

MINISTRY OF EDUCATION SINGAPORE



# EDUCATION ENDOWMENT SCHEME

## Annual Report

For Financial Year 2004/2005

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## **MISSION**

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

## **OBJECTIVE**

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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 2004 are:

<b>Chairman</b>	<b>Mr Kua Hong Pak</b> Managing Director / Group CEO ComfortDelGro Corporation Ltd
<b>Member</b>	<b>Mr Tan Hup Foi</b> Deputy President SMRT Corporation Ltd
<b>Member</b>	<b>Mr Khoo Teng Chye</b> Chief Executive Public Utilities Board
<b>Member</b>	<b>Assoc Prof Shaharuddin Bin Maaruf</b> Acting Head Department of Malay Studies National University of Singapore
<b>Member</b>	<b>Mdm Kok Chow Hiong</b> Principal South View Primary School
<b>Member</b>	<b>Mdm Stella Wee Bee Lian</b> Principal Riverside Secondary School



3. The Council appointed in January 2005 comprises:

<b>Chairman</b>	<b>Mr Kua Hong Pak</b> Managing Director / Group CEO ComfortDelGro Corporation Ltd
<b>Member</b>	<b>Assoc Prof Shaharuddin Bin Maaruf</b> Acting Head Department of Malay Studies National University of Singapore
<b>Member</b>	<b>Mr Barry Sim</b> Senior Vice-President (Investment) EDB Venture Management Pte Ltd
<b>Member</b>	<b>Dr Foong Wai Keong</b> President & CEO Ecquaria Technologies Pte Ltd
<b>Member</b>	<b>Mdm Kit Gek Wah</b> Principal Guangyang Primary School
<b>Member</b>	<b>Mdm Jennifer Chong</b> Principal St Anthony's Cannossian Secondary School

## EXECUTIVE SUMMARY

### EDUSAVE ENDOWMENT FUND

- 1 During the Financial Year (FY) 2004, the Edusave Endowment Fund generated an interest income of \$223.4m. Coupled with the \$595.7m balance brought forward from FY 2003, the total income available for FY 2004 amounted to \$819.1m.
- 2 Of this amount, \$156.3m 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 2005, the balance in the Edusave Endowment Fund was \$5.7 billion which includes a balance of \$662.9m 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 institute, 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 \$81.5m. Of the amount disbursed, \$71.5m was withdrawn by students in FY 2004. This is an increase of 11.5% over the \$64.1m withdrawn in FY 2003.

### EDUSAVE GRANTS

- 4 Edusave grants are given to all Government and Government-aided primary and secondary schools, junior colleges and centralised institute, 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 \$39.6m. The total expenditure was \$39.2m. This represents an utilisation rate of 99.2%.

### EDUSAVE AWARDS

- 5 Edusave awards are given to motivate students to excel both academically as well as in non-academic areas. An amount of \$33.8m 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 \$1.4m 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.

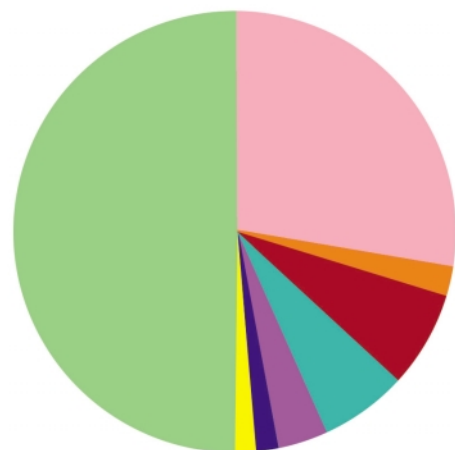
### INCOME FROM THE EDUSAVE ENDOWMENT FUND

- 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% per annum from 1 April 2004 to 31 March 2005.
- 4 During the period under review, the Edusave Endowment Fund earned an interest income of \$223.4m. Of this, \$156.2m was disbursed, leaving a surplus of \$67.2m. This brings the accumulated surplus to \$662.9m.

