

AN APPRAISAL OF 2008 BUDGET OF THE LOCAL
GOVERNMENT IN JIGAWA STATE
A CASE STUDY OF HADEJIA L.G. JIGAWA STATE

BY

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074

SEPTEMBER 2010

AN APPRAISAL OF 2008 BUDGET OF THE LOCAL GOVERNMENT
IN JIGAWA STATE

A CASE STUDY OF HADEJIA LOCAL GOVERNMENT JIGAWA STATE

BEING A PROJECT SUBMITTED TO THE DEPARTMENT OF
ACCOUNTANCY IN PARTIAL FULFILMENT OF THE AWARD OF HIGHER
NATIONAL DIPLOMA IN ACCOUNTANCY JIGAWA STATE POLYTECHNIC
(COLLEGE OF BUSINESS AND MANAGEMENT STUDIES DUTSE

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SEPTEMBER 2010

APPROVAL PAGE

This research work has been checked and approved having met the requirement for the award of Higher National Diploma in Accountancy, College of Business and Management Studies Dutse, Jigawa State Polytechnic.

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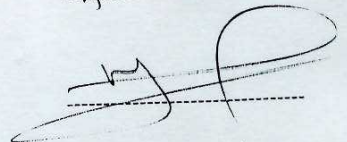
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DECLARATION

This is to certify that Mal. Hassan Ibrahim has carried out his research project under the supervision of ~~Mal.~~ Mohd Umar Usman College of Business and Management Studies, Dutse Jigawa State Polytechnic.

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DEDICATION

This project is dedicated to my beloved late father, my mother, my late wife Maryam Hassan Abubakar; and my senior brother Alhaji Yunusa Ibrahim for their support and encouragement given to me.

ACKNOWLEDGEMENT

In the name of ALLAH the most gracious the most merciful, who gives me the opportunity of writing this project and His messenger Muhammad (SWA) peace be upon him.

I wish to express my gratitude to entire family of Alhaji Ibrahim Himu more especially Yunusa Ibrahim who shoulder my cost of living during this studies.

I am very grateful to lecturers of accountancy department who has been a source of inspiration to me and have given every encouragement.

Also my gratitude goes to my entire course mate more especially Musa Bala Kazaure, Jafar Safiyan Elansar, Mohd Ibrahim Kamal, Jazuli Adamu, Murtala Bala, Sabo Haruna, Suleiman A. Dauda, Oba Shola Mose Ajayi, Abdul Umar, Mustapha Abdulhamid, Abdulhameed Ringim, Abdullahi U. Abubakar, Umar Mu'az, Abba Ibrahim Murtala Ibrahim, Bilkisu A. Bello, Bushira Bolade, Nura Shehu, Kabiru Shu'aibu, Mukhtar Dictionary, Mustapha Imam, Abdulkadir Muhammad, Halilu Yahaya for their profound influence they have on my research.

Let me liaise this opportunity also thank to Mohd Yahaya and Safiyanu LGSC, Director Research & Planning Min. for Local Government, Alhassan Habu and Treasurer Hadejia Local Government as well as other Local Government officials toward the success of his research.

Lastly my special thank goes to my supervisor Mal. Mohd Usman Umar and Hussaini Shehu H.O.D, Social Aim Dept. for frequent visit to them for successful completion of this work.

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CHAPTER ONE

1.1 INTRODUCTION

All over the world, the idea of budgeting is synonymous with allocation of human and material resources for production in order to assist management in planning, control and coordinating function it is vital to formulate budget that are realistic and meaningful and which are easily attainable with minimal management effort.

Lucey (1988) defined budget as short term tactical planning or budgetary planning in the process of preparing detailed short term (usually 1 year) plans for the functions, activities and department of the organization thus covering the long term corporate plan into action.

Every government needs funds to enable it carryout its duties such as provision of infrastructure, health services, education e.t.c. to its citizens. Almost all local government areas in Jigawa state solely depend on statutory allocation from federation account to enable them cater for the provision of such needed facilities. It is necessary for local government to prepare budget in order to maximize use of funds available to them from internally generated revenue and federal government allocation.

The local government budget of Jigawa state generally seen as a budget of transition; it was designed to ensure that electorate were rewarded with a dividend of democracy under the leadership of incumbent Governor Alh. Sule Lamido under the guidance of ministry for local government. The local government budget were cater

renewed to give them constitutional backing and to make them in line with yearning and aspiration of the people. This study is concerned with the evolution of the budget allocation of all the local government of Jigawa state for year 2008 in order to ascertain the trend in the allocation to sectors and also to determine if there are any criteria by which these allocation are done, and consequently ascertain the relationship between such criteria and magnitude of the allocation particularly Hadejia Local Government.

1.2 STATEMENT OF THE PROBLEM

The problem could arise due to inadequate allocation of funds from federation account and poor performance toward internal generated revenue such problem include over concentration of revenue form the federal government giving fiscal gap among the local government in the state and the general statistic problem and ad hoc approach to revenue sharing. The constrain of increasing or decreasing of budgetary allocation of 2008 fiscal year.

