

# The Education Endowment and Savings Schemes



ANNUAL REPORT  
For Financial Year  
2007/2008

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## THE EDUCATION ENDOWMENT AND SAVINGS SCHEMES ACT

- 1 The Education Endowment Scheme Act (CAP 87A) was enacted in January 1993 to introduce the Edusave Endowment Scheme, commonly known as the Edusave Scheme. The Edusave Endowment Fund and Edusave Pupils Fund were established under this Act.
- 2 In January 2008, the Act was amended to incorporate the Post-Secondary Education (PSE) Scheme and the title was changed to Education Endowment and Savings Schemes Act. The PSE Scheme is to help parents save for their children's post-secondary education. Under the Scheme, unused funds in the Children Development Account (CDA) will be transferred to the PSE account in the year when the child attains the age of 7 years. From April 2008, the balance in the Edusave account is also transferred to the PSE account when Edusave member attains the age of 16 years or is not studying in a prescribed school, whichever is later. In good years, the Government will top up the PSE accounts of eligible Singaporeans. In Budget 2007, the Government announced that it would top up the PSE accounts in March 2008 and March 2009 for every Singaporean child aged from 7 to 20 in the year of payout. A PSE account will be opened automatically for each eligible Singaporean.
- 3 As at 31 March 2008, there is a balance of \$215,219,848 in the PSE fund. In accordance with Clause 7(2) of the Act, the first financial year of the PSE fund shall begin on 1 January 2008 when it was established and ends on 31 March 2009. Details on the PSE Scheme will be included in the annual report in the next financial year.

# THE EDUCATION ENDOWMENT SCHEME

## 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



## EXECUTIVE SUMMARY

### EDUSAVE ENDOWMENT FUND

- 1 During the Financial Year (FY) 2007, the Edusave Endowment Fund generated an interest income of \$231.8m. Coupled with the \$788.6m balance brought forward from FY 2006, the total income for FY 2007 amounted to \$1,020.4m.
- 2 Of the available income, \$174.3m was disbursed in the form of contributions to students' Edusave accounts, Edusave grants, Opportunity Fund grants, Edusave awards, Community Education Awards and development and operating expenditure. As at 31 March 2008, the balance in the Edusave Endowment Fund was \$5.8 billion which includes a balance of \$846.1m 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, independent junior colleges and Government-supported special education schools to pay for approved fees and school-based enrichment programme charges. Students in institutes of technical education, polytechnics and universities can use the accumulated balance in their Edusave accounts to pay for their course fees up till March 2008. From April 2008, their Edusave balances are transferred to their Post-Secondary Education accounts.
- 4 The amount disbursed to the Edusave Pupils Fund in the financial year was \$84.1m. A total amount of \$90.7m was withdrawn by students in FY 2007. This represents an increase of 10.2% over the \$82.3m withdrawn in FY 2006.

## EDUSAVE GRANTS

- 5 Edusave grants are given to all Government and Government-aided primary and secondary schools, junior colleges and centralised institute, independent schools, independent junior colleges, 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 \$39.9m. The total expenditure was \$38.3m. This represents a utilisation rate of 95.9%.

## OPPORTUNITY FUND GRANTS

- 6 The Opportunity Fund is a one-off grant given to all Government and Government-aided primary and secondary schools, junior colleges and centralised institute, independent schools, independent junior colleges, Government-supported special education schools and institutes of technical education to be used over 3 years to level up co-curricular development opportunities for Singapore citizen students from lower income households. Pro-rated grants of \$0.2m were disbursed to 9 new schools in the financial year. The total Opportunity Fund Grants disbursed to schools since FY2006 was \$48.7m. The accumulated expenditure was \$10.3m as at 31 Mar 2008. This represents a utilisation rate of 21.2%.

## EDUSAVE AWARDS

- 7 Edusave awards are given to motivate students to excel both academically as well as in non-academic areas. An amount of \$49.2m was disbursed during the financial year.

