

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, ECONOMICS & MANAGEMENT

I
J
R
C
M



A Monthly Double-Blind Peer Reviewed Refereed Open Access International e-Journal - Included in the International Serial Directories

Indexed & Listed at:

Ulrich's Periodicals Directory ©, ProQuest, U.S.A., EBSCO Publishing, U.S.A., Cabell's Directories of Publishing Opportunities, U.S.A.

as well as in Open J-Gate, India [link of the same is duly available at infibnet of University Grants Commission (U.G.C.)]

Registered & Listed at: Index Copernicus Publishers Panel, Poland

Circulated all over the world & Google has verified that scholars of more than Hundred & Thirty Two countries/territories are visiting our journal on regular basis.

Ground Floor, Building No. 1041-C-1, Devi Bhawan Bazar, JAGADHRI – 135 003, Yamunanagar, Haryana, INDIA

www.ijrcm.org.in

CONTENTS

Sr. No.	TITLE & NAME OF THE AUTHOR (S)	Page No.
1.	EXAMINING THE EFFECT OF DECLARATION OF INITIAL PUBLIC OFFERING ON SHARE PRICE AND RETURN: EVIDENCE FROM TEHRAN STOCK EXCHANGE <i>MANSOUR GARKAZ</i>	1
2.	ODE TO THE FABRIC OF DESERT: THE SANCTUARY WAY <i>DR. ASHA ALEXANDER</i>	5
3.	CASH DIVENDS ANNOUNCEMENTS AND IMPACT ON THE SHARE PRICES OF LISTED COMPANIES IN COLOMBO STOCK EXCHANGE IN SRI LANKA <i>SKANTHAVARATHAR RAMESH</i>	11
4.	THE MANAGEMENT OF SMALL AND MEDIUM ENTERPRISES TO ACHIEVE COMPETITIVE ADVANTAGES IN NORTHERN THAILAND <i>DR. RATTANAN PONGWIRITTHON & SURACHAI UTAMA-ANG</i>	16
5.	FUNDS GENERATION AND MANAGEMENT IN ONDO STATE LOCAL GOVERNMENT, NIGERIA <i>DR. FELIX OLURANKINSE</i>	22
6.	DEMOGRAPHICAL ANTECEDENTS IN DECISIONAL AUTONOMY OF WOMEN ENTREPRENEURS: A CASE STUDY OF WOMEN ENTREPRENEURS OF LAHORE, PAKISTAN <i>NOREEN ZAHRA & KASHIF MAHMOOD</i>	27
7.	IMPACT OF INTELLECTUAL CAPITAL ON THE FINANCIAL PERFORMANCE OF LISTED COMPANIES IN TEHRAN STOCK EXCHANGE <i>MANSOUR GARKAZ</i>	32
8.	HOSPITALITY INDUSTRY CSR WITH MARKETING USP – CASE STUDY OF TAJ HOTELS & IHM-A <i>DR. S. P. RATH, DR. SHIVSHANKAR K. MISHRA, SATISH JAYARAM & CHEF LEEVIN JOHNSON</i>	35
9.	HOUSING IN RURAL INDIA: AN OVERVIEW OF GOVERNMENT SCHEMES IN KARNATAKA <i>DR. VILAS M. KADROLKAR & DR. NAGARAJ M. MUGGUR</i>	44
10.	TRENDS AND GROWTH OF PUBLIC EXPENDITURE IN INDIA DURING 2001-12 <i>DR. MANOJ DOLLI</i>	51
11.	FINANCES OF SCHOOL OF DISTANCE EDUCATION OF ANDHRA UNIVERSITY, VISAKHAPATNAM: AN APPRAISAL <i>DR. G. VENKATACHALAM & DR. P. MOHAN REDDY</i>	57
12.	THE IMPACT OF MGNREGA ON THE LIVING CONDITION OF RURAL POOR IN RURAL ECONOMY WITH SPECIAL REFERENCE TO GULBARGA DISTRICT IN KARNATAKA STATE <i>ANIL KUMAR. B. KOTE & DR. P. M. HONNAKERI</i>	62
13.	CONCERNS OF FOOD SECURITY IN INDIA AMIDST ECONOMIC CRISIS <i>DR. ZEBA SHEEREEN</i>	66
14.	ATTAINING SUSTAINABLE DEVELOPMENT THROUGH GREEN BANKING <i>DR. SARITA BAHL</i>	70
15.	A STUDY OF HOUSING DEVELOPMENT PROGRAMMES IN KANCHIPURAM DISTRICT, TAMILNADU <i>R. RETHINA BAI & DR. G. RADHA KRISHNAN</i>	75
16.	THE EFFECT OF PARENTAL INTERVENTION ON THE FAMILY PROBLEMS OF LATE ADOLESCENTS <i>DR. KALYANI KENNETH & SEENA P.C</i>	83
17.	EFFECT OF INDEX FUTURE TRADING AND EXPIRATION DAY ON SPOT MARKET VOLATILITY: A CASE STUDY OF S&P CNX NIFTY <i>DR. BAL KRISHAN & DR. REKHA GUPTA</i>	86
18.	COMPARATIVE ANALYSIS OF PER SHRE RATIO OF SOME SELECTED INDIAN PUBLIC SECTOR BANKS <i>DR. SHIPRA GUPTA</i>	89
19.	CONSUMPTION PATTERN OF CONVENIENCE GOODS: A STUDY WITH RURAL CONSUMERS <i>V. SYLVIYA JOHNSI BAI</i>	97
20.	MOTIVATORS AND MOTIVATIONAL ASPECTS OF THE WOMEN ENTREPRENEURS IN RURAL AREAS <i>DR. M. JAYASUDHA</i>	100
21.	HANDLOOM INDUSTRY IN RELATION TO ITS PRODUCTION ORGANIZATION: A SOCIO-ECONOMIC STUDY IN TWO DISTRICTS OF WEST BENGAL <i>CHITTARANJAN DAS</i>	103
22.	A STUDY ON PUBLIC ATTITUDE AND CONTRIBUTION TOWARDS POVERTY ALLEVIATION <i>L. VIJAY & M. GANDHI</i>	109
23.	DETERMINENTS OF PEOPLE'S PARTICIPATION IN JOINT FOREST MANAGEMENT: A STUDY IN VISAKHAPATANAM DISTRICT OF ANDHRA PRADESH <i>DR. D. NARAYANA RAO</i>	112
24.	AN ECONOMETRIC FRAMEWORK OF POLYTHENE INDUSTRIAL COOPERATIVES IN TAMIL NADU <i>GANDHIMATHY B</i>	117
25.	THEORITICAL PERSPECTIVES OF DOMESTIC VIOLENCE: AN OVERVIEW <i>RAIS AHMAD QAZI & MOHD YASIN WANI</i>	122
26.	FDI INFLOWS IN INDIA TRENDS AND PATTERNS <i>SIRAJ-UL-HASSAN RESHI</i>	127
27.	WOMEN EMPOWERMENT AND PREGNENCY COMPLICATIONS <i>ARCHANA KESARWANI</i>	135
28.	A CRITICAL ANALYSIS OF MGNREGS USING MARSHALLIAN FRAMEWORK <i>MOUMITA BAGCHI</i>	143
29.	A STUDY ON SMALL RUMINANTS AS A SOURCE OF INCOME AMONG THE FARMERS OF PALLIPATTI PANCHAYAT <i>M. ELAGOVAN</i>	147
30.	INSURANCE LEADERS AND ENTREPRENEURS ON EMOTIONAL MANAGEMENT AND PSYCHOLOGICAL EMPOWERMENT <i>DILJOT SOIN</i>	150
	REQUEST FOR FEEDBACK	154

