



Ministry of Education

EDUCATION ENDOWMENT SCHEME • ANNUAL REPORT 2002/2003

*Education  
Endowment  
Scheme  
Annual Report*

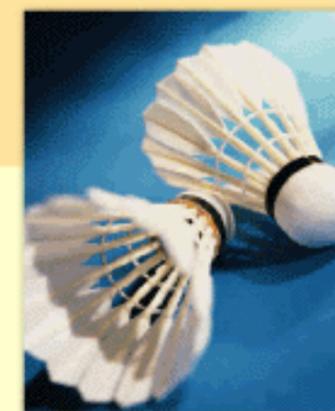


For Financial Year 2002/2003



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# Mission

- To enhance the quality of education in Singapore and motivate students to excel



# Objective

- To maximise 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. Each Council is appointed for a 2-year term and comprises members who are prominent businessmen and experienced educationists.
- 2 The members of the Council which completed its 2 year term in December 2002 are listed below:

### CHAIRMAN

**Mr Kua Hong Pak**  
Director  
DelGro Corporation Ltd

1 JAN 2001 to 31 DEC 2002

### MEMBERS

#### Mr Ong Lay Kham

General Manager  
Hong Leong Finance Pte Ltd

#### Dr Mohd Maliki Osman

Asst Professor  
Department of Social Work and Psychology  
National University of Singapore

#### Mr Tan Hup Foi

Managing Director  
Trans-Island Services Ltd  
Singapore Shuttle Bus (Pte) Ltd

#### Mrs Lay See Neufeld

Principal  
Tampines North Primary School

#### Mrs Chang Swee Tong

Principal  
Zhonghua Secondary School

- 3 The Council appointed in January 2003 comprises:

1 JAN 2003 to 31 DEC 2004

### CHAIRMAN

#### Mr Kua Hong Pak

Managing Director/Group Chief Executive Officer  
ComfortDelGro Corporation Ltd

### MEMBERS

#### Mr Tan Hup Foi

Deputy President/SMRT Corporation Ltd; and  
Chief Executive/Trans-Island Bus Services Ltd

#### Mr Khoo Teng Chye

Managing Director/Special Projects  
Temasek Holdings

#### Assoc Prof Shaharuddin Bin Maaruf

Acting Head  
Department of Malay Studies  
National University of Singapore

#### Mdm Kok Chow Hiong

Principal  
South View Primary School

#### Mdm Stella Wee Bee Lian

Principal  
Riverside Secondary School

## EXECUTIVE SUMMARY

### EDUSAVE ENDOWMENT FUND

- 1 During the Financial Year (FY) 2002, the Edusave Endowment Fund generated an interest income of \$217.7m. Coupled with the \$442.5m balance brought forward from FY 2001, the total income available for FY 2002 amounted to \$660.2m.
- 2 Of this amount, \$138.9m was disbursed in the form of contributions to students' Edusave accounts, Edusave grants, Edusave awards, Community Education Awards and development and operating expenditure. As at 31 March 2003, the balance in the Edusave Endowment Fund was \$5.5 billion which includes a balance of \$521.3m in the Income Account.

### EDUSAVE PUPILS FUND

- 3 The Edusave Pupils Fund is used by students in the Government and Government-aided primary and secondary schools, junior colleges and centralised institutes, Independent Schools, Government-supported special education schools, Institutes of Technical Education, polytechnics and universities to pay for approved fees and school-based enrichment programme charges. The amount disbursed to the Edusave Pupils Fund in the financial year was \$69.8m. Of the amount disbursed, \$65.8m was withdrawn by students in FY 2002. This is an increase of 6.3% over the \$61.9m withdrawn in FY 2001.

### EDUSAVE GRANTS

- 4 Edusave grants are given to all Government and Government-aided primary and 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 \$38.1m. The total expenditure including usage of previous year's balances was \$40.0m. This represents a utilisation rate of 105.0%.

### EDUSAVE AWARDS

- 5 Edusave awards are given to motivate students to excel both academically as well as in non-academic areas. An amount of \$29.4m was disbursed during the financial year.

### DEVELOPMENT AND OPERATING COST

- 6 The development and operating cost of the Edusave Endowment Fund and Edusave Pupils Fund systems amounted to \$1.7m 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 a transfer of funds from the Government's Consolidated Revenue Account. It reached the targeted capital sum of \$5 billion in August 1997.

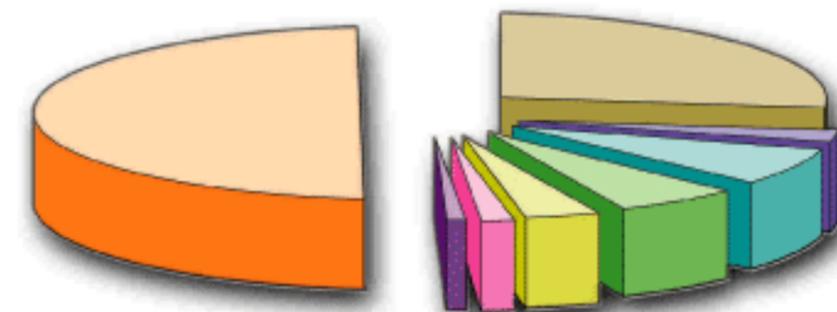
### INCOME FROM THE EDUSAVE ENDOWMENT FUND

- 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 2002 to 31 March 2003.
- 4 During the period under review, the Edusave Endowment Fund earned an interest income of \$217.7m. Of this, \$138.9m was disbursed, leaving a surplus of \$78.8m. This brings the accumulated surplus to \$521.3m.

### DISBURSEMENT OF INCOME

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

**CHART 1** Distribution of amount disbursed in FY2002



Total Amount Disbursed = \$138.9m

■ Grants - \$38.0m	■ Goods Progress Awards - \$3.0m
■ Merit Bursaries - \$10.0m	■ Scholarships (Govt, Govt-Aided Schools) - \$8.9m
■ Scholarships (Independent School) - \$5.2m	■ EAGLES - \$2.3m
■ Development & Operating Cost - \$1.7m	■ Pupils Fund - \$69.8m

### BALANCE AS AT 31 MARCH 2003

- 6 As at 31 March 2003, the balance in the Edusave Endowment Fund was \$5.5 billion, comprising \$5.0 billion in the Capital Account and \$521.3m in the Income Account.