



Ministry of Education

*Education
Endowment
Scheme
Annual Report*

FOR FINANCIAL YEAR
2003/2004

Contents

MISSION AND OBJECTIVE

01 - 02

EDUSAVE ADVISORY COUNCIL

03

EXECUTIVE SUMMARY

05

EDUSAVE ENDOWMENT FUND

06

EDUSAVE PUPILS FUND

07 - 10

EDUSAVE GRANTS

11 - 12

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

13 - 14

EDUSAVE SCHOLARSHIPS FOR INDEPENDENT SCHOOLS

15 - 16

EDUSAVE MERIT BURSARIES

17 - 18

GOOD PROGRESS AWARDS

19 - 20

EDUSAVE AWARDS FOR ACHIEVEMENT, GOOD LEADERSHIP
AND SERVICE

21

FINANCIAL STATEMENTS

22 - 39



Mission

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



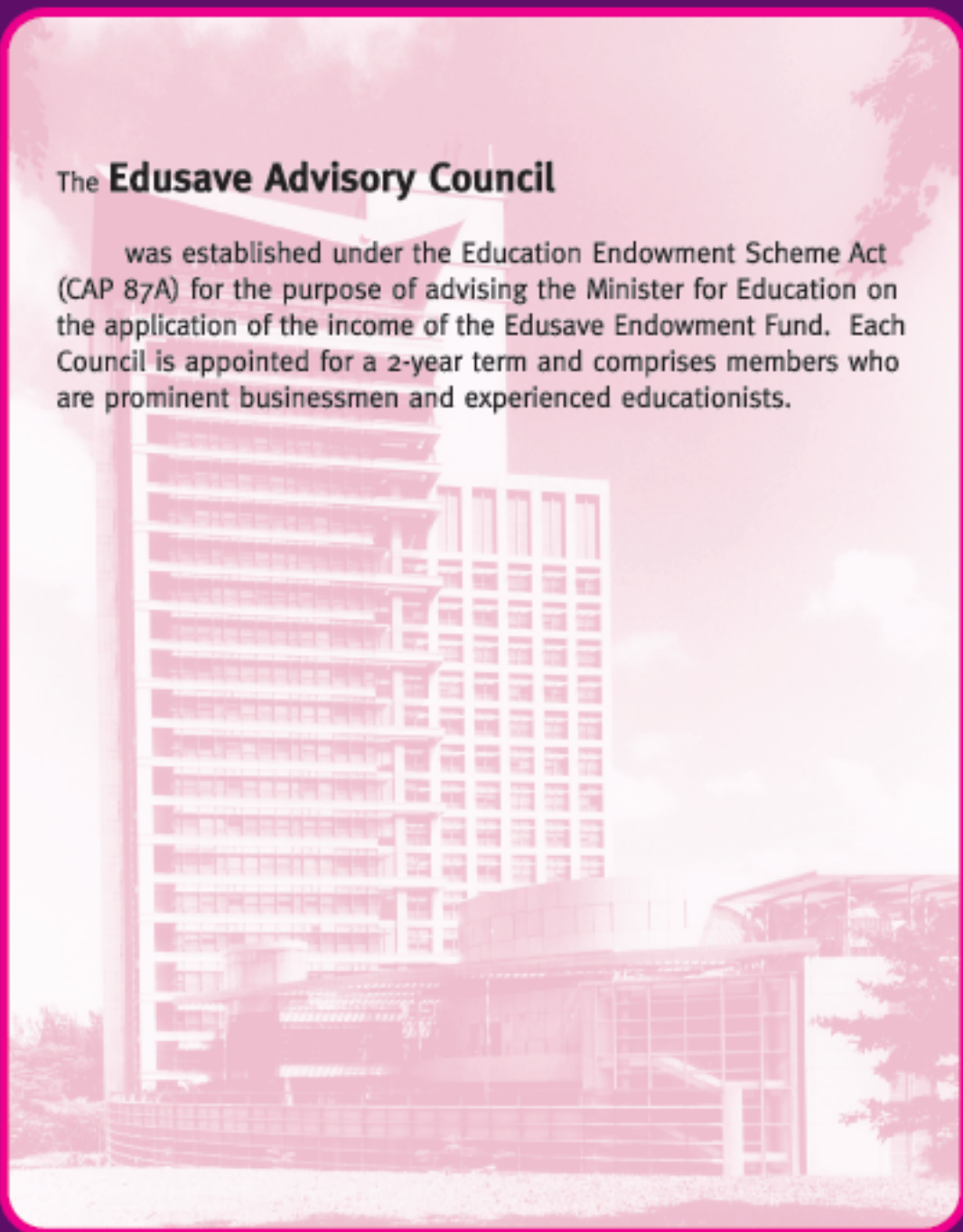
Objective

**To maximise educational
opportunities for
all Singaporeans**

Edusave Advisory Council

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.