### DISBURSEMENT OF INCOME

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

**Chart 1: Distribution of amount disbursed in FY2004**



Total Amount Disbursed = S\$156.3m



### **BALANCE AS AT 31 MARCH 2005**

- 6 As at 31 March 2005, the balance in the Edusave Endowment Fund was \$5.7 billion, comprising \$5.0 billion in the Capital Account and \$662.9m 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 (SPED) schools, and institutes of technical education (ITE). The contribution rate was \$160 per student from 1997 to 2004. In 2005, the contribution rate was raised to \$170 for students in primary schools and SPED schools and \$200 for those in secondary schools and ITE.

### 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 Board opens an Edusave account for every 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 SPED schools and ITE 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, \$81.5m was paid into the accounts of 447,357 students in Government and Government-aided primary and secondary schools, independent schools, SPED schools and ITE.
- 6 A total amount of \$71.5m was withdrawn from the accounts in FY 2004 which is an increase of 11.5% over the \$64.1m withdrawn in FY 2003. 484,119 students from the Government and Government-aided primary and secondary schools, junior colleges and centralised institute, independent schools and SPED withdrew \$64.4m. Those in ITE withdrew \$0.1m, with the remaining \$7.0m withdrawn by those in polytechnics and universities. In terms of student participation rate, 91.0% of the students in schools made use of the Edusave Pupils Fund. The details are shown in Table-1.

**Table-1: Student Participation Rate For Edusave Pupils Fund Withdrawals by Level**

Level	Primary <sup>(1)</sup>	Secondary <sup>(2)</sup>	Pre-University	Total
Total no. of accounts	262,514	228,084	41,542	532,140
Total no. of accounts with withdrawals:	240,416	220,793	22,910	484,119
2nd-tier Misc Fees only	76,049	16,016	5,369	97,434
Enrichment Programmes only	48,692	58,143	5,141	111,976
Both	115,675	146,634	12,400	274,709
<b>Participation Rate</b>	<b>91.6%</b>	<b>96.8%</b>	<b>55.1%</b>	<b>91.0%</b>

<sup>(1)</sup> Special education schools are included under primary level.

<sup>(2)</sup> Independent schools are included under secondary level.



7 The \$64.4m withdrawn by school students represents a fund utilisation rate of 79.2% which is an increase of 0.9% over the 78.3% utilised in the previous financial year. Of the amount withdrawn, \$24.8m (38.5%) was used to pay for second-tier miscellaneous fees, and the remaining \$39.6m (61.5%) for enrichment programmes. Of the total amount used for enrichment programmes, \$36.6m (92.4%) was withdrawn by students from Government and Government-aided primary and secondary schools, junior colleges and centralised institute, and the remaining \$3.0m (7.6%) was by students from independent schools and SPED schools. The details are shown in Table-2.

**Table-2: Utilisation Rate for Edusave Pupils Fund by Level**

Level	Primary	Secondary	Pre-University	Total
	\$	\$	\$	\$
Total Contributions	44,627,380	36,682,210	-(1)	81,309,590
Total Amount Withdrawn	21,264,036	39,620,310	3,497,482	64,381,828
Amount Withdrawn (by Government, Government-aided schools):				
2nd-tier Misc Fees	10,093,579	13,080,602	1,647,444	24,821,625
Enrichment Programmes	10,845,254	23,947,704	1,779,704	36,572,662
Amount Withdrawn (by special education schools, independent schools):				
Enrichment Programmes	325,203	2,592,004	70,334	2,987,541
<b>Utilisation rate</b>	<b>47.6%</b>	<b>108.0%</b> <sup>(2)</sup>	-(3)	<b>79.2%</b> <sup>(4)</sup>

- (1) Students at pre-university level do not receive Edusave contributions.
- (2) Students made use of the balances brought forward from previous years.
- (3) There is no utilisation rate computed for pre-university level as the students do not receive contributions.
- (4) The utilisation rate of 79.2% is based on the contributions made in FY 2004 and includes the withdrawals made by students at pre-university level.



