the study:

- Developmental project was partially discharged
- Various factors hinder the sufficient discharge of the developmental projects.
- There is significance in the perception of the respondents on implementation or principle on developmental project.
- Enough staffs are working under Yola South Local Government council that can manage and implement the financial role.

4.3. DISCUSSION OF THE FINDINGS

The finding of the study based on the result from the presentation and analysis of data in table 1-4 suggests there were little delivery of developmental project due to some factors that hinder the discharge of the financial role according to the findings such as inadequate fund, incompetence of the administrators, corruption and political issues. But in terms of the council workers there are adequate and trained staffs to discharge the work.

CHAPTER FIVE

5.0. SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1. RESTATEMENT OF THE PROBLEM

The unsatisfactory state of affairs pointed out by Ajayi (2003) and Omotosho (2008) could be due to improper discharge of financial roles decision as well as improper implementation of the financial decisions, it is in line with this the study was designed and assessed the extent Yola South Local Government has discharged its financial roles on developmental projects and impact on them.

5.2. SUMMARY

Chapter one contains a brief historical background of the research topic.

The researcher put forward why questions and end up by saying that the problems before the study is to find real causes with the view of providing means of recommendation on possible solutions to the problems. Because they are essential actions, which aim at accomplishing the mission based on the proposed objectives.

In Chapter two The work scholars or authors who have direct bearing with the research topic were received.

In chapter three the researcher narrated the historical background of the study area (Yola South), when it was established, population, major tries,

geographical location etc. It stresses the research design (survey design) the instruments used, which is questionnaire, the sample method adopted on research (random) and the source of data collection (Primary and secondary).

Data presentation and analysis are in chapter four with findings and discussion. The findings on the research work which identified the financial role of Yola South Local Government on development project for the researcher recommendation in chapter five.

5.3. IMPLEMENTATION OF THE FINDINGS

Financial crisis is one of the factors that unable the council to tackle the challenges of the services delivery and mobilization of both human and material resources required for the functioning and meaningful development of rural areas.

5.4. CONCLUSION

Based on the results of this study, the following conclusions were made:

i. Lack of provision of the adequacy of developmental fund, implied it inadequacy or insufficiently discharged. It seem logically therefore to infer that without adequate fund the implementation of developmental project will not be successful in achieving the desired objectives.

ii. The overall rating by the respondents was developmental projects been implemented or just a principles majority goes on principle. This

implies that serious problems are being faced in implementation or projects in rural areas.

5.5. RECOMMENDATIONS

The major recommendations of this research work are based purely on experience and direct observation on Yola South Local Government on developmental projects. Therefore, the following recommendations have been made:

i. Economic base:

The major purpose of creating local government is to bring developments to the grassroots. In order to perform this adequately, there is need for local government council to have strong economic base. In this connection it is suggested that statutory allocations to the local council's be reviewed upward. Council's shares of the federation account to be released to them directly to avoid lateness in the payment of salaries. It is advisable for Yola South council to look inwards for improved internally generated revenue (IGR). This will make them financially self-reliant. Yola South should form ways of attracting industries to their areas as this will propel economic development and increase their revenue base.

ii. Better welfare package for staff:

Workers in any organization are the ones that make things happen and as they occupy important position of production process this is because they put life

into raw materials and change its form to satisfy human wants. In consideration of this therefore, workers in Vola South council should be adequately motivated in order to prepare them for task of service delivery.

iii. *The electorate should be educated and enlightened of the danger inherent in money politics:*

They should endeavour to vote for people of proven integrity rather than compromising their future and that of generation yet unborn on the altar of election.

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APPENDIX
QUESTIONNAIRE

Adamawa State Polytechnic Yola,
Yola Campus,
P.M.B. 2146, Yola.
Adamawa State.

Dear sir/madam,

I am student of the above mentioned institution conducting a research on assessment of financial role of Yola South Local Government on developmental project.

Kindly supply the necessary information to enable me carryout the research I assured you that the information supplied will be use strictly for the purpose of the research.

Thank you.

Researcher

Abubakar Umar Kojo

i. Doctors

Agreed

Disagreed

ii. Nurses

Agreed

Disagreed

iii. Midwives

Agreed

Disagreed

iv. Community Health Officers

Agreed

Disagreed

v. Laboratory Scientists

Agreed

Disagreed

1e. What is your opinion on developmental project financed by Yola South in your area?

i. Very good

Agreed

Disagreed

ii. Good

Agreed

Disagreed

iii. Satisfactory

Agreed

Disagreed

iv. Poor

Agreed

Disagreed

2. What impact prevents the provision of developmental project in Yola South Ousth?

i. Lack of enough fund

Agreed

Disagreed

ii. Lack of skills and competence

of administration

Agreed

Disagreed

iii. Lack of tax payment

Agreed

Disagreed

iv. Lack of knowing actual

Population figure

Agreed

Disagreed

v. Corruption

Agreed

Disagreed

3a. As the staff of Yola South Local Government council what is your qualification?

i. Masters

Agreed

Disagreed

ii. Degree

Agreed

Disagreed

iii. Higher Diploma

Agreed

Disagreed

iv. Certificate

Agreed

Disagreed

v. SSCE

Agreed

Disagreed

vi. Primary Certificate

Agreed

Disagreed

3b. Is developmental project being implemented or is just a principle in Yola South LGA?

i. Implement

Agreed

Disagreed

ii. Principle

Agreed

Disagreed