The Council appointed in January 2003 are listed below:

Chairman

MR KUA HONG PAK

MANAGING DIRECTOR /
GROUP CHIEF EXECUTIVE OFFICER
ComfortDelGro Corporation Ltd

Members

MR TAN HUP FOI

DEPUTY PRESIDENT
SMRT Corporation Ltd

MR KHOO TENG CHYE

CHIEF EXECUTIVE
Public Utilities Board

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) 2003, the Edusave Endowment Fund generated an interest income of \$221.3m. Coupled with the \$521.3m balance brought forward from FY 2002, the total income available for FY 2003 amounted to \$742.6m.
- 2 Of this amount, \$146.9m 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 2004, the balance in the Edusave Endowment Fund was \$5.6 billion which includes a balance of \$595.7m 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 \$73.3m. Of the amount disbursed, \$64.1m was withdrawn by students in FY 2003. This is a decrease of 2.6% over the \$65.8m withdrawn in FY 2002.

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 \$39.0m. The total expenditure was \$38.2m. This represents a utilisation rate of 98.0%.

EDUSAVE AWARDS

- 5 Edusave awards are given to motivate students to excel both academically as well as in non-academic areas. An amount of \$33.3m 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 \$1.3m during the financial year.

Edusave Endowment Fund

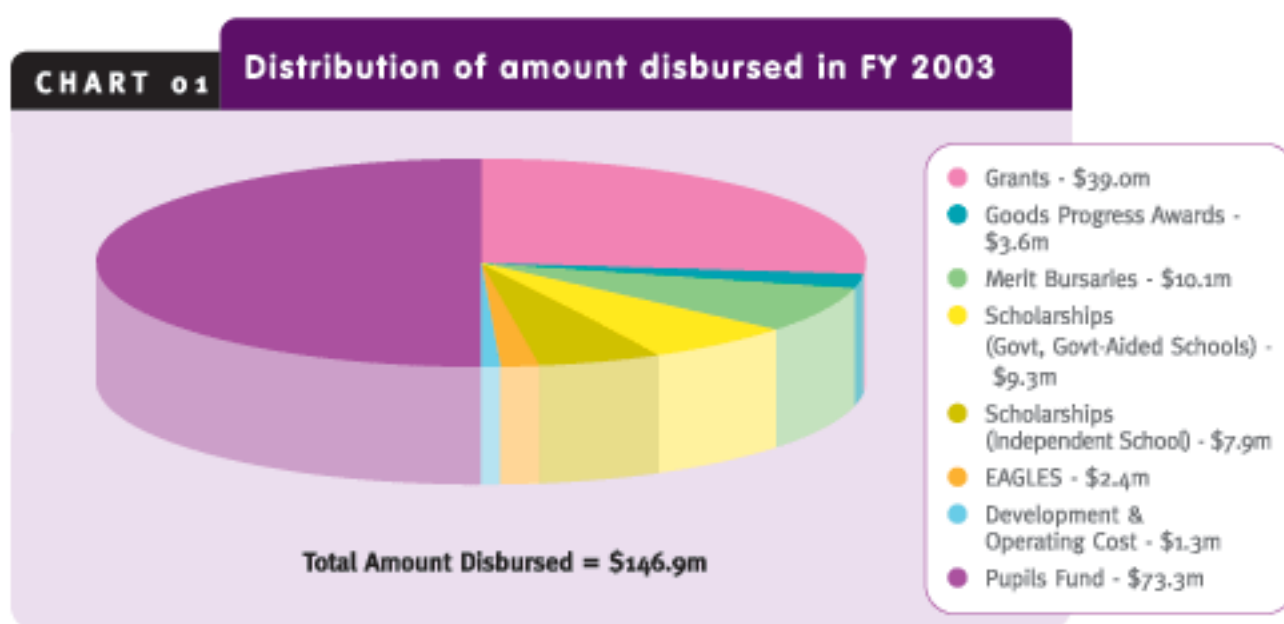
- 1 The Education Endowment Scheme, commonly known as the Edusave Scheme, was established in January 1993. The Edusave Scheme is governed by the Education Endowment Scheme Act (CAP 87A). The Edusave Endowment Fund and Edusave Pupils Fund are established under the Act.
- 2 The Edusave Endowment Fund was 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 2003 to 31 March 2004.
- 4 During the period under review, the Edusave Endowment Fund earned an interest income of \$221.3m. Of this, \$146.9m was disbursed, leaving a surplus of \$74.4m. This brings the accumulated surplus to \$595.7m.

DISBURSEMENT OF INCOME

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



BALANCE AS AT 31 MARCH 2004

- 6 As at 31 March 2004, the balance in the Edusave Endowment Fund was \$5.6 billion, comprising \$5.0 billion in the Capital Account and \$595.7m 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 (CPF Board) is responsible for maintaining the accounts of the Edusave Pupils Fund. Based on information furnished by the Ministry, the CPF Board opens an Edusave account for eligible student. It credits Edusave contributions to the students' 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 CPF Board sends a yearly statement of account 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 for his second-tier miscellaneous fees and autonomous school 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 use the accumulated balance in their Edusave accounts to pay for their tuition fees.