8 In FY 2004, an amount of \$48.7m was spent by students in the Government and Government-aided primary and secondary schools, junior colleges and centralised institute on enrichment programmes. This consists of \$39.6m withdrawn from their Edusave accounts and \$9.1m co-paid in cash. Of the \$48.7m, \$28.2m (58.0%) was spent on personal development programmes, \$0.3m (0.6%) on local educational tours, \$4.4m (9.0%) on overseas educational tours, \$2.3m (4.7%) on sports and games, and \$13.5m (27.7%) on other programmes. The details are shown in Table-3.

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

Programme	Primary	Secondary	Pre-University	Total
	\$	\$	\$	\$
Personal Development Programmes	9,166,900	18,224,900	785,400	28,177,200
Local Tours	100,100	236,400	3,800	340,300
Overseas Tours	775,400	2,505,400	1,071,900	4,352,700
Sports and Games	995,500	1,173,800	116,000	2,285,300
Other Programmes	5,185,100	7,831,800	496,700	13,513,600
<b>Total</b>	<b>16,223,000</b>	<b>29,972,300</b>	<b>2,473,800</b>	<b>48,669,100</b>

## EDUSAVE GRANTS

- 1 Edusave grants are given to all Government and Government-aided primary and secondary schools, junior colleges, centralised institute, independent schools, Government-supported SPED schools and ITE. 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 \$39.6m as shown in Table-4.

**Table-4: Breakdown on Disbursement of Edusave Grants by Level**

Level	Grant per Student	Amount Disbursed
Primary 1 to 6	\$ 50	\$14.7m
Secondary 1 to 5	\$ 90	\$19.5m
Junior College/Centralised Institute	\$120	\$ 3.2m
Special Education	\$ 50	\$ 0.2m
Institute of Technical Education	\$100	\$ 2.0m
<b>Total</b>	-	<b>\$ 39.6m</b>

## UTILISATION OF GRANTS

- 3 In FY 2004, the total amount of grants spent by all schools was \$39.2m. Enrichment programmes accounted for \$38.0m (96.9%) of the expenditure and resources and equipment accounted for the balance of \$1.2m (3.1%). The breakdown on usage of Edusave Grants by level is shown in Table-5.

**Table-5: Breakdown on Usage of Edusave Grants by School Type**

Expenditure	Primary School	Secondary School	Independent School	Junior College /Centralised Institute	Independent JC	Special Education School	Institute of Technical Education	Total
<b>Grants Disbursed in FY 2004</b>	\$ 14,684,500	\$ 18,189,720	\$ 1,297,665	\$ 2,939,820	\$ 229,800	\$ 227,425	\$ 1,988,890	\$ 39,557,820
<b>Total Expenditure</b>	14,163,810	18,466,450	1,406,700	3,041,300	238,090	209,490	1,701,120	39,226,960
Resources and Equipment	365,360	339,270	114,640	63,550	0	49,680	299,320	1,231,820
Enrichment Programmes	13,798,450	18,127,180	1,292,050	2,977,750	238,090	159,810	1,401,810	37,995,140
<b>Utilisation Rate (based on the Disbursement in FY 2004)</b>	96.5%	101.5% <sup>(1)</sup>	108.4% <sup>(1)</sup>	103.5% <sup>(1)</sup>	103.6% <sup>(1)</sup>	92.1%	85.5%	99.2%

<sup>(1)</sup> 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 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 any stream (Normal/ Express/ Special) in each level, based on the students' academic performance and subject to good conduct. Table-6 shows the criteria and value of the scholarships.

