

## ABSTRACT

The study examined the relationship between SSRA impact of financial guideline table issued by BoT. A study consider the National Social Security Fund as a case study. The study objectives was to know the performance of pension fund after inception of SSRA as a regulator on financial guideline.

Data used in the study was for the period 2010 to 2015. The BoT investment guidelines which became effective in 2012 classifies investment assets as Investment in Fixed Income, equities, properties, infrastructure and other real property, offshore investments is prohibited and investment in assets category not specified in investment guideline table shall be subject to prior approval.

The guidelines stipulate the maximum in percentage terms that pension funds should invest in each of the specified assets. Though investment guidelines became effective from 2012, pension funds did not manage to adjust their investment portfolios due to various technicalities which included appointment of fund managers, custodians, trustees and an actuary. The study findings reveal that the different asset classes have varying effects on investment incomes of pension funds and ultimately on the overall financial performance of the pension funds. Therefore, fund managers should be selective in the asset in which they invest while at the same time ensuring diversification of their investment portfolios. With the application of guidelines, pension schemes have experienced reduced risk and reduction of variability in returns from year to year, an indication of more stable earnings.

Researcher recommend that SSRA should advice the funds on their annual stakeholders meeting to evaluate investment performance of the funds so as stakeholders to know and understand how their money are used and funds value preserved.

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