CONTRIBUTIONS AND WITHDRAWALS

- 5 During the financial year, \$73.3m was paid into the accounts of 458,347 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 \$64.1m was withdrawn from the accounts in FY 2003 which is a decrease of 2.6% over the \$65.8m withdrawn in FY 2002. Students in the Institutes of Technical Education withdrew \$0.1m while those in polytechnics and universities withdrew \$6.6m for payment of tuition fees. The remaining \$57.4m was withdrawn by 460,707 students from the Government and Government-aided primary and secondary schools, junior colleges and centralised institutes, Independent Schools and Government-supported special education schools. In terms of student participation rate, 86.6% of the students made use of the Edusave Pupils Fund. The details are shown in Table-01.

TABLE 01 Student Participation Rates for Edusave Pupils Fund Withdrawals by Level				
LEVEL	Primary⁽¹⁾	Secondary⁽²⁾	Pre-University	Total
Total no. of accounts	269,521	225,528	36,671	531,720
Total no. of accounts with withdrawals:	229,134	209,707	21,866	460,707
2nd-tier Misc Fees only	79,532	15,459	5,910	100,901
Enrichment Programmes only	49,210	51,431	5,060	105,701
Both	100,392	142,817	10,896	254,105
Participation Rate	85.0%	93.0%	59.6%	86.6%

(1) Special Education Schools are included under primary level.

(2) Independent Schools are included under secondary level.

- 7 The \$57.4m withdrawn by students represents a fund utilisation rate of 78.3% which is a decrease of 8.3% over the 86.6% utilised in the previous financial year. The decrease is mainly due to less enrichment programmes organised during the SARs period last year. Of the amount withdrawn, \$23.3m (40.6%) was used to pay for second-tier miscellaneous fees, and the remaining \$34.1m (59.4%) for enrichment programmes. Of the total amount used for enrichment programmes, \$32.3m (94.7%) was withdrawn by students from Government and Government-aided primary and secondary schools, junior colleges and centralised institutes, and the remaining \$1.8m (5.3%) was by students from Independent Schools and Government-supported special education schools. The details are shown in Table-02.

TABLE 02 Utilisation Rate for Edusave Pupils Fund by Level

LEVEL	Primary	Secondary	Pre-University	Total
	(\$)	(\$)	(\$)	(\$)
Total Contributions	43,123,360	30,133,600	- ⁽ⁱ⁾	73,256,960
Total Amount Withdrawn	19,084,354	35,259,914	3,030,002	57,374,270
Amount Withdrawn (by Government, Government-aided Schools)				
2nd-tier Misc Fees	9,207,453	12,610,195	1,459,611	23,277,259
Enrichment Programmes	9,638,026	21,127,477	1,570,391	32,335,894
Amount Withdrawn (by Special Education Schools, Independent Schools)				
Enrichment Programmes	238,875	1,522,242	-	1,761,117
Utilisation Rate	44.3%	117.0% ⁽ⁱⁱ⁾	- ⁽ⁱⁱⁱ⁾	78.3% ^(iv)

⁽ⁱ⁾ Students at pre-university level do not receive Edusave contributions.

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

⁽ⁱⁱⁱ⁾ There is no utilisation rate computed for pre-university level as the students do not receive contributions.

^(iv) The total utilisation rate of 78.3% is based on the contributions made in FY 2003 and includes the withdrawals made by students at pre-university level.

- 8 In FY 2003, an amount of \$41.7m 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 \$32.3m withdrawn from their Edusave accounts and \$7.6m co-paid in cash. Of the \$41.7m, \$25.2m (60.4%) was spent on personal development programmes, \$0.4m (1.0%) on local educational tours, \$1.9m (4.6%) on overseas educational tours, \$1.7m (4.1%) on sports and games, and \$12.5m (29.9%) on other programmes. The details are shown in Table-03.

PROGRAMME	Primary	Secondary	Pre-University	Total
	(\$)	(\$)	(\$)	(\$)
Personal Development Programmes	7,789,200	16,772,000	634,900	25,196,100
Local Tours	103,400	251,300	-	354,700
Overseas Tours	256,400	1,081,700	554,000	1,892,100
Sports and Games	674,200	931,900	98,000	1,704,100
Other Programmes	4,893,100	6,938,800	722,600	12,554,500
Total	13,716,300	25,975,700	2,009,500	41,701,500

Edusave Grants

- 1 Edusave grants are given to all Government and Government-aided primary and secondary schools, junior colleges, centralised institutes, Independent Schools, Government-supported special education schools 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 \$39.0m as shown in Table-04. The net disbursement was \$38.9m as \$0.1m was the unused balance refunded by schools which closed in FY 2003.