CHIEF PATRON

PROF. K. K. AGGARWAL

Chancellor, Lingaya's University, Delhi
Founder Vice-Chancellor, Guru Gobind Singh Indraprastha University, Delhi
Ex. Pro Vice-Chancellor, Guru Jambheshwar University, Hisar

PATRON

SH. RAM BHAJAN AGGARWAL

Ex. State Minister for Home & Tourism, Government of Haryana
Vice-President, Dadri Education Society, Charkhi Dadri
President, Chinar Syntex Ltd. (Textile Mills), Bhiwani

CO-ORDINATOR

DR. BHAVET

Faculty, M. M. Institute of Management, Maharishi Markandeshwar University, Mullana, Ambala, Haryana

ADVISORS

DR. PRIYA RANJAN TRIVEDI

Chancellor, The Global Open University, Nagaland

PROF. M. S. SENAM RAJU

Director A. C. D., School of Management Studies, I.G.N.O.U., New Delhi

PROF. M. N. SHARMA

Chairman, M.B.A., Haryana College of Technology & Management, Kaithal

PROF. S. L. MAHANDRU

Principal (Retd.), Maharaja Agrasen College, Jagadhri

EDITOR

PROF. R. K. SHARMA

Professor, Bharti Vidyapeeth University Institute of Management & Research, New Delhi

CO-EDITOR

DR. SAMBHAV GARG

Faculty, M. M. Institute of Management, Maharishi Markandeshwar University, Mullana, Ambala, Haryana

EDITORIAL ADVISORY BOARD

DR. RAJESH MODI

Faculty, Yanbu Industrial College, Kingdom of Saudi Arabia

PROF. SIKANDER KUMAR

Chairman, Department of Economics, Himachal Pradesh University, Shimla, Himachal Pradesh

PROF. SANJIV MITTAL

University School of Management Studies, Guru Gobind Singh I. P. University, Delhi

PROF. RAJENDER GUPTA

Convener, Board of Studies in Economics, University of Jammu, Jammu

PROF. NAWAB ALI KHAN

Department of Commerce, Aligarh Muslim University, Aligarh, U.P.

PROF. S. P. TIWARI

Department of Economics & Rural Development, Dr. Ram Manohar Lohia Avadh University, Faizabad

DR. ANIL CHANDHOK

Professor, Faculty of Management, Maharishi Markandeshwar University, Mullana, Ambala, Haryana

DR. ASHOK KUMAR CHAUHAN

Reader, Department of Economics, Kurukshetra University, Kurukshetra

DR. SAMBHAVNA

Faculty, I.I.T.M., Delhi

DR. MOHENDER KUMAR GUPTA

Associate Professor, P. J. L. N. Government College, Faridabad

DR. VIVEK CHAWLA

Associate Professor, Kurukshetra University, Kurukshetra

DR. SHIVAKUMAR DEENE

Asst. Professor, Dept. of Commerce, School of Business Studies, Central University of Karnataka, Gulbarga

ASSOCIATE EDITORS

PROF. ABHAY BANSAL

Head, Department of Information Technology, Amity School of Engineering & Technology, Amity University, Noida

PARVEEN KHURANA

Associate Professor, Mukand Lal National College, Yamuna Nagar

SHASHI KHURANA

Associate Professor, S. M. S. Khalsa Lubana Girls College, Barara, Ambala

SUNIL KUMAR KARWASRA

Principal, Aakash College of Education, Chander Kalan, Tohana, Fatehabad

DR. VIKAS CHOUDHARY

Asst. Professor, N.I.T. (University), Kurukshetra

TECHNICAL ADVISORS

MOHITA

Faculty, Yamuna Institute of Engineering & Technology, Village Gadholi, P. O. Gadholi, Yamunanagar

AMITA

Faculty, Government M. S., Mohali

FINANCIAL ADVISORS

DICKIN GOYAL

Advocate & Tax Adviser, Panchkula

NEENA

Investment Consultant, Chambaghat, Solan, Himachal Pradesh

LEGAL ADVISORS

JITENDER S. CHAHAL

Advocate, Punjab & Haryana High Court, Chandigarh U.T.