## DEVELOPMENT AND OPERATING COST

- 8 The development and operating cost of the Edusave Endowment Fund and Edusave Pupils Fund amounted to \$0.9m during the financial year.

## EDUSAVE ENDOWMENT FUND

- 1 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.

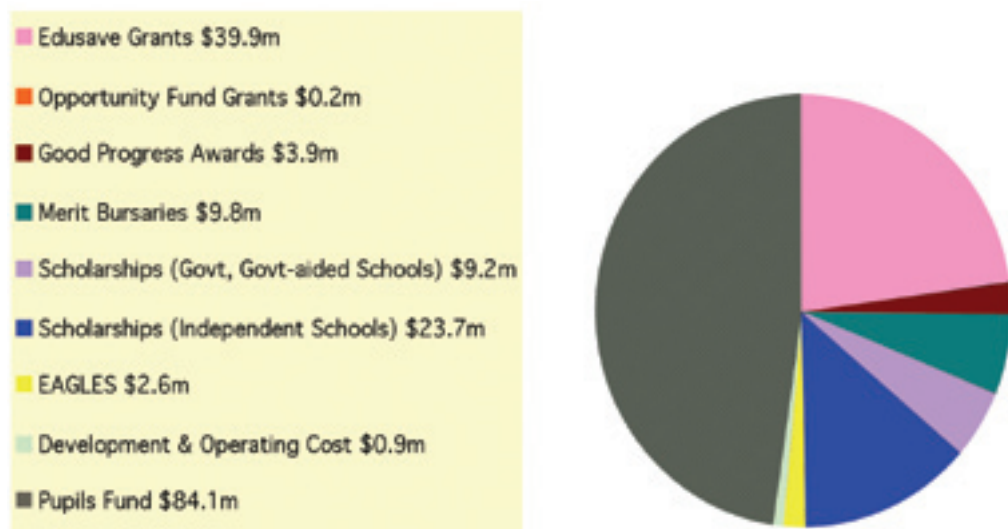
### INCOME FROM THE EDUSAVE ENDOWMENT FUND

- 2 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 2007 to 31 March 2008.
- 3 During the period under review, the Edusave Endowment Fund earned an interest income of \$231.8m. Of the available income, \$174.3m was disbursed, leaving a surplus of \$57.5m. This brings the accumulated surplus to \$846.1m.

### DISBURSEMENT OF INCOME

- 4 The amount disbursed is distributed as shown in Chart 1 below:

Chart 1: Distribution of amount disbursed in FY 2007



Total Amount Disbursed = \$174.3m

### BALANCE AS AT 31 MARCH 2008

- 5 As at 31 March 2008, the balance in the Edusave Endowment Fund was \$5.8 billion, comprising \$5.0 billion in the Capital Account and \$846.1m 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 Assumption Vocational Institute (AVI). The contribution rate was \$160 per student from 1997 to 2004 and \$170 for students in primary and SPED schools and \$200 for those in secondary schools and AVI from 2005-2007. In 2008, the contribution rate was raised to \$180 for students in primary and SPED schools and \$220 for those in secondary schools and AVI.

### ADMINISTRATION OF EDUSAVE PUPILS FUND

- 2 The Central Provident Fund Board (CPF Board) is responsible for administering the Edusave Pupils Fund. Prior to Jan 2006, the Board also maintained the detailed accounts of all members. From Jan 2006, the Ministry has taken over the maintenance of detailed accounts of members who are below 21 years of age and are not studying in tertiary institutions whilst the Board keeps the Consolidated Total for them. The change is to improve operational efficiency and does not affect the administration of the Edusave Pupils Fund which continues to be the sole responsibility of CPF Board.

### 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 can also use the money to pay for their approved fees and enrichment programmes.
- 4 Students in institutes of technical education, polytechnics and universities can use the accumulated balance in their Edusave accounts to pay for their course fees up till March 2008. From April 2008, the Edusave account balances are transferred to the Post-Secondary Education accounts when the students join institutes of technical education, polytechnics or universities.