LEVEL	Grant per student	Amount Disbursed
Primary 1 to 6	\$ 50	\$14.9m
Secondary 1 to 5	\$ 90	\$19.1m
Junior College/Centralised Institute	\$120	\$ 2.8m
Special Education	\$ 50	\$ 0.2m
Institute of Technical Education	\$100	\$ 2.0m
Total	-	\$39.0m

UTILISATION OF GRANTS

- 3 In FY 2003, the total amount of grants spent by all schools was \$38.2m. Enrichment programmes accounted for \$36.8m (96.3%) of the expenditure and resources and equipment accounted for the balance of \$1.4m (3.7%). The breakdown on usage of Edusave Grants by level is shown in Table-05.

EXPENDITURE	Primary School	Secondary School	Independent School	Junior College/ Centralised Institute	Special Education School	Institute of Technical Education	Total
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Grants Disbursed in FY 2003	14,939,375	17,847,900	1,271,190	2,807,220	225,450	1,904,650	38,995,785
Total Expenditure	14,431,500	17,316,240	1,550,040	3,171,530	178,620	1,578,610	38,226,540
Resources and Equipment	347,300	417,160	212,700	149,430	32,060	292,010	1,450,660
Enrichment Programmes	14,084,200	16,899,080	1,337,340	3,022,100	146,560	1,286,600	36,775,880
Utilisation Rate (based on the Disbursement in FY 2003)	96.6%	97.0%	121.9%⁽ⁱ⁾	113.0%⁽ⁱ⁾	79.2%	82.9%	98.0%

⁽ⁱ⁾ 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) Schemes respectively.
- 2 For both schemes, school principals select awardees from each stream (Normal/ Express/ Special) in each level, based on the students' academic performance and subject to good conduct. Table-06 shows the criteria and value of the scholarships.

SCHOLARSHIPS	Value of Award
ESPS	
Top 5%	\$300
Next 5%	\$250
ESSS	
Top 5%	\$500
Next 5%	\$300

2003 EDUSAVE SCHOLARSHIPS FOR PRIMARY SCHOOLS (ESPS)

- 3 A total of 8,948 students in Primary 5 and 6 were awarded the ESPS. Of these 4,501 received the \$300 award and 4,447 students the \$250 award. The total amount paid was \$2.5m.
- 4 The breakdown of the awards by stream in Table-07 shows that 1,739 (19.4%) awardees were from EM1, 6,279 (70.2%) from EM2 and 930 (10.4%) from EM3. On the whole, 8.8% 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 07 **Distribution of 2003 ESPS Awardees by Stream**

STREAM	Top 5% \$300	Next 5% \$250	No. of Awardees	Percentage of students in stream
EM1	913	826	1,739	8.8%
EM2	3,070	3,209	6,279	8.7%
EM3	518	412	930	10.0%
Total	4,501	4,447	8,948	8.8%
Amount Paid	\$1,350,300	\$1,111,750	\$2,462,050	

2003 EDUSAVE SCHOLARSHIPS FOR SECONDARY SCHOOLS (ESSS)

- A total of 17,041 students in Secondary 1 to 5 were awarded the ESSS. Of these, 8,462 received the \$500 award and 8,579 students the \$300 award. The total amount paid was \$6.8m.
- The breakdown of the awards by stream shows that 7,572 (44.4%) awardees were from the Normal Stream, 8,684 (51.0%) from the Express Stream and 785 (4.6%) from the Special Stream. Table-08 shows that 8.3% 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 08 **Distribution of 2003 ESSS Awardees by Stream**

STREAM	Top 5% \$500	Next 5% \$300	No. of Awardees	Percentage of students in stream
Normal	3,801	3,771	7,572	9.1%
Express	4,267	4,417	8,684	8.3%
Special	394	391	785	4.3%
Total	8,462	8,579	17,041	8.3%
Amount Paid	\$4,231,000	\$2,573,700	\$6,804,700	

Edusave Scholarships for Independent Schools

- 1 Edusave scholarships are given out to Singaporean students studying in Independent Schools. The Edusave Entrance Scholarships for Independent Schools (EESIS) are awarded to students in the top one-third of total 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 less the amount of school and standard miscellaneous fees that students in Government and Government-aided secondary schools have to pay. The scholarship is tenable for the duration of the student's education in the Independent School.
- 2 With the implementation of Integrated Programme, a new Edusave Scholarships for Integrated Programme Schools (ESIP) was introduced in 2004 for students who join the Integrated Programme at entry points beyond Secondary 1. The selection is based on either the students' PSLE results or their Integrated Programme Scholarships Test results. The value of the ESIP is the same as the annual value of the EESIS. The scholarship is tenable for duration of the Integrated Programme course.
- 3 Under the Edusave Endowment Scheme (Edusave Scholarships) Regulations, EESIS and ESIP 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 or ESIP. This allows more students who are not in these special programmes to qualify for EESIS and ESIP funded from Edusave Funds.
- 4 In addition to the EESIS and ESIP, students in Independent Schools may also be awarded the Edusave (Independent Schools) Yearly Award (E(IS)YA) if they are among the top 5% students in each Independent School and are not EESIS and ESIP holders. The Yearly Awards are meant to reward students who were not selected for the EESIS or ESIP awards for excellent academic performance achieved in the year. Selection for the E(IS)YA is based on the students' school examination results for that year. The value of E(IS)YA is the same as the annual value of the EESIS.