1.3 AIMS AND OBJECTIVES

The successful implementation of 2008 approved budget of the 27 local government is a clear testimony that budgetary outcome are yielding desire result. This positive development has played significant rules in the attainment of budgetary objectives particularly in the improvement of services delivery to the people. Certainly 2008 fiscal year is characterized by various initiatives in the process of budget execution particularly in the area of adherence/compliance to due process and

effective budget monitoring which dramatically result to the attainment of value for money in the management of public funds.

1.4 SIGNIFICANCE OF THE STUDY

The significance of the budget for the year 2008 arise from successful implementation of 2008 approved budget of Hadejia Local Government is a clear testimony that budgetary outcome are yielding desire. This positive development has played significant role in the attainment of budgetary objectives particularly in the improvement of service delivery to the people.

These are benefit to be gained from budgeting system which is likely to be successful when the following conditions are found: -

1. The involvement and support of top management.
2. Clear cut definition of long-term corporate objective within which the budgetary system will operate.
3. A realistic organization structure with clear defined responsibilities.
4. Genuine and full involvement of the line managers in all aspect of the budgeting process. This is likely to include a staff development and education programme in the meaning and use of budgets.

1.5 RESEARCH HYPOTHESIS

1. There is no relationship between Hadejia Local Government budget and budget of other local government.

2. There is no statistical relationship between Hadejia Local Government budget and other local government.

1.6 SCOPE AND LIMITATION OF THE STUDY

1. The budget is used only for Hadejia Local Government for the year 2008.
2. The research is designed to cover the period of 2008 with reference to 27 local government particularly Hadejia Local Government.

1.7 HISTORICAL BACKGROUND OF THE CASE STUDY (H.L.G.)

Hadejia Local Government came into being in 1976 during the local government reform; then comprising of Kiri Kasamma, Guri, Birniwa, Malam Madori and Hadejia town with the headquarter at Hadejia.

Later in 1987, Birniwa, Kiri Kasamma, comprising (Guri and Kiri Kasamma) and Malam Madori Local Government were carved out of Hadejia Local Government. Auyo district from Kafin Hausa local government were merged with Hadejia Local Government as one local government with headquarter at Hadejia town in the same year, in 1996 Auyo local government was also created from Hadejia leaving Hadejia and few villages (Gudichin & Aguyaka) as the present Hadejia Local Government.

Hadejia Local Government has a landmass of about 24 square kilometers, it border Auyo local government by the south, Kiri Kasamma by the east and Malam Madori local government by the north and the western sides. It is 150 kilometers away from Dutse, the Jigawa State capital.

Hadejia Local Government has an estimated population of one hundred and five thousand six hundred and twenty eight (105,628) populace out of which 51% are male and 49% are female. Hadejia Local Government is situated in a Savanna grassland, fertile enough for harvest of grains, cultivation and suitable for animal grazing. It is partly surrounded by river Hadejia which provided opportunity for both rain based and irrigation farming.

The fiscal profile of Hadejia Local Government through which revenue are derived to finance its budget are: -

1. Statutory allocation from the federation account.
2. Allocation from VAT proceeds.
3. State government allocation (Grant)
4. Income from investment.
5. Internal generated revenue (I.G.R.)

While the actual spending pattern of Hadejia Local Government are as follows: -

1. Personnel cost
2. Overhead cost
3. Capital expenditure

1.8.0 DEFINITION OF KEY TERM

1.8.1 ANNUAL ESTIMATE (BUDGET)

The annual estimate of a Local Government prepared in accordance with the provision of financial memorandum and should have the following objectives: -

1. To provide financial plan of action of the local government.
2. To provide legal authority for incurring expenditure.
3. To provide a mechanism for ensuring that adequate control are maintain over expenditure and revenue.
4. To establish the financial position of the local government.

1.8.2 RECURRENT REVENUE ESTIMATE

This is the total amount received or expected to be received by the local government within a particular period of time usually one year for the purpose of undertaking its day to day activities specified in the budget. This revenue may be derived in a form of statutory allocation from federation, state allocation and internal generated revenue which come in form of taxes and other sources internally.

1.8.3 RECURRENT EXPENDITURE

This is the total expenditure expected to be spend during a particular year of preparing the local government estimate. The expenditure may be capital or recurrent. It is said to be capital when the funds allocated is meant capital in nature that is construction of drainage, bridges or culvert, health or water schemes and is said to be recurrent expenditure when the amount earmarked is meant for the payment of personnel cost as well as overhead cost (running cost).

CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 MEANING OF BUDGET

According to T. Lucey, budget can be defined as a quantitative statement for a defined period of time which include planned revenues, expenses, assets, liabilities and cash flows. A budget provide a focus for the organization, aids the co-ordination of activities and facilitate control. Planning is achieved by means of a fixed master budget, whereas control is generally exercise through the comparison of actual cost with a flexible budget. The Institute of Cost Management Account (ICMA) defined budget as a plan quantifies in monetary term , prepared and approved prior to a defined period of time usually showing a planned income to be generated and expenditure to be incurred during that period of time and the capital employed to attain a given objective.

According to (Ola 1982) a budget represent a detailed plan of action that prepared in relation to a particular period of time. The period of time may be one year for operational budget or a period between three and ten years for capital budget.

