

Education Endowment Scheme

Annual Report
For Financial Year 2001/2002



Ministry of Education

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MISSION

To enhance the quality of education in Singapore

To motivate students to excel

OBJECTIVE

To maximise and equalise educational opportunities for all Singaporeans

EDUSAVE ADVISORY COUNCIL

- 1 The Edusave Advisory Council was established under the Education Endowment Scheme Act (CAP 87A) for the purpose of advising the Minister for Education on the application of the income of the Edusave Endowment Fund. The Council comprises members who are prominent businessmen and experienced educationists.
- 2 The members appointed by the Minister for Education to serve for a 2-year term from 1 January 2001 are listed in page 5.

Chairman
Mr Kua Hong Pak
Director
Delgro Corporation Ltd

Member
Mr Ong Lay Khiam
General Manager
Hong Leong Finance Pte Ltd

Member
Dr Mohd Maliki Osman
Assistant Professor
Department of Social Work and Psychology
National University of Singapore

Member
Mr Tan Hup Foi
Managing Director
Trans-Island Services Ltd
Singapore Shuttle Bus (Pte) Ltd

Member
Mrs Chang Swee Tong
Principal
Zhonghua Secondary School

Member
Mrs Lay See Neufeld
Principal
Tampines North Primary School

EXECUTIVE SUMMARY

EDUSAVE ENDOWMENT FUND

- 1 During the financial year (FY) 2001, the Edusave Endowment Fund generated an interest income of \$214.6m. Coupled with the \$364.4m balance brought forward from FY2000, the total income available in the Income Account for FY 2001 amounted to \$579.0m.
- 2 Of this amount, \$136.5m was disbursed in the form of contributions to students' Edusave accounts, Edusave grants, Edusave scholarships, Edusave merit bursaries, Community Education Awards and development and operating expenditure. As at 31 March 2002, the balance in the Edusave Endowment Fund was \$5.4 billion which includes a balance of \$442.5m in the Income Account.

EDUSAVE PUPILS FUND

- 3 The total amount disbursed to Edusave Pupils Fund in the financial year was \$68.7m. A total of \$58.0m was withdrawn by students in the government and government-aided primary and secondary schools, junior colleges and centralised institutes, independent schools, government-supported special education schools for payment of second-tier miscellaneous fees and school-based enrichment programme charges. Another \$3.9m was withdrawn by students in Institutes of Technical Education, polytechnics and universities for payment of approved fees. The total amount of \$61.9m withdrawn in FY2001 is 9.0% more than the \$56.8m withdrawn in the previous financial year.

EDUSAVE GRANTS

- 4 Edusave grants are given to all government and government-aided primary schools, secondary schools, junior colleges and centralised institutes, independent schools, government-supported special education schools and Institutes of Technical Education to enable them to procure resources and equipment and introduce programmes that would enhance the quality of teaching and learning. The amount disbursed in the financial year was \$37.1m. The total expenditure is \$39.7m, which includes usage of previous year's balances, representing an utilisation rate of 106.2%.

EDUSAVE AWARDS

- 5 Edusave awards are given to motivate students to excel both academically as well as in non-academic areas. An amount of \$28.6m was disbursed during the financial year. It comprised \$13.6m (47.6%) in Edusave Scholarships, \$9.6m (33.6%) in Edusave Merit Bursaries, \$3.2m (11.2%) in Good Progress Awards and \$2.2m (7.6%) in Edusave Awards for Achievement, Good Leadership and Service. Another \$0.2m was disbursed to the Citizens' Consultative Committees for their bursaries under the Community Education Award Scheme.

DEVELOPMENT AND OPERATING COST

- 6 The development and operating cost of the Edusave Endowment Fund and Edusave Pupils Fund Systems amounted to \$2.1m during the financial year.

EDUSAVE ENDOWMENT FUND

- 1 The Education Endowment Scheme, commonly known as the Edusave Scheme, was established in January 1993. The Edusave Scheme is governed by the Education Endowment Scheme Act (CAP 87A). The Edusave Endowment Fund and Edusave Pupils Fund are established under the Act.
- 2 The Edusave Endowment Fund was created on 1 January 1993 by the transfer of funds from the government's Consolidated Revenue Account. It reached the targeted capital sum of \$5 billion in August 1997.

INCOME FROM THE EDUSAVE ENDOWMENT FUND

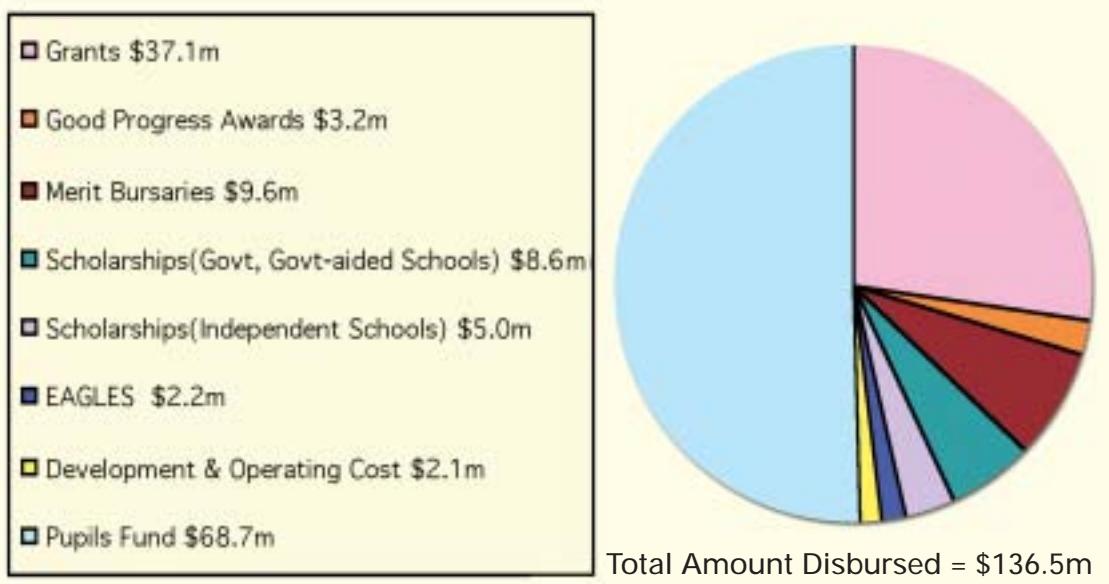
- 3 The Edusave Endowment Fund is invested by the government and earns a fixed interest income pegged to the CPF rate of interest for special accounts. The interest earned each year is used to finance the outlay under the Edusave Scheme in the next year. The interest rate was 4.0% pa from 1 April 2001 to 31 March 2002.
- 4 During the period under review, the Edusave Endowment Fund earned an interest income of \$214.6m. Of this, \$136.5m was disbursed, leaving a surplus of \$78.1m. This brings the accumulated surplus to \$442.5m