2004 EESIS, ESIP AND 2003 E(IS)YA

- 5 In 2004, 1,135 EESIS awards were given to secondary one students in Independent Schools. Of these, 1,012 scholarships amounting to \$1.8m were funded from Edusave Funds while the remaining 123 scholarships were funded from Voted Funds. Another \$5.2m was disbursed from Edusave Funds to 2,848 EESIS scholars in Secondary 2 to 4.
- 6 A total of 297 students in Independent Schools were awarded the ESIP in 2004. Of these, 276 scholarships amounting to \$0.6m were funded from Edusave Funds while the remaining 14 scholarships were funded from Voted Funds.

- 7 In December 2003, 191 Secondary 1 to 4 students in the Independent Schools were given the E(IS)YA, amounting to \$0.3m. Table-09 shows the breakdown on EESIS, ESIP and E(IS)YA by type of scholarships.

TABLE 09 Breakdown by Type of Scholarships		
SCHOLARSHIPS	No. of Awardees	Amount Paid
<u>EESIS</u>		
Secondary 1	1,012	\$1.8m
Secondary 2 to 4	2,848	\$5.2m
<u>ESIP</u>		
Secondary 2	38	\$0.1m
Secondary 3	238	\$0.5m
<u>E(IS)YA</u>		
	191	\$0.3m
Total	4,327	\$7.9m

Edusave Merit Bursaries

- 1 The Edusave Merit Bursaries (EMB) Scheme aims to give Singaporean students from modest home background 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 Table-10 shows the value of awards by level.

LEVEL	Value of Award
Primary 1 to 3	\$150
Primary 4 to 6	\$200
Secondary 1 to 5	\$250
Junior College/Centralised Institute	\$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 subject to their good conduct.

2003 EDUSAVE MERIT BURSARIES (EMB)

- 4 A total of 42,906 students were awarded the EMB in 2003. As shown in Table-11, of the awardees, 23,165 were from primary schools, 15,378 secondary schools, 2,326 from junior colleges and centralised institutes, and the remaining 2,037 from Institutes of Technical Education. The total amount disbursed for EMB was \$9.5m. Of this, \$0.1m was refunded due to unclaimed awards.

TABLE 11 Breakdown on Number of EMB Awardees by Level

SCHOOL	No. of Awardees	% of Awardees out of the Total Student Population	Amount Paid
Primary	23,165	7.7%	\$4,081,800
Secondary	15,378	7.5%	\$3,865,250
Junior College/Centralised Institute	2,326	9.5%	\$708,600
Institute of Technical Education	2,037	10.6%	\$824,800
Total	42,906	7.8%	\$9,480,450

COMMUNITY EDUCATION AWARD SCHEME (CEAS)

- 5 Under 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 \$0.8m was disbursed through the People's Association to the Citizens' Consultative Committees in FY 2003.

Good Progress Awards

- 1 The Good Progress Awards (GPA) are given to Singaporean students in Government and Government-aided primary (except those in Primary 1) and 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 in each level and stream in every school. Selection is by comparing the year-end school examination results against those of 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 Table-12 .

TABLE 12 Value of GPA by Level

LEVEL	Value of Award
Primary 2 to 3	\$ 50
Primary 4 to 6	\$100
Secondary 1 to 5	\$150
Junior College/Centralised Institute	\$200
Institute of Technical Education	\$300

2003 GOOD PROGRESS AWARDS (GPA)

- 3 A total of 34,078 students were awarded the GPA in 2003. Of the awardees, 18,663 were from primary schools, 12,574 from secondary schools, 1,756 from junior colleges and centralised institutes, and the remaining 1,085 from Institutes of Technical Education. The details are shown in Table-13. The total value of GPA was \$4.0m. Of this, \$0.4m was recovered from the People's Association for their share in the two previous financial years, and \$0.02m was refunded due to unclaimed awards.

AWARDEE	Primary	Secondary	Junior College/ Centralised Institute	Institute of Technical Education	Total
No. of awardees	18,663	12,574	1,756	1,085	34,078
% of awardees out of the total student population	7.4% ⁽ⁱ⁾	6.1%	7.2%	5.6%	6.8%
Amount paid	\$1,484,200	\$1,886,100	\$351,200	\$325,500	\$4,047,000

⁽ⁱ⁾ For primary schools, Primary 1 students are excluded.