CHANDER BHUSHAN SHARMA

Advocate & Consultant, District Courts, Yamunanagar at Jagadhri

SUPERINTENDENT

SURENDER KUMAR POONIA

CALL FOR MANUSCRIPTS

We invite unpublished novel, original, empirical and high quality research work pertaining to recent developments & practices in the area of Computer, Business, Finance, Marketing, Human Resource Management, General Management, Banking, Insurance, Corporate Governance and emerging paradigms in allied subjects like Accounting Education; Accounting Information Systems; Accounting Theory & Practice; Auditing; Behavioral Accounting; Behavioral Economics; Corporate Finance; Cost Accounting; Econometrics; Economic Development; Economic History; Financial Institutions & Markets; Financial Services; Fiscal Policy; Government & Non Profit Accounting; Industrial Organization; International Economics & Trade; International Finance; Macro Economics; Micro Economics; Monetary Policy; Portfolio & Security Analysis; Public Policy Economics; Real Estate; Regional Economics; Tax Accounting; Advertising & Promotion Management; Business Education; Management Information Systems (MIS); Business Law, Public Responsibility & Ethics; Communication; Direct Marketing; E-Commerce; Global Business; Health Care Administration; Labor Relations & Human Resource Management; Marketing Research; Marketing Theory & Applications; Non-Profit Organizations; Office Administration/Management; Operations Research/Statistics; Organizational Behavior & Theory; Organizational Development; Production/Operations; Public Administration; Purchasing/Materials Management; Retailing; Sales/Selling; Services; Small Business Entrepreneurship; Strategic Management Policy; Technology/Innovation; Tourism, Hospitality & Leisure; Transportation/Physical Distribution; Algorithms; Artificial Intelligence; Compilers & Translation; Computer Aided Design (CAD); Computer Aided Manufacturing; Computer Graphics; Computer Organization & Architecture; Database Structures & Systems; Digital Logic; Discrete Structures; Internet; Management Information Systems; Modeling & Simulation; Multimedia; Neural Systems/Neural Networks; Numerical Analysis/Scientific Computing; Object Oriented Programming; Operating Systems; Programming Languages; Robotics; Symbolic & Formal Logic and Web Design. The above mentioned tracks are only indicative, and not exhaustive.

Anybody can submit the soft copy of his/her manuscript **anytime** in M.S. Word format after preparing the same as per our submission guidelines duly available on our website under the heading guidelines for submission, at the email addresses: infoijrcm@gmail.com or info@ijrcm.org.in.

GUIDELINES FOR SUBMISSION OF MANUSCRIPT

1. **COVERING LETTER FOR SUBMISSION:**

DATED: _____

THE EDITOR
IJRCM

Subject: SUBMISSION OF MANUSCRIPT IN THE AREA OF _____.

(e.g. Finance/Marketing/HRM/General Management/Economics/Psychology/Law/Computer/IT/Engineering/Mathematics/other, please specify)

DEAR SIR/MADAM

Please find my submission of manuscript entitled ' _____ ' for possible publication in your journals.

I hereby affirm that the contents of this manuscript are original. Furthermore, it has neither been published elsewhere in any language fully or partly, nor is it under review for publication elsewhere.

I affirm that all the author (s) have seen and agreed to the submitted version of the manuscript and their inclusion of name (s) as co-author (s).

Also, if my/our manuscript is accepted, I/We agree to comply with the formalities as given on the website of the journal & you are free to publish our contribution in any of your journals.

NAME OF CORRESPONDING AUTHOR:

Designation:

Affiliation with full address, contact numbers & Pin Code:

Residential address with Pin Code:

Mobile Number (s):

Landline Number (s):

E-mail Address:

Alternate E-mail Address:

NOTES:

- a) The whole manuscript is required to be in **ONE MS WORD FILE** only (pdf. version is liable to be rejected without any consideration), which will start from the covering letter, inside the manuscript.
- b) The sender is required to mention the following in the **SUBJECT COLUMN** of the mail:
New Manuscript for Review in the area of (Finance/Marketing/HRM/General Management/Economics/Psychology/Law/Computer/IT/Engineering/Mathematics/other, please specify)
- c) There is no need to give any text in the body of mail, except the cases where the author wishes to give any specific message w.r.t. to the manuscript.
- d) The total size of the file containing the manuscript is required to be below **500 KB**.
- e) Abstract alone will not be considered for review, and the author is required to submit the complete manuscript in the first instance.
- f) The journal gives acknowledgement w.r.t. the receipt of every email and in case of non-receipt of acknowledgment from the journal, w.r.t. the submission of manuscript, within two days of submission, the corresponding author is required to demand for the same by sending separate mail to the journal.

2. **MANUSCRIPT TITLE:** The title of the paper should be in a 12 point Calibri Font. It should be bold typed, centered and fully capitalised.

3. **AUTHOR NAME (S) & AFFILIATIONS:** The author (s) **full name, designation, affiliation (s), address, mobile/landline numbers, and email/alternate email address** should be in italic & 11-point Calibri Font. It must be centered underneath the title.

4. **ABSTRACT:** Abstract should be in fully italicized text, not exceeding 250 words. The abstract must be informative and explain the background, aims, methods, results & conclusion in a single para. Abbreviations must be mentioned in full.