When it is referred to the local government budget, it can be regarded as a financial statement drawn up by the local government which is usually for one year in a form of revenue and expenditure basis for the purpose of ascertain its aims and objective with regard to detailed explanation on the financial memorandum.

2.2 TYPES OF BUDGET

Basically there are two types of budget in local government:

1. The annual budget estimate
2. The supplementary budget estimate

THE ANNUAL ESTIMATE

This in other word called fixed estimate. It is fixed and not subject to change when condition vary fixed budget set for the allowance for specific purpose , each having monetary limitation.

The allowance are actually appropriation and the control may be exercise in term of the details or certain amount of discretion may be permitted among the details account within and expenses category. Mostly, the local government budget are prepared on a fixed or annual basis, except in some cases, where supplementary or variable estimates can be prepared.

SUPPLEMENTARY ESTIMATE

This type of estimate is not fixed and cannot change when condition vary, supplementary estimate were developed to reflect the actual behaviour characteristic over a given period of time. It is applicable for control purpose at any reasonable time. when local government wished to incurred expenditure that are not provide in the approved annual estimate can prepare a supplementary estimate which is subject to the approval of local government council or ministry for local government in conjunction state legislative. It deals with exceptional circumstances which could not reasonably been foreseen when annual estimate were prepared.

2.2.1 SURPLUS BUDGET

Local government prepared their budget on a surplus basis, which will be earmarked at the end of the financial year. The surplus is calculated as ten percent (10%) of the projected revenue for the year. This is done mainly because of unforeseen matters by which some amount can be transferred from the surplus to clear those matters for instance, increase of staff allowance by federal or state government during the year.

2.2.2 DEFICIT BUDGET

In no circumstances shall any local government prepare a deficit budget. If the budget is on deficit basis, there shall be no any other source for that local government to derive the funds that will finance the deficit except through capital loans from banks and other financial institution.

2.2.3 BALANCE BUDGET

This is a budget where revenue and expenditure during the year is said to be balance or equal for a given period. However, balance budget are now prepared by local government across the state since introduction of state and local government joint account.

2.3 BUDGET PREPARATION IN LOCAL GOVERNMENT

Budget or estimate preparation is an integral part of finance and administrative function of Local Government. Financial memorandum (FM) provide that every department of the local government shall in each year prefer a detailed estimate of its revenue and expenditure in the next ensuing year.

Estimate preparation of local government start immediately when the local government receive a call circular from state ministry for local government which was sent to local government in the month of August every year. The circular spell out all the necessary guidelines for preparing the budget. The guidelines shall include the state government policy and priorities with regard to state and local government joint project account.

After the call circular from state ministry for local government, then the local government treasury will issue such call circular to all vote controllers (HODs) which is part of responsibility of treasury department. There and then departmental head will begin to start and submitted their budget to treasury. The treasurer will then drawn the attention of the local government executive for vetting of such estimates and make necessary adjustment were applicable before forwarding to legislative for ratification.

When the legislative council ratified the estimate, the local government treasurer shall compile the propose estimate for all the department into summary for both the revenue and expenditure and produce one single financial statement which will be forwarded to the state ministry for local government for approval which will serve as a legal authority for incurring expenditure by the local government.

2.4.0 BUDGET CLASSIFICATION

In many government, the budget as such embraces only a fraction of local government activities. Each tier of government programmes are organize independently of central budgetary control as corporation or trust fund that do not depend on general revenue and may be subject to one occasional legislation review. In local government however, the budget generally encompasses all the local government activities at least in the sense that all activities are reported in the budget document. In this regard recurrent budget shall be separated from capital budget.

The new encyclopedia Britannica (1982) state that major features of budget include the statement of recurrent and capital expenditure. The recurrent looks after the government finance while the capital budget provide the government capital development to the community.

2.4.1 RECURRENT REVENUE

This is the total amount expected to be realize during the period. This revenue will be derived from internal generated revenue as well as statutory allocation from federal government and capital receipts which is in form of excess crude oil or any Grant/Subvention.

When such revenue was realize the treasury department will issue an official receipts to the payee (The organization/Person who made the payment) the duplicate shall be attached to receipt voucher, while triplicate is a counterfoil for auditing

purposes. The revenue collected will poste to their respective head and subhead as provide in the approved budget.

The annual estimated revenue of the local government shall be prepared under the following: -

1. Taxes
2. Rates
3. Local Licenses fees and fine
4. Earning from commercial undertaking
5. Rent on local government properties
6. interest payment and dividend
7. Grant and others
8. Miscellaneous
9. Statutory allocation

With regard above list items, item 1 – 6 represent internal generated revenue while item 7 – 9 stand at statutory allocation.

2.4.2 RECURRENT EXPENDITURE ESTIMATES

According to M.C Master (1971), the recurrent budget or estimate is also called Operating Recurrent Budget it provide the basis upon which government may incur obligation and pay for them. Those obligation include payment of personnel cost (salaries) and allowances as well as overhead cost which include overtime,

traveling & transport, leave grant, purchase of stationeries, maintenance of vehicle, telephone & postal services, entertainment and hospitality, loan to staff etc.