Edusave Awards for Achievement, Good Leadership and Service

- 1 The Edusave Awards for Achievement, Good Leadership and Service (EAGLES) were given to students to encourage them to excel in 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 Table-14.

LEVEL	Value
Primary 4 to 6	\$120
Secondary 1 to 5	\$150
Junior College/Centralised Institute	\$150
Institute of Technical Education	\$150

2003 EDUSAVE AWARDS FOR ACHIEVEMENT, GOOD LEADERSHIP AND SERVICE (EAGLES)

- 3 17,572 students were awarded the EAGLES during FY 2003. Of these awardees, 6,445 were from primary schools, 9,216 from secondary schools, 1,077 from junior colleges and centralised institutes, and 834 from the Institutes of Technical Education. The total amount disbursed for the awards was \$2.4m. The details are shown in Table-15.

LEVEL	Achievement	Good Leadership	Community Service	Total
Primary	3,797	1,508	1,140	6,445
Secondary	3,730	4,142	1,344	9,216
Junior College/ Centralised Institute	353	548	176	1,077
Institute of Technical Education	396	324	114	834
Total	8,276	6,522	2,774	17,572
Amount paid	\$1,127,490	\$932,910	\$381,900	\$2,442,300

Financial Statements

for FY2003/2004

FINANCIAL STATEMENTS

edusave endowment fund

FOR THE YEAR ENDED 31 MARCH 2004

Index to the financial statements

Auditors' report.....	24
Balance sheet.....	25
Statement of income and expenditure	26
Notes to the financial statements.....	27 - 32

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 2004 as set out on pages 25 to 32. 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 the management, as well as evaluating the overall financial statements 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 2004 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 investments of monies and the acquisition and disposal of assets by the Edusave Endowment Fund have been in accordance with the provisions of the Act.

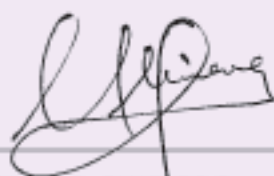


Foo Kon Tan Grant Thornton
CERTIFIED PUBLIC ACCOUNTANTS

Singapore, 14 May 2004

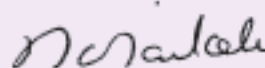
Balance sheet

	NOTE	As at 31 March 2004 \$	As at 31 March 2003 \$
Capital fund	4	5,000,000,000	5,000,000,000
Accumulated surplus		595,686,212	521,294,523
Total equity and liabilities		\$ 5,595,686,212	\$ 5,521,294,523
Represented by:			
Balance held by Accountant-General	5	5,595,357,225	5,521,294,523
Balance held by Central Provident Fund Board	6	328,987	-
Total assets		\$ 5,595,686,212	\$ 5,521,294,523



MR CHIANG CHIE FOO
PERMANENT SECRETARY

MINISTRY OF EDUCATION
14 May 2004



MRS WONG-HO SAI KEK
DEPUTY DIRECTOR/
FINANCIAL SYSTEMS & OPERATIONS

MINISTRY OF EDUCATION
11 May 2004

Statement of Income and Expenditure

	NOTE	FY2003 \$	FY2002 \$
INCOME			
Interest income:	7	221,306,413	217,699,900
EXPENDITURE			
Edusave Pupils Fund			
- Contribution to Edusave accounts	8	73,337,850	69,808,219
- Development expenditure	9	74,174	28,780
- Operating expenditure	9	455,061	275,366
Edusave Scholarships	10	17,156,392	14,102,464
Edusave Merit Bursaries	11	10,127,462	9,956,627
Good Progress Awards	12	3,625,770	3,017,445
EAGLES	13	2,436,030	2,320,350
Edusave Grants	14	38,915,567	38,034,676
Edusave Endowment Fund			
- Development expenditure	15	44,956	100,947
- Operating expenditure	15	741,462	1,257,992
		146,914,724	138,902,866
Surplus for the year		74,391,689	78,797,034
Accumulated Surplus brought forward		521,294,523	442,497,489
Accumulated Surplus carried forward		\$ 595,686,212	\$ 521,294,523

Notes to the financial statements

1. Principal Activities

The Edusave Endowment Fund (the '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 Institutes of Technical Education;
- (iv) the provision of grants to government, government-aided, independent and special education schools, junior colleges/centralised institutes and Institutes 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 Institutes 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 Institutes of Technical Education and
- (vii) such other purposes authorised under the Act, including administrative expenses.

2. Basis of 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

FY 2003 relates to the financial year from 1 April 2003 to 31 March 2004. Correspondingly, FY 2002 relates to the financial year from 1 April 2002 to 31 March 2003.