5. **KEYWORDS:** Abstract must be followed by a list of keywords, subject to the maximum of five. These should be arranged in alphabetic order separated by commas and full stops at the end.
6. **MANUSCRIPT:** Manuscript must be in **BRITISH ENGLISH** prepared on a standard A4 size **PORTRAIT SETTING PAPER**. It must be prepared on a single space and single column with 1" margin set for top, bottom, left and right. It should be typed in 8 point Calibri Font with page numbers at the bottom and centre of every page. It should be free from grammatical, spelling and punctuation errors and must be thoroughly edited.
7. **HEADINGS:** All the headings should be in a 10 point Calibri Font. These must be bold-faced, aligned left and fully capitalised. Leave a blank line before each heading.
8. **SUB-HEADINGS:** All the sub-headings should be in a 8 point Calibri Font. These must be bold-faced, aligned left and fully capitalised.
9. **MAIN TEXT:** The main text should follow the following sequence:

INTRODUCTION**REVIEW OF LITERATURE****NEED/IMPORTANCE OF THE STUDY****STATEMENT OF THE PROBLEM****OBJECTIVES****HYPOTHESES****RESEARCH METHODOLOGY****RESULTS & DISCUSSION****FINDINGS****RECOMMENDATIONS/SUGGESTIONS****CONCLUSIONS****SCOPE FOR FURTHER RESEARCH****ACKNOWLEDGMENTS****REFERENCES****APPENDIX/ANNEXURE**

It should be in a 8 point Calibri Font, single spaced and justified. The manuscript should preferably not exceed **5000 WORDS**.

10. **FIGURES & TABLES:** These should be simple, crystal clear, centered, separately numbered & self explained, and **titles must be above the table/figure**. **Sources of data should be mentioned below the table/figure**. It should be ensured that the tables/figures are referred to from the main text.
11. **EQUATIONS:** These should be consecutively numbered in parentheses, horizontally centered with equation number placed at the right.
12. **REFERENCES:** The list of all references should be alphabetically arranged. The author (s) should mention only the actually utilised references in the preparation of manuscript and they are supposed to follow **Harvard Style of Referencing**. The author (s) are supposed to follow the references as per the following:
 - All works cited in the text (including sources for tables and figures) should be listed alphabetically.
 - Use **(ed.)** for one editor, and **(ed.s)** for multiple editors.
 - When listing two or more works by one author, use --- (20xx), such as after Kohl (1997), use --- (2001), etc, in chronologically ascending order.
 - Indicate (opening and closing) page numbers for articles in journals and for chapters in books.
 - The title of books and journals should be in italics. Double quotation marks are used for titles of journal articles, book chapters, dissertations, reports, working papers, unpublished material, etc.
 - For titles in a language other than English, provide an English translation in parentheses.
 - The location of endnotes within the text should be indicated by superscript numbers.

PLEASE USE THE FOLLOWING FOR STYLE AND PUNCTUATION IN REFERENCES:**BOOKS**

- Bowersox, Donald J., Closs, David J., (1996), "Logistical Management." Tata McGraw, Hill, New Delhi.
- Hunker, H.L. and A.J. Wright (1963), "Factors of Industrial Location in Ohio" Ohio State University, Nigeria.

CONTRIBUTIONS TO BOOKS

- Sharma T., Kwatra, G. (2008) Effectiveness of Social Advertising: A Study of Selected Campaigns, Corporate Social Responsibility, Edited by David Crowther & Nicholas Capaldi, Ashgate Research Companion to Corporate Social Responsibility, Chapter 15, pp 287-303.

JOURNAL AND OTHER ARTICLES

- Schemenner, R.W., Huber, J.C. and Cook, R.L. (1987), "Geographic Differences and the Location of New Manufacturing Facilities," Journal of Urban Economics, Vol. 21, No. 1, pp. 83-104.

CONFERENCE PAPERS

- Garg, Sambhav (2011): "Business Ethics" Paper presented at the Annual International Conference for the All India Management Association, New Delhi, India, 19–22 June.

UNPUBLISHED DISSERTATIONS AND THESES

- Kumar S. (2011): "Customer Value: A Comparative Study of Rural and Urban Customers," Thesis, Kurukshetra University, Kurukshetra.

ONLINE RESOURCES

- Always indicate the date that the source was accessed, as online resources are frequently updated or removed.

WEBSITE

- Garg, Bhavet (2011): Towards a New Natural Gas Policy, Political Weekly, Viewed on January 01, 2012 <http://epw.in/user/viewabstract.jsp>

FUNDS GENERATION AND MANAGEMENT IN ONDO STATE LOCAL GOVERNMENT, NIGERIA

DR. FELIX OLURANKINSE
LECTURER
DEPARTMENT OF ACCOUNTING
ADEKUNLE AJASIN UNIVERSITY
AKUNGBA

ABSTRACT

Local government arm of the government has been the third level of government and its administration covered a very wide area. The impact and influence of the local government have exacted in the general life pattern of citizens in the rural areas and therefore cannot be over-emphasized. Majority of Nigerians are ultimately affected by the activities of local government whether they are in the rural or urban areas. A key factor in the ability of local governments to provide services is no doubt the availability of funds. Unfortunately, the financial resources of the majority of local governments in the country when compared to the needs to be met, presents an unhealthy score card. Therefore, the purpose of this study is to appraise the operation of the local governments in relations to funds generation and management. Irele Local government of Ondo State was chosen as a case study. Both primary and secondary data were used to obtain Data and the analysis was carried out with the use of variance analysis. The findings reveal that Irele local government was adequately funded albeit, majority of the respondents attested to the fact that funds were often diverted from the original purposes to personal or non budgeted areas. This creates an impression that the administration of the council has no focus and not persistent in her pursuit. The study recommended the need to strengthen the internal control mechanism of the local government to forestall unnecessary diversion of funds. Also, transparency and accountability must be encouraged so as to make the best use of funds available to the local government. There should be regular training programmes for all categories of workers so as to update their knowledge in the day to day running of the council affairs.

KEYWORDS

Revenue, Fund Management, Accountability, Transparency.

INTRODUCTION

The primary aim of the Local Government Administration in Nigeria is to bring the Government closer to the grassroots, and thus ensuring that no one is left out of the various activities of the government. This sounds logical because majority of Nigerian live in the rural areas across Nigeria. It should be recalled that the creation of local government council areas in Nigeria was partly due to the agitation on the parts of the people aimed at overcoming the problem of over-concentration of government activities in the Federal Capital Territory and State Capitals. In the process, the people were mostly left out unaffected. They did not have a true sense of belonging. However, one of the pre-conditions for the creation of Local Government Council in Nigeria was that of economic viability of the proposed council area. This was necessitated by the need to ensure that such councils do not have to be over dependent on the Federal and State allocations.