**Table-6: Criteria and Award Values**

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

### **2004 EDUSAVE SCHOLARSHIPS FOR PRIMARY SCHOOLS (ESPS)**

- 3 A total of 8,770 students in Primary 5 and 6 were awarded the ESPS. Of these 4,365 received the \$300 award and 4,405 students the \$250 award. The total amount paid was \$2.4m.
- 4 The breakdown of the awards by stream in Table-7 shows that 7,894 (90.0%) awardees were from EM1/EM2, 876 (10.0%) from EM3. On the whole, 8.7% 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 2004 ESPS Awardees by Stream**

Stream	Top 5% \$300	Next 5% \$250	No. of Awardees	Percentage of Students in Stream
EM1/EM2	3,868	4,026	7,894	8.5%
EM3	497	379	876	10.0%
<b>Total</b>	<b>4,365</b>	<b>4,405</b>	<b>8,770</b>	<b>8.7%</b>
<b>Amount Paid</b>	<b>\$1,309,500</b>	<b>\$1,101,250</b>	<b>\$2,410,750</b>	

#### 2004 EDUSAVE SCHOLARSHIPS FOR SECONDARY SCHOOLS (ESSS)

- 5 A total of 17,622 students in Secondary 1 to 5 were awarded the ESSS. Of these, 8,732 received the \$500 award and 8,890 students the \$300 award. The total amount paid was \$7.0m.
- 6 The breakdown of the awards by stream in Table-8 shows that 7,850 (44.5%) awardees were from the Normal Stream, 8,959 (50.8%) from the Express Stream and 813 (4.7%) from the Special Stream. On the whole, 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-8: Distribution of 2004 ESSS Awardees by Stream**

Stream	Top 5% \$500	Next 5% \$300	No. of Awardees	Percentage of Students in Stream
Normal	3,915	3,935	7,850	9.1%
Express	4,404	4,555	8,959	8.2%
Special	413	400	813	4.3%
<b>Total</b>	<b>8,732</b>	<b>8,890</b>	<b>17,622</b>	<b>8.3%</b>
<b>Amount Paid</b>	<b>\$4,366,000</b>	<b>\$2,667,000</b>	<b>\$7,033,000</b>	





## EDUSAVE SCHOLARSHIPS FOR INDEPENDENT SCHOOLS

- 1 Edusave scholarships are given 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.
- 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 E(IS)YA 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.

### 2005 EESIS, ESIP AND 2004 E(IS)YA

- 5 In 2005, 1,080 EESIS awards were given to secondary one students in independent schools. Of these, 898 scholarships amounting to \$1.8m were funded from Edusave Funds while the remaining 182 scholarships amounting to \$0.3m were funded from Voted Funds. Another \$5.4m was disbursed from Edusave Funds to 2,683 EESIS scholars in Secondary 2 to 4.



- 6 A total of 450 students in independent schools were awarded the ESIP in 2005. Of these, 406 scholarships amounting to \$0.9m were funded from Edusave Funds while the remaining 44 scholarships amounting to \$0.1m were funded from Voted Funds.
- 7 In December 2004, 166 Secondary 1 to 4 students in the independent schools were given the E(IS)YA, amounting to \$0.3m. Table-9 shows the breakdown on EESIS, ESIP and E(IS)YA by type of scholarships.

**Table-9: Breakdown by Type of Scholarships**

Scholarships	No. of Awardees	Amount Paid
<b><u>EESIS</u></b>		
Secondary 1	898	\$ 1.8m
Secondary 2 to 4	2,683	\$ 5.4m
<b><u>ESIP</u></b>		
Secondary 2	168	\$ 0.4m
Secondary 3	238	\$ 0.5m
<b><u>E(IS)YA</u></b>		
	166	\$ 0.3m
<b>Total</b>	<b>4,153</b>	<b>\$ 8.4m</b>



## 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 institute and ITE.
- 2 Table-10 shows the value of award by level.

**Table-10: Value of EMB by Level**

Level	Value
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 EMB. 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.