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

	FY2003 \$	FY2002 \$
Balance at beginning of the year	-	28,839
Advances made in the year	858,222	275,307
	858,222	304,146
Less:		
Development & operating expenditure relating to Edusave Pupils Fund (Note 9)	(529,235)	(304,146)
Balance at end of the year	328,987	-

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% per annum. (FY 2002: 4.0%)

8. Contribution to Edusave Accounts

The contribution to Edusave accounts represents payments made to 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 (FY 2002: \$160). The total number of pupils who received these contributions was 458,347 (FY 2002: 435,830) and contributions recovered with interest from pupils who did not attend school or have been found to be ineligible were \$11,680 (FY 2002: \$2,351). An additional amount of \$14,010 (FY 2002: \$77,770) was disbursed to pupils who became eligible for both current and previous years' contributions.

9. Development and Operating Expenditure

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

	FY2003 \$	FY2002 \$
(a) Development Expenditure		
System development:		
Manpower cost	39,260	21,679
Processing charges (program testing)	34,914	7,101
Sub total	<u>74,174</u>	<u>28,780</u>
(b) Operating Expenditure		
Computer services:		
Manpower cost	40,914	49,227
Processing charges	203,066	117,813
	<u>243,980</u>	<u>167,040</u>
Administrative support		
Manpower cost	205,798	101,891
Printing and stationery	1,042	3,962
Software and equipment maintenance	2,844	1,836
General expenses	1,397	637
	<u>211,081</u>	<u>108,326</u>
Sub total	<u>455,061</u>	<u>275,366</u>
Total	529,235	304,146

10. Edusave Scholarships

The scholarships are disbursed as follows:-

	FY2003 \$	FY2002 \$
Primary schools	2,465,500	2,533,050
Secondary schools	6,810,900	6,393,400
Independent schools	7,909,192	5,200,114
	<u>17,185,592</u>	<u>14,126,564</u>
Less:		
Refund of unclaimed scholarship awards	(29,200)	(24,100)
Total	17,156,392	14,102,464

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:-

	FY2003 \$	FY2002 \$
Primary schools	4,081,800	4,231,750
Secondary schools	3,865,250	3,680,150
Junior colleges/Centralised institutes	708,600	760,300
Institutes of Technical Education	824,800	844,000
Community Education Award Scheme	764,662	621,827
	10,245,112	10,138,027
Less:		
Refund of unclaimed Merit Bursary Awards	(117,650)	(181,400)
Total	10,127,462	9,956,627

12. Good Progress Awards

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

	FY2003 \$	FY2002 \$
Primary schools	1,484,200	1,494,300
Secondary schools	1,886,100	1,762,050
Junior colleges/Centralised institutes	351,200	361,000
Institutes of Technical Education	325,500	316,800
	4,047,000	3,934,150
Less:		
Funding by People's Association	(393,430)	(897,205)
Refund of unclaimed Good Progress Awards	(27,800)	(19,500)
Total	3,625,770	3,017,445

Funding by the People's Association received in the current financial year relates to the co-funding for Good Progress Awards disbursed in FY 2002.

13. EAGLES

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

	FY2003 \$	FY2002 \$
Primary schools	773,400	754,440
Secondary schools	1,382,250	1,287,150
Junior colleges/Centralised institutes	161,550	165,600
Institutes of Technical Education	125,100	119,100
	2,442,300	2,326,290
Less:		
Refund of unclaimed EAGLES	(6,270)	(5,940)
Total	2,436,030	2,320,350

14. Edusave Grants

During the financial year, grants paid to primary schools and special education schools were at the rate of \$50 (FY 2002: \$50) per pupil, secondary and independent schools at the rate of \$90 (FY 2002: \$90) per pupil, junior colleges/centralised institutes at the rate of \$120 (FY 2002: \$120) per pupil and Institutes of Technical Education at the rate of \$100 (FY 2002: \$100) per pupil.

	FY2003 \$	FY2002 \$
Primary schools		
- Payment in July	7,458,975	6,552,950
- Payment in January	7,480,400	7,563,225
Secondary Schools		
- Payment in July	8,438,310	8,552,430
- Payment in January	9,409,590	9,067,050
Special education schools		
- Payment in July	114,500	106,700
- Payment in January	110,950	105,650
Independent schools		
- Payment in July	584,010	574,290
- Payment in January	687,180	569,610
Junior colleges/Centralised institutes		
- Payment in July	1,340,520	1,530,720
- Payment in January	1,466,700	1,680,720
Institutes of Technical Education		
- Payment in September	560,160	572,800
- Payment in January	1,344,490	1,234,240
	38,995,785	38,110,385
Less:		
Refund of balances from schools closed	(80,218)	(75,709)
Total	38,915,567	38,034,676

15. Development and Operating Expenditure - Edusave Endowment Fund

	FY2003 \$	FY2002 \$
(a) Development Expenditure		
Enhancement of Edusave Awards Selection System	44,956	100,947
(b) Operating Expenditure		
Computer services		
- Manpower cost	24,770	185,771
- Processing cost	56,203	234,726
Edusave Unit manpower cost	225,991	174,446
Printing and stationery	286,286	475,043
Auditors' remuneration	36,400	31,044
Data entry services	50,208	50,722
Edusave awards briefing cost	489	3,455
POSB administrative cost	57,542	98,971
General expenses	3,573	3,814
	741,462	1,257,992
Total	786,418	1,358,939