Formal approval of annual estimates of the local government constitute the legal authority to incur expenditure but shall be subject to compliance with the provision made in the estimate for every expenditure to incur or any payment to be made, which should be supported by authorize payment voucher.

2.4.3 CAPITAL EXPENDITURE ESTIMATE

M.C Master (1992) explained that capital budget is normally concerned with creation of long-term asset (e.g. construction of roads, schools, water treatment plant, sinking of new tube well, drainages, health post etc). Also according to federal government capital expenditure (1993) inferred that it was designed with emphasis on the existing and vital asset. Completion of selected core on-going projects vital to economic growth and sustainable development of both industrial in agricultural sector "Aiyedun (1996) further establish that" capital expenditure is the investment made in acquiring in institution or structures that are permanent he continue that it refers to all local government expenses on new building, roads or schools and the equipment required for providing of social and economic services.

It is said to be capital when the total amount earmarked is meant for capital project and capital expenditure is mostly met from taxation and barrowing according to Aiyedun (1996).

2.5.0 SOURCES OF FUNDS TO FINANCE BUDGET

Just like the preparation of annual estimate of expenditure are important in the management of local government so too is the generation of the revenue to meet the fiscal responsibilities and planned expenditure commitment and obligation of the government. Unfortunately, revenues generation are one aspect of public finance in Nigeria that is given necessary attention at all levels of government, the problems is however, more severe at the local government.

The exercise of revenue generation related to the effort put in the collection of internal revenue of the government. It is well known fact that government revenue comes from three sources:

1. Internal source
2. External source
3. Capital receipts

2.5.1 INTERNAL SOURCES

The internal sources being those revenues that comes within the fiscal jurisdiction of the respective tiers of government. These types of sources derived through internal collection from other sources such as:

1. Taxes
2. Rates
3. Local licenses fees and fines
4. Earning from commercial undertaking

5. rent on local government properties
6. Interest payment and dividend

2.5.2 EXTERNAL SOURCE

The external sources mainly consist of the following:

1. Grant and others
2. Miscellaneous
3. Statutory allocation
4. Value added tax (Vat)

Above mentioned are regarded external source of fund which was depended mostly by all local governments as their recurrent receipts

2.5.3 CAPITAL RECEIPTS

Estimated capitals receipts shall include all receipts related directly to capital project. The main items of capital receipts are:

1) Internal sources which shall include:

- a) Transfer from revenue funds
- b) Development fund receipts

2) External loans which shall include

- a) Loans from local government loans fund
- b) Loans from local government pension fund

- c) Loans from commercial banks
 - d) Loans from government agencies
- 3) Grants which shall include:
- a) Grant from state government
 - b) Grant from federal government
 - c) Grant from other sources such as E. U. and World bank or non government organization
- 4) Miscellaneous which shall include receipts arising directly from new capital project for example, receipts in respect of sale of existing displaced capital asset.

2.5.4 BUDGET IMPLEMENTATION

The approved annual estimate (Budget) shall be implemented with effect from the first day of the financial year (2008)

It is the responsibility of the local government treasury to deliver copies of the approved estimate to each department as well as legislative and executive for guidance. The officer controlling the vote and accountant of such department will post the approved voted monies in their respective departmental vote of account to enable them know the stand of their respective head/subhead while incurring expenditure.

Accountant of each department will get in touch with treasury department by taking monthly reconciliation. This will indicate that all provisions were discharged according to plans right from the executive.

This will indicate that whether there is strict compliance and any variance/change of purpose should be fully supported by an appropriate letter that warrants such changes in the aspect of execution of the budget. A monthly statement of revenue and expenditure (comparative statement) is prepared by the treasury department in order to prove the approved budget which indicates the amount of project being executed as at that month.

2.5.5 EXPENDITURE EXECUTION

Expenditure execution should be made from the recurrent or capital expenditure as provided in the budget.

Estimated recurrent expenditure shall include in respect of all the various services and head of expenditure. While estimated capital expenditure shall include only the expenditure on project approved in the plan and which can reasonably be expected to be started in the year of estimate or where started but not completed in the previous year.

Formal approval of the annual estimates by the council constitutes the legal authority for expenditure to be incurred but such general sanction for expenditure shall be subject to compliance with the financial procedure for the control of expenditure. The local government therefore, requires all officers responsible for

expenditure to exercise due economy. Money must not be spent merely because it has been voted before any expenditure is committed by all spending department/officers, it is mandatory that the cash flow analysis rendered by the treasurer to the executive committee must be strictly adhered to:

1. Control of expenditure by executive committees
2. Control of expenditure by authorized officers

2.5.6 BUDGET DISCIPLINE

Budget discipline means the control that was exercise by the Jigawa State Ministry for Local Government, machinery is set formally to control the budgeting system and this involves a budget monitoring committee to supervise and monitor the operation of budget in order to avoid deviation which may be inimical to the progress of the local government. This committee consists of the Director of budget as Chairman and as or consist of various department heads or high level executives. Its prime task is to see that the budget are realistically establish and reasonably coordinated.