This underscores the central role finance (fund) has to play in that life at Local Government Administration. The need to see how Irele Local Government Area has performed in this regard provides the basis for the selection of this topic. But this will not stop at examining the sources of the revenue drive; concerted efforts will equally be made towards assuring that the management of funds so generated is looked into.

STATEMENT OF THE PROBLEM

At the centre of any Local Government Administration in Nigeria is the question ask as to how viable are the Local Councils in terms of their ability to generate the required funds necessary for providing the services to the people, both in the urban and rural areas. There has been popular view to the effect that Local Government Councils in Nigeria are generally weak in their capacity to generate revenue locally. Many reasons have been given for this. The facts emerged that there are inadequate revenue sources in the rural areas, corrupt Local Government Staff through deliberate decision on the part of the citizen not to pay their levies as a way of punishing the leadership of the council administration. Implied in the above is the fact that most council has been over dependent on the revenue allocation from the federal and state governments. This development has exposed the councils to the whims and caprices of the government or leadership at the centre who may want to use this weakness to facilitate or hinder administrative and development process in some local government councils. Local Government Administrations have been accused of one time or another for financial recklessness. It is being argued that apart from plenty of fund at the local government level mismanagement is one of the various problems confronting the local government administration in Nigeria. All the above are true to a varying degree in all the local council areas in Nigeria, and in the same manner, it has subsequently affected the ability of the councils in providing for the people the important services that necessitated its creation.

It was out of the need to know how this affected Irele Local Government Council in Ondo State that, this study is being carried out.

LITERATURE REVIEW

Every country is made up of many heterogeneous groups that are unique and distinct in many respects namely population, customs, culture, religion language and so on (Dare and Oyewole, 1987). On this note therefore, the needs and aspiration of these groups are bound to be varied from one to another. Having these under one common central administrative may be very difficult. The best way the differences can be accommodated is to have some measure of decentralization of power and authority, thus creation of local government is one way of ensuring this. In the word of Dare and Oyewole (1987) "Local Government can be described as a system of government where the central government sets up subordinate units of administration and vest in them the authority to perform local functions". According to Norris (2004), Local Government Administration is relevant in a Federal Structure just as it is in a unitary system. It is so because too much concentration of power at the centre may not give room for rapid development and social transformation objectives of the local government councils. According to Laski (1996) government should not be carried out by a single body. It could maintain its local staff that will report directly to it, and apply the necessary solution in accordance with its directions. In other words, a vivid local life in any society is not to live in strict political terms and Nigeria is trying to provide uniform system not minding the diversity of the entire polity. This is in spite of the several clamour for devolution or not decentralization of power and authority and part of this clamour is that unless the resumption of active powers by the local authority is made possible, the federal and state government will stifle all local initiatives. It will also destroy the well spring of local knowledge and local interest without which it cannot possibly exercise its functions. Laski (1996) further asserted that the full benefit of democratic government cannot be realized unless we begin by the admission that all problems are not central or national problems, and the result of problems not being so central/national in their incidence require decision at the place, and by the person where and by whom the incidence is mostly deeply felt.

Further, Butter worth opined that if a service is mainly applied to the benefit of a particular area, it is only fair that the inhabitants of the area in question should pay for it, and to raise for them the funds for payment means certainly that they will demand control of the service and probability that they will manage it efficiently in order to keep their bill of cost as low as possible, Combell, w (1964). In addition, we cannot make an average man realize his/her citizenship in any creative sense of his/her only relation to government is obtained by voting in every four or five years in a national election. Relevance of such government must

be brought to him/her interest in the political process will name to vanishing process. It should be noted that the more inert the citizen-body, the more likely is there to be corruption and sinister privilege in the political process. Local Government is educative in perhaps a higher degree, at least continentally than any other level of government. There is not other way of bringing the minds of citizen into intimate contact with the persons responsible for decisions. It is clear that any great degree of centralization must mean and can only mean a bureaucratic system. No legislative assembly will be able however, greedy of power to make decision upon more than the largest outlines of local problems, (Golding, F.C 1970).

FUNCTIONS OF LOCAL GOVERNMENT

The nature of Local Government is such that duties that is local and which can only be well performed by small government that is allocated to it (Adamolekun and Rowland, 1979). Among such duties are the following:

MAINTENANCE OF LOCAL ROADS AND BRIDGES

This is important to enhance commutation and effective transportation links at intra and inter community levels. In this way, communities that may not be known at the central level of the political administration can still be remembered and linked up with the local government headquarters and subsequently the major highways. This development will facilitate the evacuation of goods and services from one part of the areas that constitute the local government to the other. The stretch of water from Ogolo stream has been a major communication barrier between Ode-Irele and Ajagba community; several efforts have been made and are still being made to construct a bridge across the stream at the community level. Successive administration of Irele Local Government has tried to complement these independent community efforts. The combination of the efforts described above has made the road partially motorable for some part of the year (i.e. Dry season). The feat was not possible some years before.