### 2004 EDUSAVE MERIT BURSARIES (EMB)

- 4 A total of 40,741 students were awarded the EMB in 2004. The breakdown of awardees by level in Table-11 shows that 21,230 awardees were from primary schools, 15,036 from secondary schools, 2,182 from junior colleges and centralised institute, and the remaining 2,293 from ITE. The total amount disbursed for EMB was \$9.0m. Of this, \$0.1m was recovered 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	21,230	7.2%	\$3,703,000
Secondary	15,036	7.0%	\$3,760,500
Junior College/Centralised Institute	2,182	8.8%	\$658,700
Institute of Technical Education	2,293	12.2%	\$910,000
<b>Total</b>	<b>40,741</b>	<b>7.7%</b>	<b>\$9,032,200</b>

**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 ITE based on a ratio of 3:1, subject to a cap of 15% of the total value of the EMB disbursed in the previous year.
- 6 An amount of \$0.6m was disbursed through the People's Association to the Citizens' Consultative Committees in FY 2004.



## 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 institute and ITE who have made significant improvement in their academic performance and are not recipients of Edusave scholarships or bursaries. The GPA is co-funded by the People's Association which bears 10% of the amount paid.
- 2 The awards are given to a maximum of 10% of students per level per 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. Table-12 shows the value of the award by level.

**Table-12: Value of GPA by Level**

Level	Value
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



### 2004 GOOD PROGRESS AWARDS (GPA)

3 A total of 35,052 students were awarded the GPA in 2004. The breakdown of awardees by level in Table-13 shows 18,911 awardees were from primary schools, 13,153 from secondary schools, 1,798 from junior colleges and centralised institute, and the remaining 1,190 from ITE. The total value of GPA was \$4.2m. Of this, \$0.4m was recovered from the People’s Association for their share in the two previous financial years, and \$0.02m was recovered due to unclaimed awards.

**Table-13: Breakdown on Number of GPA by Level**

Awardees	Primary	Secondary	Junior College/ Centralised Institute	Institute of Technical Education	Total
No. of awardees	18,911	13,153	1,798	1,190	35,052
% of awardees out of the total student population	7.6% <sup>(1)</sup>	6.2%	7.3%	6.3%	6.9%
Amount paid	\$1, 509,700	\$1,972,950	\$359,600	\$357,000	\$4,199,250

<sup>(1)</sup> 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 ITE. Recipients of Edusave scholarships and bursaries are also eligible for this award. Table-14 shows the value of the award by level.

**Table-14: Value of EAGLES by Level**

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



### 2004 EDUSAVE AWARDS FOR ACHIEVEMENT, GOOD LEADERSHIP AND SERVICE (EAGLES)

3 18,050 students were awarded the EAGLES during FY 2004. The breakdown of awardees by level in Table-15 shows 6,567 awardees were from primary schools, 9,521 from secondary schools, 1,090 from junior colleges and centralised institute, and 872 from ITE. The total amount disbursed for the awards was \$2.5m.

**Table-15: Breakdown on EAGLES by Category and Level**

Level	Achievement	Good Leadership	Community Service	Total
Primary	3,973	1,527	1,067	6,567
Secondary	3,222	4,717	1,582	9,521
Junior College / Centralised Institute	381	543	166	1,090
Institute of Technical Education	411	379	82	872
Total	7,987	7,166	2,897	18,050
Amount paid	\$1,078,860	\$1,029,090	\$402,540	\$2,510,490



**FINANCIAL STATEMENTS**  
**EDUSAVE ENDOWMENT FUND**

**FOR THE YEAR ENDED 31 MARCH 2005**

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## 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 2005 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 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 2005 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.

Foo Kon Tan Grant Thornton  
Certified Public Accountants  
Singapore, 16 May 2005

**BALANCE SHEET**

	Note	31 March 2005 \$	31 March 2004 \$
Capital fund	4	5,000,000,000	5,000,000,000
Accumulated surplus		662,875,500	595,686,212
<b>Total equity and liabilities</b>		<b>5,662,875,500</b>	<b>5,595,686,212</b>
<b>Represented By:</b>			
Balance held by Accountant-General	5	5,662,779,096	5,595,357,225
Balance held by Central Provident Fund Board	6	96,404	328,987
<b>Total assets</b>		<b>5,662,875,500</b>	<b>5,595,686,212</b>