## CONTRIBUTIONS AND WITHDRAWALS

- 5 During the financial year, \$84.1m was paid into the accounts of 427,727 students in Government and Government-aided primary and secondary schools, independent schools, SPED schools and AVI.
- 6 A total amount of \$90.7m was withdrawn from the accounts in FY 2007 which is an increase of 10.2% over the \$82.3m withdrawn in FY 2006. Of this, \$80.7m was withdrawn by 460,838 students in Government and Government-aided primary and secondary schools, junior colleges and centralised institute. This represents a participation rate of 96.4% of the students with Edusave Accounts. The details are in Table-1.

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

Level	Primary	Secondary	Pre-University	Total
Total no. of accounts	251,486	184,060	25,292	460,838
Total no. of accounts with withdrawals:	242,993	181,449	19,952	444,394
2nd-tier Misc Fees only	30,486	4,332	8,915	43,733
Enrichment Programmes only	32,086	44,093	4,367	80,546
Both	180,421	133,024	6,670	320,115
<b>Participation Rate</b>	<b>96.6%</b>	<b>98.6%</b>	<b>78.9%</b>	<b>96.4%</b>

- 7 The \$80.7m withdrawn by students in Government and Government-aided primary and secondary schools, junior colleges and centralised institute, represents a fund utilisation rate of 96.2% which is an increase of 3.5% over the 92.7% utilised in the previous financial year. Of the amount withdrawn, \$27.2m (33.7%) was used to pay for second-tier miscellaneous fees, and the remaining \$53.5m (66.3%) for enrichment programmes. The details are in Table-2.

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

Level	Primary \$	Secondary \$	Pre-University \$	Total \$
Total Contributions	43,869,840	36,941,940	-(1)	80,811,780
Total Amount Withdrawn	33,145,185	44,631,370	2,880,811	80,657,366
Amount Withdrawn				
2nd-tier Misc Fees	12,855,725	12,937,133	1,400,046	27,192,904
Enrichment Programmes	20,289,461	31,694,237	1,480,765	53,464,463
<b>Utilisation Rate</b>	<b>75.6%</b>	<b>120.8%(2)</b>	<b>-(3)</b>	<b>96.2%(4)</b>

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

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

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

(4) The utilisation rate of 96.2% is based on the contributions made in FY 2007 and excludes the withdrawals made by students at pre-university level.

- 8 Students in the Government and Government-aided primary and secondary schools, junior colleges and centralised institute, spent \$74.2m on various enrichment programmes in FY 2007. Of this amount spent, \$53.5m (72.1%) was withdrawn from their Edusave accounts. The details are in Table-3.

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

Programme	Primary \$	Secondary \$	Pre-University \$	Total \$
Personal Development	13,372,900	24,175,600	1,087,500	38,636,000
Local Tours	177,500	199,700	7,100	384,300
Overseas Tours	1,837,200	6,640,800	2,648,300	11,126,300
Sports and Games	1,148,300	2,046,800	258,100	3,453,200
Others	8,751,000	10,778,200	1,081,700	20,610,900
<b>Total</b>	<b>25,286,900</b>	<b>43,841,100</b>	<b>5,082,700</b>	<b>74,210,700</b>

## EDUSAVE GRANTS

- 1 Edusave grants are given to all Government and Government-aided primary and secondary schools, junior colleges, centralised institute, independent schools, independent junior colleges, 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 \$39.9m as shown in Table-4. Of this, \$0.05m was recovered from 5 closed schools.