DISBURSEMENT OF INCOME

- 5 The amount disbursed is distributed as shown in the chart below:

Chart 1:

Distribution of amount disbursed in FY 2001



BALANCE AS AT 31 MARCH 2002

- 6 As at 31 March 2002, the balance in the Edusave Endowment Fund was \$5.4 billion, comprising \$5.0 billion in the Capital Account and \$442.5m in the Income Account.

EDUSAVE PUPILS FUND

- 1 The Edusave Pupils Fund comprises contributions paid into the Edusave accounts of eligible students in government and government-aided primary and secondary schools, independent schools, government-supported special education schools, and Institutes of Technical Education. The contribution rate has remained at \$160 per student since 1997.

ADMINISTRATION OF EDUSAVE PUPILS FUND

- 2 The Central Provident Fund Board (CPFB) is responsible for maintaining the accounts of the Edusave Pupils Fund. Based on information furnished by the Ministry, the Board opens an Edusave account for every eligible student. It credits Edusave contributions to the accounts, processes withdrawals and remits funds withdrawn to the schools. Interest is credited to the accounts yearly based on CPF interest rate for ordinary accounts. The CPFB sends a yearly statement of accounts in March to all Edusave account holders showing the balance, contribution, interest credited and withdrawals during the preceding 12 months.

APPROVED USES

- 3 A student can use the money in his Edusave account to pay for enrichment programmes organised by his school such as co-curricular activities, music and dance, educational tours, sports and games, etc. He can also use the money to pay his second-tier miscellaneous fees and autonomous school's additional miscellaneous fees if he is in a government or government-aided school. Those in independent schools can use the money to pay for the portion of school fees in excess of the school and standard miscellaneous fees of a government or government-aided secondary school. Those in government-supported special schools and Institutes of Technical Education can also use the money to pay for their approved fees and enrichment programmes.
- 4 Students in polytechnics and universities can withdraw the accumulated balance in their Edusave accounts to pay their tuition fees.

CONTRIBUTIONS AND WITHDRAWALS

- 5 During the financial year, \$68.7m was paid into the accounts of 427,715 students in government and government-aided primary and secondary schools, independent schools, government-supported special education schools and Institutes of Technical Education.
- 6 A total amount of \$61.9m was withdrawn from the accounts. Students in the Institutes of Technical Education withdrew \$0.1m while those in polytechnics and universities withdrew \$3.8m for payment of tuition fees. The remaining \$58.0m was withdrawn by 426,299 students in the government and government-aided primary and secondary schools, junior colleges and centralised institutes, independent schools and government-supported special education schools. This represents a student participation rate of 94.2%, an increase compared to 90.6% in the previous financial year. The school participation rate is 98.0% in 2001.

Table 1:
Student and School Participation Rates For Edusave Pupils Fund Withdrawals

Level	Primary	Secondary	Pre-University	Total
<u>Student Participation Rate</u>				
Total no. of accounts	261,996	169,397	21,270	452,663
Total no. of accounts with withdrawals:	254,450	158,653	13,196	426,299
2nd-tier Misc Fees only	91,718	15,875	7,906	115,499
Enrichment Programmes only	52,664	44,099	2,204	98,967
Both	110,068	98,679	3,086	211,833
Participation Rate	97.1%	93.7%	62.0%	94.2%
<u>School Participation Rate</u>				
Total no. of schools	213	165	17	395
Total no. of schools with withdrawals	206	165	17	388
Participation Rate	96% ⁽¹⁾	100%	100%	98%

⁽¹⁾ There are 7 government-supported special education schools which did not have withdrawals.

- 7 The \$58.0m withdrawn by school students represents a fund utilisation rate of 86.0%, an increase compared to 72.2% in the previous financial year. Of the amount withdrawn, \$21.1m (36.4%) was used to pay for second-tier miscellaneous fees, and the remaining \$36.9m (63.6%) for enrichment programmes. Of the total amount used for enrichment programmes, \$33.7m (91.3%) was withdrawn by students from government and government-aided primary schools, secondary schools, junior colleges and centralised institutes, and the remaining \$3.2m (8.7%) was by students from independent schools and government-supported special education schools.

Table 2:
Utilisation Rate for Edusave Pupils Fund

Level	Primary	Secondary	Pre-University	Total
<u>Fund Utilisation Rate</u>	\$	\$	\$	\$
Total Contributions	41,919,360	25,763,840	- ⁽¹⁾	67,683,200
Total Amount Withdrawn (by Government, Government-aided Schools)	23,931,500	32,259,400	1,767,300	57,958,200
2nd-tier Misc Fees	10,283,600	9,624,000	1,174,700	21,082,300
Enrichment Programmes	13,457,990	19,651,650	592,600	33,702,240
Total Amount Withdrawn (by Special Education Schools, Independent Schools)				
Enrichment Programmes	189,910	2,983,750	-	3,173,660
Utilisation rate	57.1%	125.2% ⁽²⁾	-	86.0% ⁽³⁾

⁽¹⁾ Students in junior colleges and centralised institutes do not receive Edusave contributions.