The following is also a mechanical techniques use in control mechanism:

1. The first step is the preparation of the appropriation law or edict by the budget department which the executive chairman sign into law.
2. Except for capital votes which clearance must be obtain from the Hon. Commissioner, Ministry for Local Government, departments are free to start spending their votes as soon as the budget is signed.

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2. Except for capital votes which clearance must be obtain from the Hon. Commissioner, Ministry for Local Government, departments are free to start spending their votes as soon as the budget is signed.

3. Another controlling method is that all departments are authorized to deposit the generated revenue into the consolidated revenue fund of the local government.
4. Submission of monthly statement of revenue and expenditure.
5. Virement/transfer of funds from subhead to another is not authorizing without approval of the Honourable commissioner.
6. Spending pattern has been formalize as follows:

Chairman - from N500,000 - N1,000,000

Council - N1,000,000 - N3,000,000

Above three million clearance has to be obtain from the Honourable Commissioner ministry for local government.

2.6.1 TOTAL BUDGET OF THE JIGAWA STATE LOCAL COUNCIL

S/No	Name of L.G	Capital Exp.	Recurrent Exp.	Total Budget
1.	Dutse	557,758,226	730,758,226	1,287,849,043
2.	Buji	588,000,000	349,198,265	937,198,265
3.	Birnin Kudu	893,378,503	741,520,265	1,634,899,000
4.	Miga	648,333,178	469,252,782	1,117,585,960
5.	Jahun	631,981,082	664,272,818	1,296,254,000
6.	Gwaram	624,228,332	103,317,938	727,546,300
7.	Kiyawa	610,845,711	418,231,789	1,029,077,500
8.	Hadejia	495,846,527	461,903,763	957,750,290
9.	M. Madori	521,158,801	550,482,699	1,071,641,500
10.	Auyo	507,548,216	457,442,762	964,970,978
11.	Birniwa	787,739,188	379,354,892	1,167,094,080
12.	K/Hausa	594,884,013	641,107,307	1,235,991,320
13.	Kaugama	607,002,156	657,965,492	1,264,967,648
14.	Guri	505,841,616	659,135,834	1,164,977,450
15.	Kiri Kasamma	562,035,613	619,109,387	1,181,145,000
16.	Babura	459,870,995	797,514,755	1,257,385,705
17.	Taura	390,587,469	231,955,869	622,543,338
18.	Garki	580,846,448	763,026,217	1,344,607,749
19.	Ringim	426,360,699	873,761,031	1,300,122,000
20.	Kazure	453,888,411	620,456,149	1,074,344,560
21.	Roni	471,763,658	645,790,501	1,126,554,159
22.	Gwiwa	593,153,971	380,123,446	937,277,417
23.	Yan Kwashi	615,710,908	569,939,548	1,185,646,456
24.	Gumel	533,536,498	567,315,303	1,100,841,801
25.	Gagarawa	617,110,000	420,670,750	1,037,780,750

26.	S/Tankarkar	653,142,738	946,555,428	1,599,698,166
27.	Maigatari	431,749,009	649,496,214	1,081,245,223
			Total	<u>N30,742,995,658</u>

The total budget proposed/approved forwarded by the local government councils across the state stand at thirty billion seven hundred and forty two million nine hundred and ninety five thousand six hundred and fifty eight Naira only (N30,742,995,658) for appropriation before the state house as per table (1) and shows that the budget is not prepared base on the geographical area.

2.6.2 THE TOTAL BUDGET OF HADEJIA LOCAL GOVERNMENT

Hadejia local Government which is among the 27 local government in Jigawa State had acknowledge its appropriated budget from Jigawa state house of assembly to the tune of nine hundred and fifty seven million seven hundred and fifty thousand two hundred and ninety Naira (N957,750,290) for both recurrent and capital expenditure as per table (1)

In view of this the capital expenditure represent 51,77% of the total budget and left 41.33% for recurrent only, that apportion the cost into the following area:

1. Economic sector N52,434,000
2. Social sector N36,758,428
3. Development sector N40,000,000
4. Administrative sector N309,554,099
5. Loan & Repayment N30,000,000

CHAPTER THREE

3.0 RESEARCH METHODOLOGY

For any research work to meet the required standard it need proper collection, study presentation analysis and evaluation of necessary or relevant data. Thus in the course of this research a through collection and analysis of the data was conducted resulting to some important findings for drawing a reasonable conclusion and recommendation.

3.1 METHOD OF DATA COLLECTION

The method use in collecting data for undertaking this research include internal and external sources, otherwise known as primary and secondary sources of data respectively.

Primary Data – This type of data is derived from internal sources of the organization/the local government under study. These sources include questionnaires which were designed and distributed to some selected staffs of various department as well as principal officers in the local government. Their responses in filling the questionnaire have been used to determine the appraisal of 2008 budget.

Personal interview were also conducted with director research and planning in Hadejia Local Government.

Secondary Data – This type of data was derived from external sources such as textbooks, journals, memorandum, conference papers, Jigawa State budget and economic planning, Ministry for Local Government Dutse.

3.2 POPULATION OF THE STUDY

The population of the study in this research are mainly the people of Hadejia Local Government Area, the staff of various department of the local government council and the principal officers of the local government were the people of the local government are 100 number were selected and from the staff of departments 60 number were also selected while the entire principal officers 4, which are 40 in number were also selected as the research population.