FINANCIAL STATEMENTS

edusave pupils fund

FOR THE YEAR ENDED 31 MARCH 2004

Index to the financial statements

Auditors' report.....	34
Balance sheet.....	35
Statement of income and expenditure	36
Movement of members' account.....	37
Notes to the financial statements.....	38 - 39

Report of the auditors on the financial statements of Edusave Pupils Fund

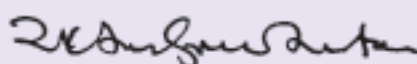
We have audited the financial statements of Edusave Pupils Fund for the financial year ended 31 March 2004 as set out on pages 35 to 39. These financial statements are the responsibility of the Ministry of Education. Our responsibility is to express an opinion on these financial statements based on our 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 the management, as well as evaluating the overall financial statements 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 2004 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.



Foo Kon Tan Grant Thornton
CERTIFIED PUBLIC ACCOUNTANTS

Singapore, 14 May 2004

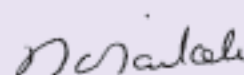
Balance sheet

	As at 31 March 2004 \$	As at 31 March 2003 \$
Members' Accounts	320,481,025	318,834,879
Accumulated surplus	5,234,039	4,915,457
Total equity and liabilities	\$ 325,715,064	\$ 323,750,336
Represented by:		
Deposits placed with the Monetary Authority of Singapore	325,600,000	323,600,000
Cash at Bank	115,064	150,336
Total assets	\$ 325,715,064	\$ 323,750,336



MR CHIANG CHIE FOO
PERMANENT SECRETARY

MINISTRY OF EDUCATION
14 May 2004



MRS WONG-HO SAI KEK
DEPUTY DIRECTOR/
FINANCIAL SYSTEMS & OPERATIONS

MINISTRY OF EDUCATION
11 May 2004

Statement of Income and Expenditure

	NOTE	FY2003 \$	FY2002 \$
INCOME			
Interest income:			
- Deposits placed with Monetary Authority of Singapore		7,683,103	7,665,308
- Cash at banks		2,527	3,036
	4	7,685,630	7,668,344
EXPENDITURE			
Interest credited to members accounts	5	7,367,048	7,362,560
Surplus for the year		318,582	305,784
Accumulated surplus brought forward		4,915,457	4,609,673
Accumulated surplus carried forward		5,234,039	4,915,457

Movement of Members' Account

	NOTE	FY2003 \$	FY2002 \$
CONTRIBUTIONS			
Edusave contributions from the Edusave Endowment Fund	6	73,337,850	69,808,219
Interest credited to members' accounts	5	7,367,048	7,362,560
		80,704,898	77,170,779
PAYMENTS			
Withdrawals of deceased members' balances		80,105	61,109
Withdrawals for educational programmes	7	64,105,910	65,791,219
Transfer to Central Provident Fund ordinary account of members	8	14,872,737	13,346,383
		79,058,752	79,198,711
Net increase in members' account for the year		1,646,146	(2,027,932)
Members' Account at beginning of the year		318,834,879	320,862,811
Members' Accounts at end of the year		\$ 320,481,025	\$ 318,834,879

Notes to the financial statements

1. Purpose of the Edusave Pupils Fund and Funding Policy

The Edusave Pupils Fund (the '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 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

FY 2003 relates to the financial year from 1 April 2003 to 31 March 2004. Correspondingly, FY 2002 relates to the financial year from 1 April 2002 to 31 March 2003.

4. Interest Income

These represent interest income earned from the balance placed with the Monetary Authority of Singapore and financial institutions. Interest rate for FY 2003 was 2.5% (FY 2002: 2.5%) per annum.

5. Interest Credited to Members' Accounts

This represents interest credited to members' accounts for unutilised credit balances calculated using the CPF's interest rates of 2.5% (FY2002: 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 (FY 2002: \$160). The total number of pupils who received these contributions was 458,347 (FY 2002: 435,830) and contributions recovered with interest from pupils who did not attend school or have been found to be ineligible were \$11,680 (FY 2002: \$2,351). An additional amount of \$14,010 (FY 2002: \$77,770) was disbursed to pupils who became eligible for both current and previous years' contributions.

7. Withdrawals for Educational Programmes

	FY2003 \$	FY2002 \$
Enrichment programmes:		
- Schools	34,097,011	37,972,703
- Institutes of Technical Education	113,261	119,098
Second-tier miscellaneous fees	23,277,259	22,371,499
Tuition fees for tertiary institutions	6,618,379	5,327,919
	\$ 64,105,910	\$ 65,791,219

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 their CPF ordinary accounts upon attaining 21 years of age.