⁽²⁾ Students made use of the balances brought forward from previous years.

⁽³⁾ The total utilisation rate of 86.0% based on the contributions made in FY 2001 does not include the withdrawals made by students at pre-university level.

- 8 In FY 2001, an amount of \$42.9m was spent by students in the government and government-aided primary and secondary schools, junior colleges and centralised institutes on enrichment programmes. This consists of \$33.7m withdrawn from their Edusave accounts and \$9.2m co-paid in cash. Of the \$42.9m: \$24.7m (57.6%) was spent on personal development programmes, \$0.4m (0.9%) on local educational tours, \$4.1m (9.6%) on overseas educational tours, \$1.1m (2.5%) on sports and games, and \$12.6m (29.4%) on other programmes.

Table 3:
Breakdown of Expenditure by Type of Enrichment Programmes and Level

Programmes	Primary	Secondary	Pre-University	Total
Personal Development Programmes	\$ 9,886,800	\$ 14,318,400	\$ 488,500	\$ 24,693,700
Local Tours	60,000	291,800	100	351,900
Overseas Tours	633,000	3,056,300	440,300	4,129,600
Sports and Games	375,600	683,800	32,600	1,092,000
Other Programmes	5,087,800	7,328,100	194,200	12,610,100
Total	16,043,200	25,678,400	1,155,700	42,877,300

EDUSAVE GRANTS

- 1 Edusave grants are given to all government and government-aided primary and secondary schools, government-supported special education schools, independent schools, junior colleges, centralised institutes and Institutes of Technical Education. The schools use the grants to procure resources and equipment, and introduce programmes that enhance the quality of teaching and learning.

AMOUNT DISBURSED

- 2 The total amount of Edusave grants disbursed to schools during the financial year was \$37.4m. The net disbursement was \$37.1m as \$0.3m was refunded by closed schools.

Table 4:
Breakdown On Disbursement Of Edusave Grants

School	No.	Grant per student	Amount Disbursed
Government & Aided Secondary Schools	157	\$ 90	\$15.5m
Government & Aided Primary Schools	194	\$ 50	\$16.1m
Special Education Schools	19	\$ 50	\$ 0.2m
Independent Schools	8	\$ 90	\$ 1.1m
Junior Colleges/Centralised Institutes	17	\$120	\$ 2.8m
Institutes of Technical Education	13	\$100	\$ 1.7m
Total	408	-	\$ 37.4m

UTILISATION OF GRANTS

- 3 In FY 2001, the total amount of grants spent by all schools was \$39.7m, which included \$2.7m from previous years' balances. Enrichment programmes accounted for \$37.7m (95.0%) of the expenditure and resources and equipment accounted for the balance of \$2.0m (5.0%).

Table 5:
Breakdown on Usage of Edusave Grants

Expenditure	Secondary Schools	Primary Schools	Junior Colleges/ Centralised Institutes	Inde - pendent Schools	Special Education Schools	Institutes of Technical Education	Total
	\$	\$	\$	\$	\$	\$	\$
Grants Disbursed in FY 2001	15,459,975	16,050,650	2,812,980	1,127,565	212,775	1,693,790	37,357,735
Total Expenditure	17,510,110	16,200,780	3,120,110	1,300,700	174,090	1,384,830	39,690,620
Resources and Equipment	599,500	464,320	183,540	292,290	22,530	429,900	1,992,080
Enrichment Programmes	16,910,610	15,736,460	2,936,570	1,008,410	151,560	954,930	37,698,540
Utilisation Rate (based on the Disbursement in FY 2001)	113.3% ⁽¹⁾	100.9% ⁽¹⁾	110.9% ⁽¹⁾	115.4% ⁽¹⁾	81.8%	81.8%	106.2% ⁽¹⁾

⁽¹⁾ Schools made use of the balances brought forward from previous years.

EDUSAVE SCHOLARSHIPS FOR GOVERNMENT AND GOVERNMENT-AIDED PRIMARY AND SECONDARY SCHOOLS

- 1 Edusave scholarships are given out to encourage Singaporean students to excel in their studies. Singaporean students in the top 10% of each level in the government and government-aided primary (Primary 5 and 6 only) and secondary schools are eligible for Edusave Scholarships under the Edusave Scholarships for Primary Schools (ESPS) and Secondary Schools (ESSS) Scheme respectively.
- 2 For both schemes, school principals are given the flexibility to select awardees from any stream (Normal/ Express/ Special) in each level. Selection is based on the students' academic performance and is subject to good conduct. The table below shows the criteria and value of the scholarships.

Table 6:
Criteria and Award Values of ESSS and ESPS

Scholarships	Value of Award
<u>ESPS</u>	
Top 5%	\$ 300
Next 5%	\$ 250
<u>ESSS</u>	
Top 5%	\$ 500
Next 5%	\$ 300

2001 ESPS

- 3 A total of 9,249 students in Primary 5 and 6 were awarded the ESPS. Of these, 4,676 received the \$300 award and 4,573 students, the \$250 award. The total amount paid was \$2.5m.

- 4 The breakdown of the awards by stream shows that 1,886 (20.4%) awardees were from the EM1, 6,377 (68.9%) from the EM2 and 986 (10.7%) from the EM3. On the whole, 9.0% of Primary 5 and 6 students were awarded the ESPS. The percentage awarded is less than 10% because the top 10% includes non-Singaporeans who are not eligible for the scholarship.