**MRS TAN CHING YEE***Second Permanent Secretary*

MINISTRY OF EDUCATION

16 May 2005

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

MINISTRY OF EDUCATION

16 May 2005



## INCOME AND EXPENDITURE STATEMENT

	Note	Year ended 31 March 2005 \$	Year ended 31 March 2004 \$
<b>INCOME</b>			
Interest income	7	223,366,691	221,306,413
<b>EXPENDITURE</b>			
Edusave Pupils Fund			
- Contribution to Edusave accounts	8	81,479,000	73,337,850
- Development expenditure	9	21,223	74,174
- Operating expenditure	9	333,180	455,061
Edusave Scholarships	10	17,884,611	17,156,392
Edusave Merit Bursaries	11	9,597,107	10,127,462
Good Progress Awards	12	3,776,045	3,625,770
EAGLES	13	2,504,410	2,436,030
Edusave Grants	14	39,557,820	38,915,567
Edusave Endowment Fund			
- Development expenditure	15	240,137	44,956
- Operating expenditure	15	783,870	741,462
		<b>156,177,403</b>	<b>146,914,724</b>
Surplus for the year		<b>67,189,288</b>	<b>74,391,689</b>
Accumulated Surplus brought forward		<b>595,686,212</b>	<b>521,294,523</b>
<b>Accumulated Surplus carried forward</b>		<b>662,875,500</b>	<b>595,686,212</b>



## 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 institute and Institutes of Technical Education;
- (iv) the provision of grants to government, government-aided, independent and special education schools, junior colleges/centralised institute 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 institute 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 institute 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 2004 relates to the financial year from 1 April 2004 to 31 March 2005. Correspondingly, FY 2003 relates to the financial year from 1 April 2003 to 31 March 2004.



**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**

	FY 2004	FY 2003
	\$	\$
Balance at beginning of the year	328,987	-
Advances made in the year	121,820	858,222
	450,807	858,222
Less:		
Development & operating expenditure relating to Edusave Pupils Fund (Note 9)	354,403	529,235
<b>Balance at end of the year</b>	<b>96,404</b>	<b>328,987</b>

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 2003 - 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. The rate of contribution to each account was \$170 for primary school pupils and \$200 for secondary school pupils (FY 2003 - \$160 for all pupils). The total number of pupils who received these contributions was 447,357 (FY2003 – 458,347) and contributions recovered with interest from pupils who did not attend school or have been found to be ineligible were \$1,120 (FY 2003 - \$11,680). An additional amount of \$4,770 (FY 2003 - \$14,010) 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.

	FY 2004	FY 2003
(a) Development Expenditure	\$	\$
System development		
Manpower cost	15,077	39,260
Processing charges (program testing)	6,146	34,914
Total development expenditure	<u>21,223</u>	<u>74,174</u>
(b) Operating Expenditure		
Computer services:		
Manpower cost	44,703	40,914
Processing charges	125,961	203,066
	<u>170,664</u>	<u>243,980</u>
Administrative support		
Manpower cost	155,658	205,798
Printing and stationery	2,639	1,042
Software and equipment maintenance	2,638	2,844
General expenses	1,581	1,397
	<u>162,516</u>	<u>211,081</u>
	<u>333,180</u>	<u>455,061</u>
<b>Total expenditure (Note 6)</b>	<b>354,403</b>	<b>529,235</b>





## 10 Edusave Scholarships

The scholarships are disbursed as follows:

	FY 2004	FY 2003
	\$	\$
Primary schools	2,411,200	2,465,500
Secondary schools	7,034,400	6,810,900
Independent schools	8,455,061	7,909,192
	<b>17,900,661</b>	<b>17,185,592</b>
Less:		
Refund of unclaimed scholarship awards	(16,050)	(29,200)
<b>Total</b>	<b>17,884,611</b>	<b>17,156,392</b>

## 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:

	FY 2004	FY 2003
	\$	\$
Primary schools	3,703,000	4,081,800
Secondary schools	3,760,500	3,865,250
Junior colleges/Centralised institute	658,700	708,600
Institutes of Technical Education	910,000	824,800
Community Education Award Scheme	658,707	764,662
	<b>9,690,907</b>	<b>10,245,112</b>
Less:		
Refund of unclaimed Merit Bursaries	(93,800)	(117,650)
<b>Total</b>	<b>9,597,107</b>	<b>10,127,462</b>



