

Abstract

The main objective of the research was to establish the influence of the principle of accountability on the financial management of National Government Constituency Development Fund (NG-CDF) in Nyanza Region, Kenya. The study was guided agency theory. Descriptive research design was adopted for the study. The total population of the study was 420 respondents from all the 42 constituencies across Nyanza Region, Kenya represented by 42 fund managers and 378 NG-CDF committee members. Proportional sampling, developed by Taro Yamane, was used to calculate the study's sample size of 205. The study used questionnaire as data collection tool for primary data. Data was analyzed using descriptive and inferential statistics with aid of SPSS version 26. The results indicated that there was linear relationship between accountability principle and financial management as tested by the Pearson Correlation Analysis ($r=0.757$, $p=0.000$). Accountability principles accounted up to 57.3% significant variance in financial management ($R^2 = .573$, $P=0.000$). Therefore, the study concluded that accountability principle has significant influence on the financial management of NG-CDF in NG-CDF in Nyanza Region, Kenya. The study recommended that policy makers should put in place enabling policies and procedures to help put in place a board that is independent, accountable, well structures and committed in regards to Chapter VI of the Constitution of Kenya 2010 on integrity and leadership.

Key words: Corporate Governance Principles, Accountability Principle, Financial Management, National Government Constituency Development Fund