Table 7:
Distribution of 2001 ESPS Awardees

Stream	Top 5% \$300	Next 5% \$250	No. of Awardees	Percentage of students in stream
EM1	961	925	1,886	9.3%
EM2	3,163	3,214	6,377	8.8%
EM3	552	434	986	10.0%
Total	4,676	4,573	9,249	9.0%
Amount Paid	\$1,402,800	\$1,143,250	\$2,546,050	

2001 ESSS

- 5 A total of 15,287 students in Secondary 1 to 5 were awarded the ESSS. Of these, 7,547 received the \$500 award and 7,740 students, the \$300 award. The total amount paid was \$6.1m.
- 6 The breakdown of the awards by stream shows that 7,117 (46.6%) awardees were from the Normal Stream, 7,392 (48.3%) from the Express Stream and 778 (5.1%) from the Special Stream. On the whole, 8.2% of students in secondary schools were awarded the ESSS. This is below the target of 10% because non-Singaporean students in the top 10% are not eligible for the scholarship.

Table 8:
Distribution of 2001 ESSS Awardees

Stream	Top 5% \$500	Next 5% \$300	No. of Awardees	Percentage of students in stream
Normal	3,556	3,561	7,117	9.2%
Express	3,595	3,797	7,392	8.0%
Special	396	382	778	4.5%
Total	7,547	7,740	15,287	8.2%
Amount Paid	\$3,773,500	\$2,322,000	\$6,095,500	

EDUSAVE SCHOLARSHIPS FOR INDEPENDENT SCHOOLS

- 1 Under the Edusave Entrance Scholarship for Independent Schools (EESIS) Scheme, scholarships are awarded to students in the top 25% of Secondary 1 Singaporean students enrolled in the independent schools. Selection is based on the students' PSLE results. The annual quantum of the scholarship is the school fees charged by the independent schools which ranges from \$1,200 to a maximum of \$2,400 per year, less the amount of school and standard miscellaneous fees that students in government and government-aided secondary schools have to pay (\$144 per year). The value of each EESIS award therefore ranges from \$1,056 to \$2,256 per annum, depending on the school fees charged by the independent school. The scholarship is tenable for the full 4 years of the student's secondary education in the independent school.

EESIS FOR STUDENTS IN SPECIAL PROGRAMMES

- 2 Under the Edusave Endowment Scheme (Edusave Scholarships) Regulations, EESIS awardees who are in special programmes, ie the Gifted Education Programme, Music Elective Programme and Art Elective Programme, have their awards funded from Voted Funds. They receive subsidies for their school fees from Voted Funds to the same value as the EESIS. This allows more students who are not in these special programmes to qualify for EESIS from Edusave Funds.

EDUSAVE (INDEPENDENT SCHOOLS) YEARLY AWARD

- 3 In addition to the EESIS, students in independent schools may also be awarded the Edusave (Independent Schools) Yearly Award if they are among

the top 5% students in each independent school and are not already EESIS holders. The Yearly Awards are meant to reward students who were not selected for the 4-year EESIS award for excellent academic performance achieved in the year.

- 4 Selection for the Yearly Awards is based on the students' school examination results for that year. The value of the Yearly Award is the same as the annual value of the EESIS.

2002 EESIS AND 2001 YEARLY AWARDS

- 5 In 2002, 1,010 scholarships were awarded to secondary one students in independent schools. Of these, 663 scholarships amounting to \$1.1m were funded from Edusave funds while the remaining 347 scholarships were funded from Voted Funds. Another \$3.6m was disbursed from Edusave Funds to 2,241 EESIS scholars in Secondary 2 to 4.
- 6 In December 2001, 186 Secondary 1 to 4 students in the independent schools were given the Yearly Awards, amounting to \$0.3m.

Table 9:
Breakdown on EESIS and Yearly Awards

Scholarships	No. of Awardees	Amount Paid
Independent Schools Entrance		
Secondary 1	663	\$ 1.1m
Secondary 2 to 4	2,241	\$ 3.6m
Independent Schools Yearly Award	186	\$ 0.3m
Total	3,090	\$5.0m

EDUSAVE MERIT BURSARIES

- 1 The Edusave Merit Bursaries (EMB) Scheme aims to give Singaporean students from lower-middle income families an incentive to perform well in all government and government-aided primary and secondary schools, junior colleges, centralised institutes and Institutes of Technical Education.
- 2 The table below shows the value of awards by level.

Table 10:
Value of EMB Awards

Level	Value of Award
Primary 1 to 3	\$150
Primary 4 to 6	\$200
Secondary 1 to 5	\$250
Pre-University 1 to 3	\$300
Institute of Technical Education	\$400

- 3 Singaporean students who are in the top 25% within each level and stream, and whose gross monthly household income is less than \$3,000, are eligible for the EMB awards. Recipients of Edusave Scholarships or other Ministry of Education's scholarships are not eligible for EMB. Selection is based on the students' academic performance and is subjected to their good conduct.

2001 EMB

- 4 A total of 55,328 (18.3%) Singaporean students in primary schools, 22,166 (11.9%) in secondary schools, 4,450 (18.3%) in junior colleges and centralised institutes, and 2,526 (15.1%) in Institutes of Technical Education were invited to apply for the EMB awards. Of these 25,019 students (45.2%) in primary level, 14,219 students (64.2%) in secondary level, 2,423 students (54.5%) in pre-university level and 1,908 students (75.5%) in Institutes of Technical Education were awarded the bursaries. The awardees constitute 8.3% of total enrolment in primary schools, 7.6% of those in secondary schools, 9.9% of those in junior colleges and centralised institutes, and 11.4% of

those in Institutes of Technical Education. The total amount disbursed for 2001 EMB was \$9.6m.

Table 11:
Breakdown on Number of EMB Awardees by Level

Level	Total student enrolment ⁽¹⁾ (a)	No. of students invited to apply (b)	% of students invited to apply ⁽²⁾ (c)=(b)/(a)	No. of students awarded (d)	% of awardees out of the total of students invited (e)=(d)/(b)	% of awardees out of the total student population (f)=(d)/(a)	Amount paid (g)
Primary	302,570	55,328	18.3%	25,019	45.2%	8.3%	\$4,406,100
Secondary	187,073	22,166	11.9%	14,219	64.2%	7.6%	\$3,583,550
Pre-University	24,375	4,450	18.3%	2,423	54.5%	9.9%	\$768,400
Institute of Technical Education	16,770	2,526	15.1%	1,908	75.5%	11.4%	\$809,700
Total	530,788	84,470	15.9%	43,569	51.6%	8.2%	\$9,567,750

⁽¹⁾ Enrolment as at Oct 2001.