DISPENSARIES AND MATERNITY CENTRES

The relevance of good health for all can be contested yet not everyone gets it. The proportion of those that could not is higher in the rural centers. This is because most of the modern health institutions are concentrated in the capital living the rural and other urban centre uncured for. To reduce this gap, local government is charged with the responsibilities of providing primary health institutions in their area of jurisdictions to meet the basic needs of the people at the grassroots (Hillman, 1964). It is hoped that such attempt will reduce infant mortality rate, reduce cases of antenatal death, increase life expectancy ratio, reduce the spread of epidemic diseases, and increase the rate of awareness about preventive medical care and so on. It is to be noted that many maternity centers and dispensaries have been established in Irele Local Government within the last couple of years. However, a cursory look at these institutions will reveal that quite a number of them are not manned by qualified and experience medical personnel. This is in addition to the fact that they are not provided with adequate drugs among other facilities. Besides the centers, are hardly enough to meet the growing population. Supervision of Environment Sanitation Monitoring and evaluation of the State of environmental sanitation at the grassroots level will be very difficult for the government either at the federal (National) and state level. To lesson this burden required giving the responsibility to the government structure that is closed to the people, and of course, the obvious option is the local government. Under this arrangement, it becomes easier to closely monitor the sanitation process at the level, going from street to street, home to home, village to village and so on.

A part from monitoring and evaluating, it also enhances the process of mobilizing the rural dwellers for the purpose of ensuring that sanitation exercise is carried out effectively. The fact that local health administration can speaks the local dialect, makes it easier to educate the local people about health hazards (Jackson, 1966).

MARKETS AND MOTOR PARKS UP KEEP

Markets and Motor parks are very vital for rapid economic growth and development of the rural areas in African in general and Nigeria in particular. The absences of such vital facilities have made it highly problematic for some communities to effectively exchange and transport their goods and services in the most effective and efficient way. The role of the local government administration in providing and maintaining such facilities would therefore be a source of great relief to the people. Unfortunately, many local governments in Nigeria are found wanting in this area. Even where such facilities are put in place, they are not properly maintained by the council officials for one reason or the other. Irele Local Government is not an exemption in this regard.

COMMUNITY DEVELOPMENT AND PLANNING

Community development activities are no longer as simple as they once used to be. The increasing pressure brought about by modernization has made community development initiatives more complex and vigorous. This has therefore made even more difficult for the central government so effectively take charge of this function, as it is too remote from the various communities involved both physically and socially. The local government councils are therefore saddled with the task of mobilizing the people at the local level towards initiating and supporting programmes that are tailored towards massive and rapid development of the rural areas. No doubt, such efforts are needed to storm the increasing tide of rural- urban migration with the attendant shortage of productive workforce to support agriculture and other allied activities. This is being done through effective liaison with the various groups at the grassroots level. They include the youth organization, market woman associations, artisans clubs, traditional rulers' woman councils, community development associations (CDAS) religious groups etc.

LICENSE AND BIRTH CERTIFICATES

Without the Local Government structure in place, it would have been difficult, if not impossible for the government at he centre to know all the beer parlors, vehicles, bicycles, motorcycles etc and licenses to be issued to them just as it would be trying to monitor and control their activities for the overall well being of the society. The same thing would have happened in respect of birth rate and the contribution of such knowledge and information to the compilation of vital statistics. This is because of the largeness of the size of the country and the remoteness of the centre to the periphery. So, local governments are better equipped to perform this function because they are close to the local inhabitants, speaks their dialects, share their sentiments and values.

PERMITS TO BUILD HOUSES

The need for proper town planning and building layout can not be ignored in the file of modern development. Proper planning will take care of road networks, industrial layout/estates, residential areas, pipelines among others. All these are necessary to ensure there is orderliness and sanity in the process of erecting structures, so as not impeding free movements of people and equipments and accelerated development. The government at the centre may not be able to get all the detail information required for this. But the government at the grassroots will be able to and make adequate and necessary provisions required.

Unfortunately, this is an area the local administration has not been handling with all the seriousness it deserves. This is probably due to the fact that they are not handling the required manpower to achieve this purpose.

DATA PRESENTATION AND ANALYSIS

Both primary and secondary methods were used to obtain Data. For this study, the primary data used is basically from personal interview with key personnel of the local government, while the secondary data is based on information gathered from the government approved estimates, local government journeys and the revised financial memoranda for senior head government functionaries. The sample size was limited to one hundred and twenty (120) randomly selected from the population as indicated in Table 1. The data obtained were analyzed using variance analysis and the result presented subsequently.

METHODOLOGY

This is concerned primarily with the issues like restatement of research questions, study population, samples size, sampling techniques, methods of data collection and methods of data analysis. Consequently, the details of these shall be found in the subsequent parts of this chapter.

STUDY POPULATION

The staff population of Irele Local Government is currently put at one thousand four hundred and eighty (1,480). This is made up of the junior, senior and management staff of the local government. The distribution of the population is as shown in the table below.

TABLE 1: STAFF POPULATION OF IRELE LOCAL GOVERNMENT AS AT 31ST DECEMBER, 2010

DEPARTMENT	CATEGORY OF STAFF			
Treasury	450	146	4	600
Works	222	26	2	250
Health	170	27	3	200
Community	132	16	2	150
Personnel	70	40	10	120
Agric	134	22	4	160
Total	1178	277	25	1480

Source: Personal interview of the researcher

TABLE 2: SAMPLE DISTRIBUTION

Department	Sample	Percentage (%)
Treasury	49	40.83
Works	20	16.67
Health	16	13.33
Community	12	10.00
Personnel	10	8.33
Agric	13	10.83
Total	120	100.00

Source: Personal interview of the researcher

PRESENTATION OF RESULT AND FINDINGS

TABLE 3: IRELE LOCAL GOVERNMENT ACTUAL REVENUE FOR THE YEARS ENDING 31ST DEC. 2007 - 2010

Details of Revenue	2007 Actual	2008 Actual	2009 Actual	2010 Actual
Head 1001 (Taxes)	164,935.26	203,081.00	165,458.85	374,556.11
Head 1002 (Rates)	82,390.00	105,210.00	24,062.00	111,000.00
Head 1003 (Local License and Fees)	1,797,427.84	310,210.00	550,721.00	392,192.00
Head 1004 (Earning from Commercial undertaking)	375,663.00	310,233.0	453,900.00	7,345,910.00
Head 1005 (Rent of Local Government Property)	-	-	-	-
Head 1006 (Interest payment and dividend)	79,200.00	-	-	-
Head 1007 (Grants)	25,018,220.49	-	-	24,919,071.02
Head 1008 (Miscellaneous)	-	-	-	-
Head 1009 (Statutory Allocation)	67,917,993.02	40,874,315.00	220,348,052.89	203,413,270.03
Total	95,435,829.61	53,469,510.00	221,542,194.60	236,556,004.66