3.3 SAMPLE AND SAMPLING TECHNIQUE/METHOD

A sample is a representation of the population (be it finite or infinite). Whether a population is finite or infinite the process of drawing a sample from that population can be arduous expensive and time consuming.

To achieve the objective set out in this study it is intended to make use of selected employees, executive, legislative as well as other populace within the respective political ward in the local government.

In view of this non probability sampling techniques/methods that is quota sampling is apply because in certain population some characteristics or features are easily identifiable, those characteristics or features may need to be represented in the sampling process in order that the researcher may have a good feeling about the entire population that will determine the number of respondent base on the questionnaires.

3.4 METHOD OF DATA ANALYSIS

The data is analyzed using questionnaire method. This is because it gives in details information needed about the outcome of the 2008 budget.

The method employed in the analysis of data for interpretation and evaluation an appraisal of local government budget in Jigawa State with reference to Hadejia local Government in term of budget so far been implemented as well as capital project executed in the following areas of economic sector, social sector, development sector, administrative sector and repayment of loan as provided which tend to be benefited within the entire local government.

The method is usually apply in the form of statistical frequency distribution table showing the number of the respondents, the percentage and the total number of responses, while below the details analysis of the study were drawn for each question as effect in the questionnaires respectively.

CHAPTER FOUR

4.0 DATA PRESENTATION AND ANALYSIS

4.1 This section of the research work is on the presentation and analysis of data obtained through the research questionnaires. Seventy questionnaires (70) were administered but sixty (60) were actually retrieved. Presentation and analysis of data is based on the (60) questionnaires forms returned.

4.2 DATA ANALYSIS

TABLE ONE (1) SEX OF RESPONDENTS

SEX	FREQUENCY	PERCENTAGE
MALE	36	60%
FEMALE	24	40%
TOTAL	60	100%

Source: Administered questionnaires

Analysis of data on sex distribution of respondents shows that, 36 were male which form 60% while 24 were female which constituted 40%.

TABLE TWO (2) MARITAL STATUS

MARITAL	FREQUENCY	PERCENTAGE
Married	30	50%
Single	15	25%
Divorce	15	25%
Widow		
TOTAL	60	100%

Source: Administered questionnaire:

Analysis of marital status shows that, 30 were married which formed 50% while 15 were single male which formed 25% and 15 were divorce which formed 25% and are able to supply the researcher with accurate data.

TABLE 3

AGE OF RESONDENTS

YEARS	FREQUENCY	PERCENTAGE
18 – 35	55	91.67%
36 – 49	3	5%
50 and above	2	3.33%
TOTAL	60	100%

Source: Administered questionnaire:

Data on the age distribution of respondents revealed that, 55 people representing 91.67% which are within the age limit of 18 – 35 years while 3 respondents representing 5% are within the age of 36 – 49 years were 2 respondents are within 50 years and above representing 3.33%. majority of respondents are within the local service and eleven political wards of the local government which are equal enough to furnish the researcher with accurate data.

TABLE 4:

EDUCATIONAL QUALIFICATION

QUALIFICATION	FREQUENCY	PERCENTAGE
PRIMARY CERT.		

S.S.C.E.	4	6.66%
DIPLO,MA/NCE	35	58.34%
HND/BSC	15	25%
MASTER DEGREE & ABOVE	6	10%
TOTAL	60	100%

Source: Administered questionnaire:

Analysis on data on educational qualification of respondents revealed that 4 respondents represent 6.66% were 35 respondents represent 58.34% having Diploma/NCE while 15 respondents representing 25% having HND/BSC representing 25% and 6 respondents representing 10% acquire master degree and above: This proved that all the respondents are literate enough to give accurate data to the researcher.

TABLE 5:

OCCUPATION OF RESPONDENT

OCCUPATION	FREQUENCY	PERCENTAGE
Farming	10	20%
Civil servant	30	50%
Traders	5	5%
Others	15	25%
TOTAL	60	100%

Source: Administer questionnaire:

S.S.C.E.	4	6.66%
DIPLO,MA/NCE	35	58.34%
HND/BSC	15	25%
MASTER DEGREE & ABOVE	6	10%
TOTAL	60	100%

Source: Administered questionnaire:

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TABLE 5:

OCCUPATION OF RESPONDENT

OCCUPATION	FREQUENCY	PERCENTAGE
Farming	10	20%
Civil servant	30	50%
Traders	5	5%
Others	15	25%
TOTAL	60	100%

Source: Administer questionnaire:

10 respondents are farmers representing 20% were 30 respondents are civil servant representing 50% were 5 respondents are traders representing 5% and other occupation are 15 representing 25%; this shows that majority of respondents are civil servant that come from treasury department, planning and research as well as other department in the local government base on this they're able to supply necessary data that a researcher would consider valid.

TABLE 6:

OPINION OF THE RESPONDENT

DID 2008 BUDGET OF HADEJIA LOCAL GOVERNMENT HAVE BENEFICIAL IMPACT?

