**Evaluation of the effectiveness of the municipalities accounting system in meeting the informational needs of interested parties from the applicants point view**

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**Abstract:**

This study aim to evaluating the effectiveness of the municipal accounting system applied in the west bank municipalities at year 2008, and it had come at a time when many countries in the world developed their municipalities accounting systems, to contribute to urge municipalities to develop themselves financially by developing their accounting systems in meeting the informational needs of the interested parties. For this purpose, a sample representing all characteristics of the universe (west bank municipalities) was selected. A questionnaire was also developed in order to gather data about the sample. The data collected underwent various statistical methods including the descriptive methods.

This study concluded a positive results, including:

(1) A high adherence to the municipal rules, laws, and regulations.

(2) A remarkably, high capability of the current municipal accounting system to provide reports about revenues and expenditures, daily cash balance, trial balance and accounting reports to the interested parties while forming their sound decisions.

(3) An effective control procedures over the cash movement inflows and

outflows, which also easily helps in detecting the errors and fraudulent activities.

(4) It helps the municipal council in forming decisions leading to optimizing revenues and minimizing expenditures of the daily operations. In the opinion of the sample members, the characteristics of understandability, relevance, and comparability were highly observed.

While the qualities of completeness, consistency, continuity and adequacy in disclosure, and substance over form. As for the applied accounting basis in excellent of its easiest use of the cash basis, and the applicators of the accounting system doesn’t face difficulty in applying the system in general.

The study also highlight of the following negative results including:

(1) The inability of the accounting system disclose the informational needs of the interested parties though the sample completeness character of the information partialarly the statements of balance sheet, cash inflows and outflows, fixed assets, account receivables and payables, and variance analysis between the real and budgeted figures.

(2) The municipal accounting system couldn’t provide data about current cost of services offered to the public.

(3) Shortage in the qualification level of the accounting system staff.

(4) A great deffiancy in the accounting softwares being applied by the municipalities.

Finally, the study concluded a necessary recommendations that must enhance the efficiency and effectiveness of the municipal accounting systems in meeting the informational needs of the parties concerned, which may be provided to the municipal council and its financial departments staffs, and other recommendations to Palestinian ministry of local government personnel.