Source: Annual estimate for 2007 - 2010

TABLE 4: IRELE LOCAL GOVERNMENT BUDGETARY REVENUE FOR THE YEARS ENDING 31 DECEMBER, 2007 - 2010

Details of Revenue	2007 Actual	2008 Actual	2009 Actual	2010 Actual
Head 1001 (Taxes)	110,000	2,100,000.00	1,600,000.00	1,600,000.00
Head 1002 (Rates)	200,000	400,000.00	400,000.00	400,000.00
Head 1003 (Local License and Fees)	868,000	3,245,500.00	2,245,500.00	2,245,500.00
Head 1004 (Earning from Commercial undertaking)	270,000	270,000	1,336,500.00	1,336,500.00
Head 1005 (Rent of Local Government Property)	200,000	200,00	200,00	200,000
Head 1006 (Interest payment and dividend)	21,000	110,000.00	110,000.00	110,000.00
Head 1007 (Grants)	25,000	50,000	30,000.00	30,000.00
Head 1008 (Miscellaneous)	50,000	80,000.00	80,000.00	80,000.00
Head 1009 (Statutory Allocation)	171,500	227,027,980	577,252,689	577,252,689
Total	173,244,000	234,549,980	583,254,689	585,224,689

Source: Annual estimate for 2007 - 2010

TABLE 5: VARIANCE ANALYSIS

Details of Revenue	2007 Actual	2008 Actual	2009 Actual	2010 Actual
Head 1001 (Taxes)	54,939.26	(1,896,919.00)	(1,434,541.25)	(1,225,443.89)
Head 1002 (Rates)	(117,610.00)	294,279.00	(375,938)	(289,000.00)
Head 1003 (Local License and Fees)	929,427.84	2,935,290.00	(1,694,779.00)	(1,853,303.00)
Head 1004 (Earning from Commercial undertaking)	105,663.00	(40,233.00)	(882,600.00)	6,009,410.00
Head 1005 (Rent of Local Government Property)	(200,000)	(200,000)	(200,000)	(200,000)
Head 1006 (Interest payment and dividend)	58,200	(110,000.00)	(110,000.00)	(110,000.00)
Head 1007 (Grants)	24,993,220.49	(50,000.00)	(30,000.00)	(24,889,072.02)
Head 1008 (Miscellaneous)	(50,000.00)	(80,000.00)	(80,000.00)	(80,000.00)
Head 1009 (Statutory Allocation)	(103,582,007)	(186,153,665.00)	(356,904,636.20)	381,811,418.50
Total	(77,808,170.39)	(181,080,470.00)	(361,712,494.40)	(348,668,684.40)

Source: Author's computation 2010

The variance is favourable where the actual revenue is greater than the budgetary revenue, while it is unfavourable if the budgeted revenue is greater than the actual revenue. Variance analysis is calculated by subtracting the budgeted revenue from the actual revenue.

TABLE 6: SUMMARY OF INTERNALLY AND EXTERNALLY GENERATED REVENUE

	2007	2008	2009	2010
Internal	2,499,616.10	928,992.99	1,194,141.75	8,223,663.11
External	92,936,213.51	40,874,32.00	220,348,052.89	228,332,341.50
Sum	95,435,829.61	41,803,049.00	221,542,194.60	236,556,004.60
% of Internally	2,499,616.10	928,734.00	1,194,141.75	8,223,663.11
Generated Revenue	95,435,829.61	41,803,049.00	221,542,194.60	236,556,004.60
Total	2.62%	2.22%	0.54%	3.48%

Source: AUTHORS COMPUTATION 2010

Financial memorandum of Irele Local Government:2007,2008,2009,2010

Average percentage for the four years

$$\frac{2.62 + 2.22 + 0.54 + 3.48}{4} = 2.22\%$$

4 = 2.22%

Internally generated revenue comprised Head 1001 to Head 2008 which are Taxes, rates, Local License and fees, earning from commercial undertakings, interest payment and dividend and miscellaneous, while externally generated revenue is the statutory allocation. The internally generated revenue of the council was N2,499,616.10 in 2007, this declined to N928,734.00 in 2008, it further rose to N1,194,141.75 in 2009 and finally rose to N8,223,663.11 in 2010. This represents 2.62% in 2007, 2.22% in 2008, 0.54% in 2009 and 3.48% in 2010. On the other hand, the externally generated revenue which is mainly from statutory allocation was N7,917,993.02 in 2007, this declined to N40,874,315.00 in 2008, it further rose to N220,348,052.89 in 2009 and fell to N203,413,270.53 in 2010.

The total internally generated revenue for the four years stood at:

$$= N(2,499,616.10 + 928,734.00 + 1,194,141.75 + 8,223,663.11)$$

$$= N12,846,154.96$$

The total externally generated revenue for the four years stood at:

$$= N(92,936,213.51 + 40,874,315.00 + 220,348,052.89 + 228,332,341.50)$$

$$= N582,490,922.80$$

From the facts above or overleaf, the percentage of the four years IGR generated in 2007 can be calculated thus:

$$\frac{2,499,616.10}{12,846,154.96} \times \frac{100}{1} = 19.44\%$$

For 2008

$$\frac{928,734.00}{12,846,154.96} \times \frac{100}{1} = 7.23\%$$

For 2009

$$\frac{1,194,141.75}{12,846,154.96} \times \frac{100}{1} = 9.29\%$$

For 2010

$$\frac{8,223,663.11}{12,846,154.96} \times \frac{100}{1} = 64.02\%$$

Using 2007 as index, the internally generated revenue decreased to

$$= \frac{928,734.00}{2,499,616.10} \times \frac{100}{1} = 37.16\%$$

$$\text{Decreased to} = \frac{1,194,141.75}{2,499,616.10} \times \frac{100}{1} = 47.77\%$$

$$\text{Increased to} = \frac{8,223,663.11}{2,499,616.10} \times \frac{100}{1} = 328.99\%$$

In 2010, internally generated revenue increased by N7, 029, 521.36 which represents 88.62% increase over that of 2009.