OPINION	NUMBER OF RESPONDENT	PERCENTAGE
Yes	60	100
No	0	-
TOTAL	60	100%

Source: Administered questionnaire

Analysis of 2008 budget of Hadejia Local Government proved that 60 respondents representing 100% respond that budget were executed for developmental projects as well as payment of monthly salary promptly which is part of our recurrent expenditure base on this the budget gave out an impact.

TABLE 7:

DID YOUR LOCAL GOVERNMENT COLLECT THE APPROVED REVENUE?

OPINION	NUMBER OF RESPONDENT	PERCENTAGE
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Yes	60	100
No	0	-
TOTAL	60	100%

Source: Administered questionnaire;

60 respondents representing 100% because the target revenue was realized and this will enable the implementation to execute the project.

TABLE 8:

DID THE LOCAL GOVT EXECUTE ALL THE CAPITAL PROJECTS MENTIONED IN THE BUDGET?

OPINION	NUMBER OF RESPONDENT	PERCENTAGE
Yes	60	100
No	0	-
TOTAL	60	100%

Source: Administered questionnaire;

60 respondents representing 100% believed that the Local Govt. has executed all the capital projects mentioned in the budget.

TABLE 9:

IS YOUR CAPITAL PROJECT COVER 11 POLITICAL WARDS OF THE LOCAL GOVERNMENT?

OPINION	NUMBER OF RESPONDENTS	PERCENTAGE
Yes	60	100
No	0	0

TOTAL 60 100%

Source: Administered questionnaire

60 respondents agreed that capital project has covered 11 political wards in the local government representing 100%.

TABLE 10:

IS 2008 BUDGET INCREASE THE SOCIAL ECONOMICS BENEFIT IN THE LOCAL GOVT.?

OPINION	NUMBER OF RESPONDENT	PERCENTAGE
Yes	60	100
No	0	-
TOTAL	60	100%

Source: Administered questionnaire:

60 respondents representing 100% agrees that the 2008 budget had increased the social economic benefit in the local government.

TABLE 11:

HAVE YOU SATISFIED WITH THE BUDGET DISCIPLINE OBSERVED BY THE LOCAL GOVT. OFFICIALS?

OPINION	NUMBER OF RESPONDENT	PERCENTAGE
Yes	60	100
No	0	-

TOTAL 60 100%

Source: Administered questionnaire

60 respondents representing 100% agrees that local government officials have observed a budget discipline in the local government because only items on the budget were treated.

TABLE 12:

DID 2008 BUDGET REDUCE THE WORKERS REDUNDANCY IN THE LOCAL GOVT.?

OPINION	NUMBER OF RESPONDENT	PERCENTAGE
Yes	60	100
No	-	-
TOTAL	60	100%

Source: Administered questionnaire

60 respondents representing 100% agrees that due to effective implementation of the budget make all local staffs from each department very much occupied and less redundant when executing their task.

TABLE 13:

DID THE LOCAL GOVERNMENT MAKE ADDITIONAL INVESTMENT IN ORDER TO INCREASE ITS LOCAL REVENUE?

OPINION	NUMBER OF RESPONDENT	PERCENTAGE
Yes	60	100

No

TOTAL 60 100%

Source: Administered questionnaire

60 respondents representing 100% agrees that the local government improve its internal generated revenue source to enable it to have more local revenue to realize.

TABLE 14:

WHICH OF THESE UNDERLISTED PROBLEMS IS ASSOCIATED WITH THE 2008 BUDGET OF HADEJIA LOCAL GOVT.?

OPINION	FRE.	PERCENTAGE
a) Dependency of statutory allocation	40	40%
b) Change of purpose from one head to another.	10	10%
c) All of the above	10	10%
d) Non of the above	0	-
TOTAL	60	100%

Source: Administered questionnaire

40 respondents agrees that dependency of statutory allocation is a problem, while 10 respondents believe change of expenditure purpose from one head to another, apart from being a problem is regard as budget indiscipline. While 10 respondents consider A and B a problem to the 2008 budget.

TABLE 15:

WHICH OF THE FOLLOWING OPTIONS COULD BE THE BEST POSSIBLE WAY TO SOLVE THE PROBLEM OF THE BUDGET (TICK THE APPROPRIATE OPTION)

OPINION	FRE.	PERCENTAGE
(a) Reduce dependency on statutory allocation and embark on internal generated revenue	10	10%
(b) Avoid change of purpose from one head to another	5	5%
(c) Avoid under estimation on voting monies	10	10%
(d) All of the above	25	25%
TOTAL	60	100%

Source: Administered questionnaire

10 respondents agrees that reduce dependence on statutory allocation is a solution of 2008 budget, 5 respondents agrees that avoidance of change of purpose will be the solution, while 10 respondents believed that avoidance of under estimation on voting monies and 25 respondents consider that all of the above will solve the problem of 2008 budget of Hadejia Local Govt.