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

Level	Rate	Amount Disbursed
Primary 1 to 6	\$ 50	\$ 14.1m
Secondary 1 to 5	\$ 90	\$ 19.3m
Junior College/Centralised Institute	\$ 120	\$ 3.9m
Special Education	\$ 50	\$ 0.2m
Institute of Technical Education	\$ 100	\$ 2.4m
<b>Total</b>	-	<b>\$ 39.9m</b>

## UTILISATION OF GRANTS

- 3 In FY 2007, the total amount of grants spent by all schools was \$38.3m. Enrichment programmes accounted for \$36.3m (94.9%) of the expenditure and resources and equipment accounted for the balance of \$1.9m (5.1%). The breakdown on usage of Edusave Grants by school type 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 Junior College	Special Education School	Institute of Technical Education	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Grants Disbursed in FY 2007	14,062,500	18,089,460	1,255,245	3,142,830	735,315	249,675	2,390,430	39,925,455
Total Expenditure	13,301,100	17,378,000	1,336,700	2,927,400	621,900	267,700	2,450,200	38,283,000
Resources and Equipment	758,600	555,200	217,400	214,700	23,300	9,500	167,100	1,945,800
Enrichment Programmes	12,542,500	16,822,800	1,119,300	2,712,700	598,600	258,200	2,283,100	36,337,200
<b>Utilisation Rate (based on the Disbursement in FY 2007)</b>	<b>94.6%</b>	<b>96.1%</b>	<b>106.5%<sup>(1)</sup></b>	<b>93.1%</b>	<b>84.6%</b>	<b>107.2%<sup>(1)</sup></b>	<b>102.5%<sup>(1)</sup></b>	<b>95.9%</b>

<sup>(1)</sup> Schools made use of the balances brought forward from previous years.

## OPPORTUNITY FUND GRANTS

- 1 As part of the PROGRESS (Providing Opportunities through Growth, Remaking Singapore for Success) Package, the Government allocated a one-off grant to Government and Government-aided schools, junior colleges and centralised institute, independent schools, independent junior colleges, Government-supported special education schools and institutes of technical education to set up “Opportunity Funds” to level up co-curricular development opportunities for Singaporean students from lower income households.
- 2 Schools use the Opportunity Funds to subsidise Singaporean students from low-income families to participate in enrichment programmes and to own personal computers. The funds are directed towards providing our citizen students with opportunities for learning beyond the classroom and to build firm foundations for learning.

### AMOUNT DISBURSED

- 3 Grants were only disbursed to new schools in FY2007. The total amount of Opportunity Fund grants disbursed to 9 new schools during the financial year was \$0.17m as shown in Table-6.

**Table-6: Breakdown on Disbursement of Opportunity Fund by Level**

Level	Rate	Amount Disbursed
Primary 1 to 6	\$ 70	\$0.04m
Secondary 1 to 5		
Non-Autonomous Secondary	\$ 120	\$0.07m
Independent Secondary	\$ 60	\$0.06m
<b>Total</b>	-	<b>\$0.17m</b>

## UTILISATION OF OPPORTUNITY FUNDS

- 4 The total amount of grants spent by all schools in FY 2006 and FY 2007 was \$10.2m. Study trips accounted for \$4.4m (43.2%) of the expenditure and enrichment programmes and purchase of personal computers accounted for the balance of \$4.9m (48.0%) and \$0.9m (8.8%) respectively. The breakdown on usage of Opportunity Fund Grants by school type is shown in Table-7.

**Table-7: Breakdown on Usage of Opportunity Fund Grants by School Type**

Expenditure	Primary School	Secondary School	Independent School	Junior College/Centralised Institute	Independent Junior College	Special Education School	Institute of Technical Education	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Total Grant Disbursement in FY06 and FY07	19,906,743	21,791,970	916,555	2,192,840	349,360	342,930	3,213,420	48,713,818
Total Expenditure in FY06 and FY07	3,297,600	5,759,000	355,500	655,311	42,300	37,000	81,400	10,228,111
Enrichment Programmes	1,941,300	2,428,400	155,500	257,300	33,100	33,500	900	4,850,000
Personal Computers	371,200	352,600	119,800	22,700	9,200	900	52,900	929,300
Study Trips	985,100	2,978,000	80,200	375,311	0	2,600	27,600	4,448,811
<b>Utilisation Rate (based on Total Disbursement)</b>	<b>16.6%</b>	<b>26.4%</b>	<b>38.8%</b>	<b>29.9%</b>	<b>12.1%</b>	<b>10.8%</b>	<b>2.5%</b>	<b>21.2%</b>

## 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 five and six 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-8 shows the criteria and value of the scholarships.