⁽²⁾ The percentage of students invited to apply for EMB is less than 25% because the top 25% includes recipients of Edusave and other Ministry of Education's scholarships and non-Singaporean students who are not eligible for EMB.

COMMUNITY EDUCATION AWARD SCHEME

- 5 Under the Community Education Award Scheme (CEAS), Edusave Endowment Fund provides a matching grant for the Constituency Bursaries paid to students in schools and Institutes of Technical Education based on a ratio of 3:1, subject to a cap of 15% of the total value of the EMB awards disbursed in the previous year.
- 6 A sum of \$0.2m was disbursed through the People's Association to the Citizens' Consultative Committees in FY 2001.

GOOD PROGRESS AWARDS

- 1 The Good Progress Awards (GPA) are given to Singaporean students in primary schools (except those in Primary 1), secondary schools, junior colleges, centralised institutes and Institutes of Technical Education who have made significant improvement in their academic performance and are not recipients of Edusave scholarships or bursaries. 10% of the total amount of GPA awarded is funded by the People's Association.
- 2 The awards are given to a maximum of 10% of students per level per stream in every school. Selection is based on comparison of the year-end school examination results against those for the previous year. Students in Primary 1 are excluded from the Scheme as there is no basis for comparison of progress. The rates of awards are shown in the table below:

Table 12:
Value of GPA by Level

Level	Value
Primary 2 to 3	\$ 50
Primary 4 to 6	\$100
Secondary 1 to 5	\$150
Pre-University 1 to 3	\$200
Institute of Technical Education	\$300

2001 GPA

- 3 19,103 (7.6%) Singaporean students in primary schools, 11,235 (6.0%) in secondary schools, 1,737 (7.1%) in junior colleges and centralised institutes, and 856 (5.1%) in Institutes of Technical Education were awarded the GPA in 2001. The total value of GPA was \$3.8m. Of this, \$0.5m was co-funded by the People's Association, and \$0.02m was refunded due to unclaimed awards.

Table 13:
Breakdown on Number of GPA by Level

No of Students & Amount	Primary	Secondary	Pre-University	Institute of Technical Education	Total
No. of students awarded	19,103	11,235	1,737	856	32,931
Total student enrolment ⁽¹⁾	252,794 ⁽²⁾	187,073	24,375	16,770	481,012
% of awardees out of the total student population	7.6%	6.0%	7.1%	5.1%	6.9%
Amount paid	\$1,507,850	\$1,680,150	\$347,400	\$256,800	\$3,792,200

⁽¹⁾ Enrolment as at Oct 2001.

⁽²⁾ For primary schools, the number excludes Primary 1 students.

EDUSAVE AWARDS FOR ACHIEVEMENT, GOOD LEADERSHIP AND SERVICE

- 1 The Edusave Awards for Achievement, Good Leadership and Service (EAGLES) was implemented in 2001 to encourage students to excel in all non-academic areas. The awards recognise students' leadership quality, service to community and schools, and excellence in non-academic activities.
- 2 The awards are given to a maximum of 5% of the Singaporean students from Primary 4 to 6 in each primary school and 5% of the total number of Singaporean students in each secondary school, independent school, junior college, centralised institute and Institute of Technical Education. Recipients of Edusave scholarships and bursaries are also eligible for this award. The rates of awards are shown in the table below:

Table 14:
Values of EAGLES by Level

Level	Value
Primary 4 to 6	\$120
Secondary 1 to 5	\$150
Pre-University 1 to 3	\$150
Institute of Technical Education	\$150

2001 EAGLES

- 3 The total amount disbursed for EAGLES during the financial year was \$2.2m. Of this amount, \$1.0m (45.5%) was awarded under the category of Achievement, \$0.8m (36.4%) was awarded for Good Leadership and \$0.4m (18.1%) under Community Service.

Table 15:
Breakdown on EAGLES by Category

Level	Achievement	Good Leadership	Community Service	Total
Primary	3,548	1,224	1,070	5,842
Secondary	3,236	3,549	1,187	7,972
Pre-University	396	478	177	1,051
Institutes of Technical Education	406	249	59	714
Total	7,586	5,500	2,493	15,579
Amount paid	\$1,031,460	\$788,280	\$341,850	\$2,161,590

FINANCIAL STATEMENTS OF EDUSAVE ENDOWMENT FUND

REPORT OF THE AUDITORS ON THE FINANCIAL STATEMENTS OF EDUSAVE ENDOWMENT FUND

We have audited the financial statements of Edusave Endowment Fund for the financial year ended 31 March 2002 as set out on pages 28 to 36. These financial statements are the responsibility of the Ministry of Education. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The Edusave Endowment Fund's policy is to prepare the financial statements on the cash receipts and disbursements basis. On this basis, revenue is recognised when received rather than when earned and expenses are recognised when paid rather than when incurred.

In our opinion:-

- (a) the financial statements of Edusave Endowment Fund are properly drawn up in accordance with the provisions of the Education Endowment Scheme Act, Chapter 87A (the "Act"), and on the basis sets out in the preceding paragraph, present fairly, in all material respects, the state of affairs of the Edusave Endowment Fund as at 31 March 2002 and the income and expenditure of the Edusave Endowment Fund for the year ended on that date;
- (b) the accounting and other records required by the Act to be kept by the Edusave Endowment Fund have been properly kept in accordance with the provisions of the Act; and
- (c) the receipts, expenditure and investment of monies and the acquisition and disposal of assets by the Edusave Endowment Fund have been in accordance with the provisions of the Act.