4.3 DISCUSSION OF FINDINGS

These are findings from the data analyzed:

1. Data obtained from the respondents is a representation of the view of both sexes, because the researcher is sensitive about the gender issue in the course of the investigation.
2. Data on the age, education and the department of the respondent and vibrant have the literate knowledge of budget which enable them to furnish with viable data.
3. It was also discover that the budget has a lot of impact because it shows that budget discipline was observed under this administration of governor Sule Lamido.
4. It was also discover that the community itself has appraise/appreciate the 2008 budget with regard to project implementation and execution.
5. The local government had increased its number of investment with a view of improving its internal generated revenue.
6. Avoidance of change of purpose from one expenditure head to another head.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 SUMMARY

The successful implementation of 2008 budget of Hadejia Local Government and 26 local government in the state is a clear testimony that budgetary outcome are yielding desired results. The positive development has played significant roles in the attainment of budgetary objectives particularly in the improvement of service delivery to the people; while there is increase predictability in the flow of appropriation to all local government councils, equally there are also significant improvement in the aggregates expenditure out – turn vis-à-vis the approved budget.

Certainly, 2008 financial year is characterized by various initiatives in the process of budget execution particularly in the area of adherence/compliance to due process and effective budget monitoring which dramatically resulted to the attainment of value for money in the management of public funds.

5.2 CONCLUSION

In conclusion from the researcher discover that the stability of local government budget solely depend on statutory allocation that is federation account. Base on the data analyzed, it was obvious and undisputable that most factor for inadequate functioning of local government is finance. Accordingly, your attention is drawn to the following: -

(a) That the budget proposals must be a policy based and consistent with strategic priorities of the Hadejia Local Government.

(b) Broadly, the pursuit of human development programme that promotes socio – economic empowerment will continue to be the policy objective of Hadejia Local Government in the 2009 financial year which include the following: -

(i) Continued improvement in the service delivery in the area that promotes human development particularly education, health, water supply and sanitation, women youth empowerment and poverty reducing project programme.

(ii) Generating economic growth and development through the pursuit of projects/programmes that are pro poor which generates wealth and create jobs that will ultimately guarantee sustainable live hood for the people as well as promote an enabling environment for investment and economic growth. Specific priorities in the next financial year include: - infrastructure development such as road, rural electrification, agricultural and rural development.

5.3 RECOMMENDATION

In view of the present and future gains of local government budgets cannot be concluded this research work without making these few recommendation: -

1. Local Government should improve its internal generating revenue by innovative and critical in examining all revenues sources (both existing and

new potential sources) in coming up with realistic proposal, you should also try to ensure that revenue proposals are guided by realistic assumptions, current actual trends and future expectations.

2. To set up a local government budget implementation and monitoring committee to ensure success for implementation of proposals made.
3. Government has set up committee for special looking on funds set for every sectors in the budget for proper implementation.
4. Government should sustain the budget prediction models being use in the local government to enhance proper long-term planning.
5. Strictly compliance to due process and ensure value for monthly audit.

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RESEARCH QUESTIONNAIRE

Department of Accountancy

College of Business & Mgt Studies

Dutse.

Jigawa State.

Dear Sir/Madam

This research questionnaire is designed for a research topic titled
"AN APPRAISAL OF 2008 BUDGET OF THE LOCAL GOVT IN JIGAWA
STATE A CASE STUDY OF HADEJIA LOCAL GOVERNMENT"

Please you are require to answer the following question on the boxes or space
provided.

Were answer is yes or no, tick the chosen word or answer in the box
provided.

PART A

1. SEX

()

(a) Male

()

(b) Female

2. AGE

()

(a) 18 - 35

()

(b) 36 - 49

()

(c) 50 and above

3. MARITAL STATUS

- (a) Married ()
(b) Single ()
(c) Divorce ()
(d) Widow ()

(4) EDUCATIONAL QUALIFICATION

- (a) Primary Cert. ()
(b) Secondary Cert. ()
(c) Diploma/NCE ()
(d) HND/BSC ()
(e) Master Degree & above ()

(5) OCCUPATION

- (a) Farming ()
(b) Civil Servant ()
(c) Traders ()
(e) Others ()

PART B

Did 2008 budget of Hadejia Local Government have beneficial impact?

Yes () No ()

If yes, tick which of the following benefits are derivable from the budget

- (a) Payment of monthly salary promptly () ()
(b) Execution of developmental projects () ()

(c) Funding of political activities

() ()

(a) Did your Local Govt. collected the approved revenue?

Yes () No ()

(b) Did the Local Govt. execute all the capital project mentioned in the budget?

Yes () No ()

(c) Is your capital project covers eleven (11) political wards in the Local

Govt.? Yes () No ()

(d) Is 2008 budget increase the socio economic benefits in the Local Govt.

Yes () No ()

(e) Have you satisfied with the budget discipline observed by the L. G.

officials yes () No ()

(f) Did 2008 budget reduce the workers redundancy in the Local Govt.?

Yes () No ()

(g) Did the Local Govt. make additional investment in order to increase its

local revenue Yes () No ()

(1) Which of these problems is associated with the 2008 budget of the

Hadejia Local Govt. (tick the option that is appropriate to you)

a. Dependency of statutory allocation as a major source of financing

budget []

b. Change of purpose from one head to another []

c. All of the above []

(3) Which of the following options could be the best possible way to solve the problem of the budget:

- a. Reduce dependency on statutory allocation embark on internal generated revenue []
- b. Avoid change of purpose from one head to another []
- c. Avoid under estimate on voting monies []
- d. All of the above []