**Table-8: Criteria and Award Values**

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

### 2007 EDUSAVE SCHOLARSHIPS FOR PRIMARY SCHOOLS (ESPS)

- 3 A total of 8,479 students in primary schools were awarded the ESPS. Of these 4,238 received the \$300 award and 4,241 students the \$250 award. The total amount paid was \$2.3m.
- 4 The breakdown of the awards by stream in Table-9 shows that 7,674 (90.5%) awardees were from EM1/EM2, 805 (9.5%) from EM3. On the whole, 8.5% of Primary five and six 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-9: Distribution of 2007 ESPS Awardees by Stream**

Stream	Top 5% \$300	Next 5% \$250	No. of Awardees	Percentage of Students in Stream
EM1/EM2	3,801	3,873	7,674	8.4%
EM3	437	368	805	9.7%
<b>Total</b>	<b>4,238</b>	<b>4,241</b>	<b>8,479</b>	<b>8.5%</b>
Amount Paid	\$1,271,400	\$1,060,250	\$2,331,650	

## 2007 EDUSAVE SCHOLARSHIPS FOR SECONDARY SCHOOLS (ESSS)

- 5 A total of 17,224 students in secondary schools were awarded the ESSS. Of these, 8,479 received the \$500 award and 8,745 students the \$300 award. The total amount paid was \$6.9m.
- 6 The breakdown of the awards by stream in Table-10 shows that 7,893 (45.8%) awardees were from the Normal Stream, 8,610 (50.0%) from the Express Stream and 721 (4.2%) from the Special Stream. On the whole, 8.0% of students in secondary schools were awarded the ESSS. The percentage awarded is less than 10% because the top 10% includes non-Singaporeans who are not eligible for the scholarship.

**Table-10: Distribution of 2007 ESSS Awardees by Stream**

Stream	Top 5% \$500	Next 5% \$300	No. of Awardees	Percentage of Students in Stream
Normal	3,923	3,970	7,893	8.9%
Express	4,193	4,417	8,610	7.9%
Special	363	358	721	4.0%
<b>Total</b>	<b>8,479</b>	<b>8,745</b>	<b>17,224</b>	<b>8.0%</b>
Amount Paid	\$4,239,500	\$2,623,450	\$6,862,950	



## 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 Secondary one 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 and junior colleges have to pay. Starting from 2008, annual quantum of the scholarship for Secondary one awardees is capped at \$2,400 less the school and standard miscellaneous fees that students in Government and Government-aided secondary schools and junior colleges 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 Scholarship for Integrated Programme Schools (ESIP) was introduced in 2004 for students who join the Integrated Programme at entry points beyond Secondary one. The selection is based on either the students' PSLE results or their Integrated Programme Scholarship Test results. The value of the ESIP is the same as the annual value of the EESIS. The scholarship is tenable for the duration of the student's 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) is meant to reward students for excellent academic performance achieved in the year 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.

## 2008 EESIS, ESIP AND 2007 E(IS)YA

- 5 In 2008, 1,251 EESIS awards were given to Secondary one students in independent schools. Of these, 1,191 scholarships amounting to \$2.8m were funded from Edusave Funds while the remaining 60 scholarships amounting to \$0.1m were funded from Voted Funds. Another \$16.3m was disbursed from Edusave Funds to 6,208 EESIS scholars in Secondary two to Pre-U two.
- 6 A total of 1,884 students in independent schools were awarded the ESIP in 2008. Of these, 1,734 scholarships amounting to \$4.1m were funded from Edusave Funds while the remaining 150 scholarships amounting to \$0.4m were funded from Voted Funds.
- 7 In December 2007, 207 students in the independent schools were given the E(IS)YA, amounting to \$0.5m. Table-11 shows the breakdown on EESIS, ESIP and E(IS)YA recipients.