KPMG
Certified Public Accountants

Singapore
4 May 2002

Report of the Auditors on the Financial Statements of Edusave Endowment Fund

We have audited the financial statements of Edusave Endowment Fund for the financial year ended 31 March 2002 as set out on pages 28 to 36. These financial statements are the responsibility of the Ministry of Education. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The Edusave Endowment Fund's policy is to prepare the financial statements on the cash receipts and disbursements basis. On this basis, revenue is recognised when received rather than when earned and expenses are recognised when paid rather than when incurred.

In our opinion:-

- (a) the financial statements of Edusave Endowment Fund are properly drawn up in accordance with the provisions of the Education Endowment Scheme Act, Chapter 87A (the "Act"), and on the basis sets out in the preceding paragraph, present fairly, in all material respects, the state of affairs of the Edusave Endowment Fund as at 31 March 2002 and the income and expenditure of the Edusave Endowment Fund for the year ended on that date;
- (b) the accounting and other records required by the Act to be kept by the Edusave Endowment Fund have been properly kept in accordance with the provisions of the Act; and
- (c) the receipts, expenditure and investment of monies and the acquisition and disposal of assets by the Edusave Endowment Fund have been in accordance with the provisions of the Act.

KPMG

KPMG
Certified Public Accountants

Singapore
4 May 2002

	Note	FY2001	FY2000
		\$	\$
INCOME			
Interest income	7	214,577,145	211,060,869
EXPENDITURE			
Edusave Pupils Fund			
- Contribution to Edusave accounts	8	68,716,551	67,897,240
- Development expenditure	9	207,004	97,424
- Operating expenditure	9	649,365	709,449
Edusave Scholarships	10	13,643,168	13,242,424
Edusave Merit Bursaries	11	9,574,808	10,489,810
Good Progress Awards	12	3,264,675	5,139,650
EAGLES Awards	13	2,161,590	-
Edusave Grants	14	37,067,104	35,413,944
Edusave Endowment Fund			
- Development expenditure	15	334,235	226,752
- Operating expenditure	15	889,789	821,598
		136,508,289	134,038,291
Surplus for the year		78,068,856	77,022,578
Accumulated Surplus brought forward		364,428,633	287,406,055
Accumulated Surplus carried forward		\$ 442,497,489	\$ 364,428,633

The accompanying notes form an integral part of these financial statements.

These notes form an integral part of and should be read in conjunction with the Balance Sheet and Statement of Income and Expenditure.

1. Principal Activities

The Edusave Endowment Fund was established on 1 January 1993 under the Education Endowment Scheme Act, Chapter 87A. The income generated by the Fund is to be used for the following purposes:

- (i) the provision of contributions to the Edusave Pupils Fund;
- (ii) the provision of scholarships to full-time pupils at prescribed schools;
- (iii) the provision of merit bursaries to full-time pupils in government, government-aided and independent schools, junior colleges/centralised institutes and Institute of Technical Education;
- (iv) the provision of grants to government, government-aided, independent and special education schools, junior colleges/centralised institutes and Institute of Technical Education to enhance the quality of education;
- (v) the provision of Good Progress Awards to full-time pupils in government, government-aided and independent schools, junior colleges/centralised institutes and Institute of Technical Education;
- (vi) the provision of Edusave Awards for Achievement, Good Leadership and Service ("EAGLES") to full-time pupils in government, government-aided and independent schools, junior colleges/centralised institutes and Institute of Technical Education; and
- (vii) such other purposes authorised under the Act, including administrative expenses.

2. Basis Of Financial Statements Preparation

The financial statements, expressed in Singapore dollars, are prepared on a cash basis. On this basis, revenue is recognised when received rather than when earned and expenses are recognised when paid rather than when incurred.

3. Financial Year

FY2001 relates to the financial year from 1 April 2001 to 31 March 2002. Correspondingly, FY2000 relates to the financial year from 1 April 2000 to 31 March 2001.

4. Capital Fund

Capital Fund represents the contributions from the Consolidated Revenue Account of the Singapore Government.

5. Balance Held By Accountant-General

Monies for the Edusave Endowment Fund are placed with the Accountant-General in an interest-bearing account (see Note 7) until disbursed in accordance with the Education Endowment Scheme Act (see Note 1).

6. Balance Held By Central Provident Fund Board

	FY2001	FY2000
	\$	\$
Balance at beginning of the year	237,338	201,177
Advances made in the year	647,870	843,034
	<hr/>	<hr/>
	885,208	1,044,211
Less:		
Development & operating expenditure relating to Edusave Pupils Fund (Note 9)	856,369	806,873
Balance at end of the year	<hr/>	<hr/>
	\$ 28,839	\$ 237,338

This represents monies advanced to Central Provident Fund Board ("CPF Board") for expenses associated with administering the Edusave Pupils Fund.

7. Interest Income

This represents interest income earned from balance placed with the Accountant-General. Interest is pegged at the CPF Special Account rate. Interest for the financial year was 4.0% (FY2000: 4.0%) per annum.

8. Contribution to Edusave Accounts

The contribution to Edusave accounts represents payments made to eligible Singaporean pupils between the ages of six and sixteen, studying in prescribed schools under the Edusave Pupils Fund. The rate of contribution to each account was \$160 (FY2000: \$160). The total number of pupils who received these contributions was 427,715 (FY2000: 423,774) and contributions recovered with interest from pupils who did not attend school or have been found to be ineligible were \$3,429 (FY2000: \$800). An additional amount of \$285,580 (FY2000: \$94,200) was disbursed to pupils who became eligible for both current and previous years' contributions.

9. Development & Operating Expenditure – Edusave Pupils Fund

This relates to charges incurred by CPF Board for administering the Edusave Pupils Fund.