## 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:

	FY 2004	FY 2003
	\$	\$
Primary schools	1,509,700	1,484,200
Secondary schools	1,972,950	1,886,100
Junior colleges/Centralised institute	359,600	351,200
Institutes of Technical Education	357,000	325,500
	4,199,250	4,047,000
Less:		
Funding by People's Association	(404,705)	(393,430)
Refund of unclaimed Good Progress Awards	(18,500)	(27,800)
<b>Total</b>	<b>3,776,045</b>	<b>3,625,770</b>

Funding by the People's Association received in the current financial year relates to the co-funding for Good Progress Awards disbursed in FY 2003.

## 13 EAGLES

These awards are given to pupils for achievements, good leadership and service and are disbursed as follows:

	FY 2004	FY 2003
	\$	\$
Primary schools	788,040	773,400
Secondary schools	1,428,150	1,382,250
Junior colleges/Centralised institute	163,500	161,550
Institutes of Technical Education	130,800	125,100
	2,510,490	2,442,300
Less:		
Refund of unclaimed EAGLES	(6,080)	(6,270)
<b>Total</b>	<b>2,504,410</b>	<b>2,436,030</b>



## 14 Edusave Grants

During the financial year, grants paid to primary schools and special education schools were at the rate of \$50 (FY 2003 - \$50) per pupil, secondary and independent schools at the rate of \$90 (FY 2003 - \$90) per pupil, junior colleges/centralised institute at the rate of \$120 (FY 2003 - \$120) per pupil and Institutes of Technical Education at the rate of \$100 (FY 2003 - \$100) per pupil.

	FY 2004	FY 2003
	\$	\$
Primary schools		
- Payment in July	7,365,050	7,458,975
- Payment in January	7,319,450	7,480,400
Secondary schools		
- Payment in July	8,723,700	8,438,310
- Payment in January	9,466,020	9,409,590
Special education schools		
- Payment in July	114,900	114,500
- Payment in January	112,525	110,950
Independent schools		
- Payment in July	699,750	584,010
- Payment in January	597,915	687,180
Junior colleges/Centralised institute		
- Payment in July	1,349,580	1,340,520
- Payment in January	1,590,240	1,466,700
Institutes of Technical Education		
- Payment in September	536,110	560,160
- Payment in January	1,452,780	1,344,490
Independent Junior College		
- Payment in July	-	-
- Payment in January	229,800	-
	39,557,820	38,995,785
Less:		
Refund of balances from schools closed	-	(80,218)
<b>Total</b>	<b>39,557,820</b>	<b>38,915,567</b>



## 15 Development & Operating Expenditure – Edusave Endowment Fund

	FY 2004	FY 2003
	\$	\$
<b>(a) Development Expenditure</b>		
Enhancement of Edusave Awards Selection System	240,137	44,956
Enhancement to Edusave System	-	-
	240,137	44,956
<b>(b) Operating Expenditure</b>		
Computer services:		
- Manpower cost	26,176	24,770
- Processing charges	80,250	56,203
Edusave unit manpower cost	211,764	225,991
Printing and stationery	327,836	286,286
Auditors' remuneration	28,350	36,400
Data entry services	49,421	50,208
Edusave awards briefing cost	1,272	489
DBS administration cost	55,161	57,542
General expenses	3,640	3,573
	783,870	741,462
<b>Total</b>	1,024,007	786,418



**FINANCIAL STATEMENTS**  
**EDUSAVE PUPILS FUND**

**FOR THE YEAR ENDED 31 MARCH 2005**

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## 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 2005 as set out on pages 40 to 44. 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 disbursement 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 2005 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 investment 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, 16 May 2005