**Table-11: Breakdown by Type of Scholarships**

Scholarship	No. of Awardees	Amount Paid
<b>EESIS</b>		
Secondary 1	1,191	\$ 2.8m
Secondary 2 to 4	3,287	\$ 10.4m
Pre-U 1 to 2	2,921	\$ 5.9m
<b>ESIP</b>		
Secondary 3 to 4	193	\$ 0.6m
Pre-U 1 to 2	1,541	\$ 3.5m
<b>E(IS)YA</b>	207	\$ 0.5m
<b>Total</b>	<b>9,340</b>	<b>\$ 23.7m</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 and centralised institute, independent schools, independent junior colleges and institutes of technical education. Table-12 shows the value of award by level.

**Table-12: 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

- 2 Singaporean students who are in the top 25% within each level and stream, and whose gross monthly household income is less than \$4,000, are eligible for EMB unless they are recipients of Edusave Scholarships or other Ministry of Education's scholarships. Selection is based on the students' academic performance and is subject to their good conduct.

### 2007 EDUSAVE MERIT BURSARIES (EMB)

- 3 A total of 38,871 students were awarded the EMB in 2007. The breakdown of awardees by level in Table-13 shows that 18,701 awardees were from primary schools, 14,793 from secondary schools, 2,466 from junior colleges and centralised institute, and the remaining 2,911 from institutes of technical education. The total amount disbursed was \$8.9m.

**Table-13: Breakdown on Number of EMB Awardees by Level**

School	No. of Awardees	% of Awardees out of the Total Student Population	Amount Paid
Primary	18,701	6.6%	\$3,273,100
Secondary	14,793	6.9%	\$3,698,100
Junior College/Centralised Institute	2,466	8.0%	\$739,800
Institute of Technical Education	2,911	12.2%	\$1,164,400
<b>Total</b>	<b>38,871</b>	<b>7.0%</b>	<b>\$8,875,400</b>

### COMMUNITY EDUCATION AWARD SCHEME (CEAS)

- 4 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 disbursed in the previous year.
- 5 An amount of \$0.9m was disbursed through the People's Association to the Citizens' Consultative Committees in FY 2007.

## GOOD PROGRESS AWARDS

- 1 The Good Progress Awards (GPA) are given to Singaporean students in Government and Government-aided primary (except those in Primary one) and secondary schools, junior colleges and centralised institute, independent schools, independent junior colleges and institutes of technical education 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 one are excluded from the scheme as there is no basis for comparison of progress. Table-14 shows the value of the award by level.

**Table-14: 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

## 2007 GOOD PROGRESS AWARDS (GPA)

- 3 A total of 35,290 students were awarded the GPA in 2007. The breakdown of awardees by level in Table-15 shows 17,876 awardees were from primary schools, 13,851 from secondary schools, 1,897 from junior colleges and centralised institute, and the remaining 1,666 from institutes of technical education. The total value of GPA was \$4.4m. Of this, \$0.4m was recovered from the People's Association for their share in the two previous financial years, and \$0.03m was recovered due to unclaimed awards.

**Table-15: Breakdown on Number of GPA by Level**

School	No. of Awardees	% of Awardees out of the Total Student Population	Amount Paid
Primary	17,876	7.6% <sup>(1)</sup>	\$1,453,000
Secondary	13,851	6.4%	\$2,077,650
Junior College/Centralised Institute	1,897	6.2%	\$379,400
Institute of Technical Education	1,666	7.0%	\$499,800
<b>Total</b>	<b>35,290</b>	<b>6.4%</b>	<b>\$4,409,850</b>

<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 Singaporean 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 four to six in each primary school and 5% of the total number of Singaporean students in each secondary school, junior college and centralised institute, independent school, independent junior college, and institute of technical education. Recipients of Edusave scholarships and bursaries are also eligible for this award. Table-16 shows the value of the awards by level.