	FY2001	FY2000
	\$	\$
(a) Development Expenditure		
System development:		
Manpower cost	177,961	74,738
Processing charges (program testing)	<u>29,043</u>	<u>22,686</u>
	<u>\$ 207,004</u>	<u>\$ 97,424</u>
(b) Operating Expenditure		
Computer services:		
Manpower cost	116,686	82,843
Processing charges	<u>353,487</u>	<u>399,583</u>
	<u>470,173</u>	<u>482,426</u>
Administrative support:		
Manpower cost	159,050	209,787
Printing and stationery	10,929	2,810
Software and equipment maintenance	7,308	13,283
General expenses	<u>1,905</u>	<u>1,143</u>
	<u>179,192</u>	<u>227,023</u>
Total	<u>\$ 649,365</u>	<u>\$ 709,449</u>
	<u>\$ 856,369</u>	<u>\$ 806,873</u>

10. Edusave Scholarships

The scholarships are disbursed as follows:-

	FY2001	FY2000
	\$	\$
Primary schools	2,553,750	2,592,800
Secondary schools	6,107,100	5,678,900
Independent schools	5,005,468	4,996,724
	<hr/>	<hr/>
	13,666,318	13,268,424
Less:		
Refund of unclaimed scholarship awards	23,150	26,000
	<hr/>	<hr/>
	\$ 13,643,168	\$ 13,242,424

11. Edusave Merit Bursaries

These bursaries are given to pupils from lower and lower-middle income families to motivate them to do better in schools and are disbursed as follows:-

	FY2001	FY2000
	\$	\$
Primary schools	4,406,100	4,599,650
Secondary schools	3,583,550	3,431,750
Junior colleges/Centralised institutes	768,400	806,400
Institute of Technical Education	809,700	964,000
Community Education Award Scheme	189,008	711,060
	<hr/>	<hr/>
	9,756,758	10,512,860
Less:		
Refund of unclaimed Merit Bursary Awards	181,950	23,050
	<hr/>	<hr/>
	\$ 9,574,808	\$ 10,489,810

12. Good Progress Awards

These awards are given as rewards to pupils who have made significant improvement in their academic performance and are disbursed as follows:-

	FY2001	FY2000
	\$	\$
Primary schools	1,507,850	1,938,200
Secondary schools	1,680,150	2,401,650
Junior colleges/Centralised institutes	347,400	494,800
Institute of Technical Education	256,800	337,500
	<hr/>	<hr/>
	3,792,200	5,172,150
Less:		
Funding by People's Association	506,175	-
Refund of unclaimed Good Progress Awards	21,350	32,500
	<hr/>	<hr/>
	\$ 3,264,675	\$ 5,139,650
	<hr/>	<hr/>

Funding by the People's Association received in the current financial year relates to the co-funding for Good Progress Awards disbursed in FY2000.

13. EAGLES Awards

These awards, introduced in the current financial year, are given to pupils for achievements, good leadership and service and are disbursed as follows:-

	FY2001	FY2000
	\$	\$
Primary schools	701,040	-
Secondary schools	1,195,800	-
Junior colleges/Centralised institutes	157,650	-
Institute of Technical Education	107,100	-
	<hr/>	<hr/>
	\$ 2,161,590	-
	<hr/>	<hr/>

14. Edusave Grants

During the financial year, grants paid to primary schools and special education schools were at the rate of \$50 (FY2000: \$50) per pupil, secondary and independent schools at the rate of \$90 (FY2000: \$90) per pupil, junior colleges/centralised institutes at the rate of \$120 (FY2000: \$120) per pupil and Institute of Technical Education at the rate of \$100 (FY2000: \$100) per pupil.

	FY2001	FY2000
	\$	\$
Primary schools		
- Payment in July	7,464,050	7,494,700
- Payment in January	8,586,600	7,672,850
Secondary schools		
- Payment in July	7,591,725	7,035,165
- Payment in January	7,868,250	8,223,525
Special education schools		
- Payment in July	111,675	106,700
- Payment in January	101,100	92,975
Independent schools		
- Payment in July	565,695	554,895
- Payment in January	561,870	554,625
Junior colleges/Centralised institutes		
- Payment in July	1,353,660	1,356,660
- Payment in January	1,459,320	1,498,500
Institute of Technical Education		
- Payment in September	519,890	431,270
- Payment in January	1,173,900	1,097,810
	37,357,735	36,119,675
Less:		
Refund of balances from schools closed	290,631	705,731
	\$ 37,067,104	\$ 35,413,944

15. Development & Operating Expenditure – Edusave Endowment Fund

	FY2001	FY2000
	\$	\$
(a) Development Expenditure		
- Enhancement of Edusave Awards		
Selection System	273,431	226,752
- Enhancement to Edusave System	60,804	-
	<hr/> <u>334,235</u>	<hr/> <u>226,752</u>
(b) Operating Expenditure		
Computer services		
- Manpower cost	173,864	136,306
- Processing cost	171,069	159,170
Edusave unit manpower cost	167,932	147,269
Printing and stationery	290,509	267,412
Auditors' remuneration	28,222	25,647
Data entry services	46,605	50,934
Edusave awards briefing cost	4,055	5,133
POSB administration cost	2,163	29,149
General expenses	5,370	578
	<hr/> <u>889,789</u>	<hr/> <u>821,598</u>
Total	<hr/> <u>\$ 1,224,024</u>	<hr/> <u>\$ 1,048,350</u>

FINANCIAL STATEMENTS OF EDUSAVE PUPILS FUND

REPORT OF THE AUDITORS ON THE FINANCIAL STATEMENTS OF EDUSAVE PUPILS FUND

We have audited the financial statements of Edusave Pupils Fund for the financial year ended 31 March 2002 as set out on pages 39 to 43. These financial statements are the responsibility of the Ministry of Education. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The Edusave Pupils Fund's policy is to prepare the financial statements on the cash receipts and disbursements basis. On this basis, revenue is recognised when received rather than when earned and expenses are recognised when paid rather than when incurred.