## BALANCE SHEET

	31 March 2005	31 March 2004
	\$	\$
Members' Accounts	322,070,720	320,481,025
Accumulated Surplus	5,590,263	5,234,039
<b>Total equity and liabilities</b>	<b>327,660,983</b>	<b>325,715,064</b>
<b>Represented By:</b>		
Deposits placed with the Monetary Authority of Singapore	327,470,000	325,600,000
Cash at bank	190,983	115,064
<b>Total assets</b>	<b>327,660,983</b>	<b>325,715,064</b>

**MRS TAN CHING YEE**  
*Second Permanent Secretary*

MINISTRY OF EDUCATION  
16 May 2005

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

MINISTRY OF EDUCATION  
16 May 2005





## INCOME AND EXPENDITURE STATEMENT

	Note	FY 2004 \$	FY 2003 \$
<b>INCOME</b>			
Interest income:			
- Deposits placed with Monetary Authority of Singapore		7,655,649	7,683,103
- Cash at banks		10,379	2,527
	4	7,666,028	7,685,630
<b>EXPENDITURE</b>			
Interest credited to members' accounts	5	7,309,804	7,367,048
Surplus for the year		356,224	318,582
Accumulated surplus brought forward		5,234,039	4,915,457
<b>Accumulated surplus carried forward</b>		<b>5,590,263</b>	<b>5,234,039</b>



## MOVEMENT OF MEMBERS' ACCOUNT

		FY 2004	FY 2003
	Note	\$	\$
<b>CONTRIBUTIONS</b>			
Edusave contributions from the Edusave Endowment Fund	6	81,479,000	73,337,850
Interest credited to members' accounts	5	7,309,804	7,367,048
		<b>88,788,804</b>	<b>80,704,898</b>
<b>PAYMENTS</b>			
Withdrawals of deceased members' balances		80,562	80,105
Withdrawals for educational programmes	7	71,486,845	64,105,910
Transfer to Central Provident Fund ordinary account of Members	8	15,631,702	14,872,737
		<b>87,199,109</b>	<b>79,058,752</b>
Net Increase in members' account for the year		<b>1,589,695</b>	<b>1,646,146</b>
Members' Account at beginning of the year		<b>320,481,025</b>	<b>318,834,879</b>
<b>Members' Account at end of the year</b>		<b>322,070,720</b>	<b>320,481,025</b>



## NOTES TO THE FINANCIAL STATEMENTS

### 1 Principal Activities

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 their 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, autonomous 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 2004 relates to the financial year from 1 April 2004 to 31 March 2005. Correspondingly, FY 2003 relates to the financial year from 1 April 2003 to 31 March 2004.

### 4 Interest Income

This represents interest income earned from the balance placed with the Monetary Authority of Singapore and financial institutions. Interest rate for FY 2004 was 2.5% (FY 2003 - 2.5%) per annum.

### 5 Interest Credited to Members’ Accounts

This represents interest credited to members’ accounts for unutilised credit balances calculated using CPF’s interest rates of 2.5% (FY 2003 - 2.5%) per annum.



## 6 Edusave Contributions from the Edusave Endowment Fund

The contribution to Edusave accounts represents monies received from the Edusave Endowment Fund for Singaporean pupils between the ages of six and sixteen, studying in prescribed schools. The rate of contribution to each account was \$170 for primary school pupils and \$200 for secondary school pupils (FY 2003 - \$160 for all pupils). The total number of pupils who received these contributions was 447,357 (FY2003 – 458,347) and contributions recovered with interest from pupils who did not attend school or have been found to be ineligible were \$1,120 (FY 2003 - \$11,680). An additional amount of \$4,770 (FY 2003 - \$14,010) was disbursed to pupils who became eligible for both current and previous years' contributions.

## 7 Withdrawals for Education Programmes

	FY 2004	FY 2003
	\$	\$
Enrichment programmes:		
- Schools	39,560,203	34,097,011
- Institutes of Technical Education	137,594	113,261
Second-tier miscellaneous fees	24,821,625	23,277,259
Tuition fees for tertiary institutions	6,967,423	6,618,379
	<b>71,486,845</b>	<b>64,105,910</b>

## 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.