**Table-16: 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



## 2007 EDUSAVE AWARDS FOR ACHIEVEMENT, GOOD LEADERSHIP AND SERVICE (EAGLES)

- 3 18,376 students were awarded the EAGLES in 2007. The breakdown of awardees by level in Table-17 shows 6,320 awardees were from primary schools, 9,611 from secondary schools, 1,370 from junior colleges and centralised institute, and 1,075 from institutes of technical education. The total amount disbursed for the awards was \$2.6m.

**Table-17: Breakdown on EAGLES by Category and Level**

Level	Achievement	Good Leadership	Community Service	Total
Primary	3,662	1,631	1,027	6,320
Secondary	3,553	4,862	1,196	9,611
Junior College /Centralised Institute	592	542	236	1,370
Institute of Technical Education	558	516	1	1,075
<b>Total</b>	<b>8,365</b>	<b>7,551</b>	<b>2,460</b>	<b>18,376</b>
Amount paid	\$1,144,890	\$1,083,720	\$338,190	\$2,566,800

## EDUSAVE ADVISORY COUNCIL

- 1 The Edusave Advisory Council was established under the Education Endowment and Savings Schemes 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 Council appointed in January 2007 comprises:

Chairman	Dr Foong Wai Keong President & CEO Ecquaria Technologies Pte Ltd
Member	Assoc Prof Ramanathan Subramaniam Associate Dean (Educational Research) National Institute of Education Nanyang Technological University
Member	Mr Barry Sim Chief Executive Officer Eng Tic Lee Achieve Pte Ltd
Member	Ms Azizah Bte Ismaun Principal Jing Shan Primary School
Member	Ms Tham Mun See Principal Anderson Secondary School

# EDUSAVE ENDOWMENT FUND

## FINANCIAL STATEMENTS

for FY2007/2008





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## INDEPENDENT AUDITORS' REPORT TO THE MANAGEMENT OF EDUSAVE ENDOWMENT FUND

We have audited the accompanying financial statements of the Edusave Endowment Fund, which comprise the balance sheet as at 31 March 2008, and the income and expenditure statement and other explanatory notes.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Education Endowment and Savings Schemes Act, Chapter 87A (the "Act") and Singapore Financial Reporting Standards. This responsibility includes:


- (a) devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair income and expenditure accounts and balance sheets and to maintain accountability of assets.
- (b) selecting and applying appropriate accounting policies; and
- (c) making accounting estimates that are reasonable in the circumstances.

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.

### *Auditor's Responsibility*

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to



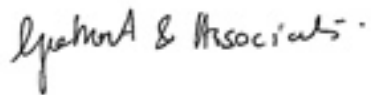
fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management committee, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion,

- (a) the financial statements of Edusave Endowment Fund are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Edusave Endowment Fund as at 31 March 2008 and the results of the Edusave Endowment Fund for the year ended on that date; and
- (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.

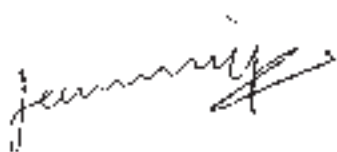


GEETHA A & ASSOCIATES  
PUBLIC ACCOUNTANTS AND  
CERTIFIED PUBLIC ACCOUNTANTS  
SINGAPORE

Date: 28 May 2008

## BALANCE SHEET AS AT 31 MARCH 2008

	NOTE	31 March 2008 S\$	31 March 2007 S\$
Capital fund	4	5,000,000,000	5,000,000,000
Accumulated surplus		846,072,266	788,558,083
<b>Total Fund and Surplus</b>		<b>5,846,072,266</b>	<b>5,788,558,083</b>
<b>Represented By:</b>			
Balance held by Accountant-General	5	5,846,072,266	5,788,558,083
<b>Total Assets</b>		<b>5,846,072,266</b>	<b>5,788,558,083</b>