In our opinion:

- (a) the financial statements of Edusave Pupils Fund are properly drawn up in accordance with the provisions of the Education Endowment Scheme Act, Chapter 87A (the "Act"), and on the basis sets out in the preceding paragraph, present fairly, in all material respects, the state of affairs of the Edusave Pupils Fund as at 31 March 2002 and the income and expenditure of the Edusave Pupils Fund for the year ended on that date;
- (b) the accounting and other records required by the Act to be kept by the Edusave Pupils Fund have been properly kept in accordance with the provisions of the Act; and
- (c) the receipts, expenditure and investments of monies and the acquisition and disposal of assets by the Edusave Pupils Fund have been in accordance with the provisions of the Act.

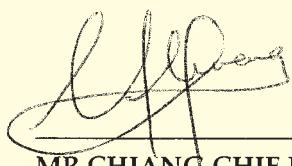
KPMG
Certified Public Accountants

Singapore
4 May 2002

	31 March 2002	31 March 2001
	\$	\$
Members' Accounts	320,862,811	313,941,402
Accumulated Surplus	4,609,673	4,318,741
	<u>\$ 325,472,484</u>	<u>\$ 318,260,143</u>

Represented by:

Deposits placed with Monetary Authority of Singapore	325,300,000	318,200,000
Cash at Banks	172,484	60,143
	<u>\$ 325,472,484</u>	<u>\$ 318,260,143</u>



MR CHIANG CHIE FOO
Permanent Secretary

MINISTRY OF EDUCATION
4 May 2002



MRS WONG-HO SAI KEK
Deputy Director/Financial Systems & Operations

MINISTRY OF EDUCATION
4 May 2002

The accompanying notes form an integral part of these financial statements.

	Note	FY2001	FY2000
		\$	\$
INCOME			
Interest income:			
- Deposits placed with Monetary Authority of Singapore		7,496,740	7,226,189
- Cash at banks		826	9,032
	4	7,497,566	7,235,221
EXPENDITURE			
Interest credited to members accounts	5	7,206,634	6,937,132
Surplus for the year		290,932	298,089
Accumulated Surplus brought forward		4,318,741	4,020,652
Accumulated Surplus carried forward		\$ 4,609,673	\$ 4,318,741

The accompanying notes form an integral part of these financial statements.

	Note	FY2001	FY2000
		\$	\$
CONTRIBUTIONS			
Edusave contributions from			
the Edusave Endowment Fund	6	68,716,551	67,897,240
Interest credited to members' accounts	5	7,206,633	6,937,132
		75,923,184	74,834,372
PAYMENTS			
Withdrawals of deceased members' balances		66,578	102,226
Withdrawals for educational programmes	7	61,884,241	56,827,104
Transfer to Central Provident Fund			
ordinary account of members	8	7,050,956	4,521,034
		69,001,775	61,450,364
		6,921,409	13,384,008
Members' Accounts at beginning of the year		313,941,402	300,557,394
Members' Accounts at end of the year		\$ 320,862,811	\$ 313,941,402

The accompanying notes form an integral part of these financial statements.

These notes form an integral part of and should be read in conjunction with the Balance Sheet, Statement of Income and Expenditure and the Movements of Members' Accounts.

1. Purpose Of The Edusave Pupils Fund And Funding Policy

The Edusave Pupils Fund was established on 1 January 1993 under the Education Endowment Scheme Act, Chapter 87A and is administered by the Central Provident Fund ("CPF") Board in accordance with Section 7 of the Act.

In accordance with Section 8 of the Act, every child who is a citizen of Singapore and satisfies such other requirements as may be prescribed shall become a member of the Edusave Pupils Fund.

The Edusave Pupils Fund receives contributions from the Edusave Endowment Fund which are credited to the Edusave accounts of eligible Singaporean pupils. In addition, interest is paid on the amount standing to his credit in the Edusave accounts at an interest rate prescribed by the Minister of Education. The monies can be withdrawn for use on enrichment programmes organised by schools, payment of second-tier miscellaneous fees, tertiary tuition fees and other approved fees and such other purposes authorised under the Act.

2. Basis Of Financial Statements Preparation

The financial statements, expressed in Singapore dollars, are prepared on a cash basis. On this basis, revenue is recognised when received rather than when earned and expenses are recognised when paid rather than when incurred.

3. Financial Year

FY2001 relates to the financial year from 1 April 2001 to 31 March 2002. Correspondingly, FY2000 relates to the financial year from 1 April 2000 to 31 March 2001.

4. Interest Income

These represent interest income earned from the balance placed with the Monetary Authority of Singapore and financial institutions. Interest rate for FY2001 was 2.5% (FY2000: 2.5%) per annum.

5. Interest Credited To Members' Accounts

These represent interest credited to members' accounts for unutilised credit balances calculated using the CPF's interest rates of 2.5% (FY00: 2.5%) per annum.

6. Edusave Contributions From The Edusave Endowment Fund

The contributions to Edusave accounts represent monies received from the Edusave Endowment Fund for eligible Singaporean pupils between the ages of six and sixteen, studying in prescribed schools. The rate of contribution to each account was \$160 (FY2000: \$160). The total number of pupils who received these contributions was 427,715 (FY2000: 423,774) and contributions recovered with interest from pupils who did not attend school or have been found to be ineligible were \$3,429 (FY2000: \$800). An additional amount of \$285,580 (FY2000: \$94,200) was disbursed to pupils who became eligible for both current and previous years' contributions.

7. Withdrawals For Education Programmes

	FY2001	FY2000
	\$	\$
Enrichment programmes:		
- Schools	36,875,905	32,803,918
- Institute of Technical Education	103,997	93,214
Second-tier miscellaneous fees	21,082,347	20,415,377
Tuition fees for tertiary institutions	3,821,992	3,514,595
	<hr/> <u>61,884,241</u>	<hr/> <u>\$ 56,827,104</u>

8. Transfer To Central Provident Fund Ordinary Account of Members

In accordance with Section 13 of the Education Endowment Scheme Act, Chapter 87A, unutilised balances standing to the credit of members of Edusave Pupils Fund shall be transferred to CPF ordinary account upon attaining 21 years of age.