The statutory allocation fluctuates in line with whatever is received from the Federation account.

CONCLUSION

Based on the data collected from the field survey and analysis on the various review of the paper, I have been able to highlight the various issues that readily come under local government finance. These include the sources of the local government funding, fund management, accountability, financial administration, financial control and accounting. The changing role and importance of director of finance department (chief financial adviser to the council) the executive and legislative arms of the council from the evidences available so far, central to the development of a virile and viable local government, is a system of prudent financial management, the revised financial memoranda provides elaborate managements to ensure that public funds are handled by the local government functionaries with a high sense of probity and accountability. It also requires those concerned to tap these resources and make effective and efficient use of the opportunity offered to serve the public. Both the political and the career officers of the local government need to acquire adequate working knowledge of the financial memoranda consciously and patriotically apply same to their work for progress.

RECOMMENDATIONS

In view of the findings arising from the study, it is pertinent to make the following recommendations.

- **Supervision:** There is need to strengthen the internal control mechanism of the local government and effort should be made how funds are being managed and generated by the local government to reduce the level of financial impropriety on the part of local government staff or officials.
- **Financial Management:** The financial management in the sense of realistic approach should entail advance planning progressive development of services to the advantage of the people in the locality. Transparency and accountability must be encouraged so as to make the best use of funds available to the local government. The auditors both external & internal should be strengthened to enable them probe or investigate the various financial mismanagement discovered at any time and should be published quarterly for the general populace to see and commend.
- **Training Scheme:** Training programmes for workers in the local government should be introduced for all categories of workers so as to update their knowledge in the day to day running of the council. Staff should be encouraged to further their studies by giving them study leave with or without pay so as to enhance development and standard improvement in financial and personnel management. The Local government should employ the services of a commission management consultants to assist them in their internally generated revenue drive so as to tap the untapped revenue due to the local government.
- **Adequate incentive:** Workers of the local government must be well remunerated and well taken care of by building staff quarters where necessary. This will discourage fraud and mismanagement of funds. All entitlement must be paid to all categories of workers as at when due e.g. claims and leave bonus. Modern office blocks should be provided to replace the old ones. Modern equipment, such as computers accessories should be required for easy process of accounting procedure.

REFERENCES

1. Ademulegun D. O. (1997) Financial and administrative Procedure in Nigerian Local Government. O.A.U. Press, Ile-ife Pp 121-156
2. Combell,W (1964) Auditing; principles and procedures, London: Richard D.Irwin Inc.Pp47-89
3. Golding, F.C (1970) Auditing principles and practice. London, Pitman Publishing, Pp231-342
4. Harunna, W.W (1990) Local Government Financing in Nigeria. Ibadan, Bosco publishingLTD, Pp111-143
5. Jackson,A.O (2000) Institutional Administration: A Contemporary Local Government Perspective from Nigeria, Lagos, Malt house press limited Pp25-71
6. Laski, T.O (1996) Principles of Local Government Accounting, Lagos. Desmond Publication Ltd, Pp31-76
7. Norris, J (2004) Financial Management in Local Government.4th Edition, Cambridge: Wood Head Faulkner Ltd, Pp113-201
8. Ogah, E.A. (1992), A guide to local government auditing and accounting. personal interview, the key personnel and functionaries of the local government
9. Oladimeji A (1958) Financial Management of Local Government in Nigeria. Ibadan, Verity press Ltd.Pp25-78.
10. Oyewole, A.O (1987) Environmental of Frauds: Internal Controls and its functions against fraud. Ibadan, Evans brother ltd,Pp78-112
11. Oyediran, B.A. (1990): "Emerging Trends in Nigeria Local Government".
12. Structure of Local Government in W/A IULA (84) (1965) P. 248 The Ondo State, (1999), "Gazette".
13. The Kaduna Government Printer (1976), "Federal Republic of Nigeria",
14. Guidelines to Local Government Reform, Financial Memoranda of Local Government Irele Local Government, (2004, 2005, 2006, 2007) Approved Estimates

REQUEST FOR FEEDBACK

Dear Readers

At the very outset, International Journal of Research in Commerce, Economics and Management (IJRCM) acknowledges & appreciates your efforts in showing interest in our present issue under your kind perusal.

I would like to request you to supply your critical comments and suggestions about the material published in this issue as well as on the journal as a whole, on our E-mails i.e. infoijrcm@gmail.com or info@ijrcm.org.in for further improvements in the interest of research.

If you have any queries please feel free to contact us on our E-mail infoijrcm@gmail.com.

I am sure that your feedback and deliberations would make future issues better – a result of our joint effort.

Looking forward an appropriate consideration.

With sincere regards

Thanking you profoundly

Academically yours

Sd/-

Co-ordinator

ABOUT THE JOURNAL

In this age of Commerce, Economics, Computer, I.T. & Management and cut throat competition, a group of intellectuals felt the need to have some platform, where young and budding managers and academicians could express their views and discuss the problems among their peers. This journal was conceived with this noble intention in view. This journal has been introduced to give an opportunity for expressing refined and innovative ideas in this field. It is our humble endeavour to provide a springboard to the upcoming specialists and give a chance to know about the latest in the sphere of research and knowledge. We have taken a small step and we hope that with the active co-operation of like-minded scholars, we shall be able to serve the society with our humble efforts.

Our Other Journals