**MRS TAN CHING YEE**

*Permanent Secretary*

MINISTRY OF EDUCATION

DATE: 28 May 2008



**MRS WONG-HO SAI KEK**

*Deputy Director/Financial Systems & Operations*

MINISTRY OF EDUCATION

DATE: 28 May 2008

*The annexed notes form an integral part of and should be read in conjunction with these financial statements.*

## INCOME AND EXPENDITURE STATEMENT FOR FINANCIAL YEAR ENDED 31 MARCH 2008

	NOTE	FY 2007 S\$	FY 2006 S\$
<b>INCOME</b>			
Interest Income	6	231,849,358	229,177,759
Grant from Government	7	-	48,000,000
		231,849,358	277,177,759
<b>EXPENDITURE</b>			
Edusave Pupils Fund			
- Contribution to Edusave accounts	8	84,146,815	79,593,120
- Development expenditure	9	21,895	21,846
- Operating expenditure	9	162,529	109,253
Edusave Scholarships	10	32,917,454	27,320,554
Edusave Merit Bursaries	11	9,796,188	10,810,016
Good Progress Awards	12	3,935,380	3,955,475
EAGLES	13	2,555,430	2,587,530
Edusave Grants	14	39,871,877	39,955,117
Opportunity Fund Grants	15	165,678	48,548,140
Edusave Endowment Fund			
- Development expenditure	16	83,687	442,554
- Operating expenditure	16	678,242	643,331
		174,335,175	213,986,936
Surplus for the year		57,514,183	63,190,823
Accumulated Surplus brought forward		788,558,083	725,367,260
<b>Accumulated Surplus carried forward</b>		<b>846,072,266</b>	<b>788,558,083</b>

*The annexed notes form an integral part of and  
should be read in conjunction with these financial statements.*





## NOTES TO FINANCIAL STATEMENTS FOR FINANCIAL YEAR ENDED 31 MARCH 2008

### 1. Principal Activities

The Edusave Endowment Fund (the “Fund”) was established on 1 January 1993 under the Education Endowment and Savings Schemes 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 in government, government-aided and independent schools and junior colleges;
- (iii) the provision of merit bursaries to full-time pupils in government, government-aided and independent schools and junior colleges/centralised institute, and Institutes of Technical Education;
- (iv) the provision of grants to government, government-aided and independent schools and junior colleges/centralised institute, special education schools 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 and 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 and 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 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 2007 relates to the financial year from 1 April 2007 to 31 March 2008. Correspondingly, FY 2006 relates to the financial year from 1 April 2006 to 31 March 2007.

#### **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 until disbursed in accordance with the Education Endowment and Savings Schemes Act.

#### **6. 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% per annum (FY 2006 - 4%).

#### **7. Grant from Government**

During the previous financial year, the Government provided a grant amounting to S\$48 million to the Income Account to be used to defray the Opportunity Fund Grants, given to government, government-aided and independent schools and junior colleges/centralised institute, special education schools and the Institutes of Technical Education to level up enrichment opportunities for Singapore Citizen pupils from lower income households. The Opportunity Fund is part of Government's PROGRESS (Providing Opportunities through Growth, Remaking Singapore for Success) Package for Singaporeans.

#### **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 \$180 for primary school pupils and \$220 for secondary school pupils (FY 2006 - \$170 for primary school pupils and \$200 for secondary school pupils). The total number of pupils who received these contributions was 427,727 (FY2006 - 436,165) and contributions recovered with interest from pupils who did not attend school or have been found to be ineligible were S\$31,925.29 (FY 2006 - S\$4,020).

## 9. Development & Operating Expenditure – Edusave Pupils Fund

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

	FY 2007	FY 2006
	S\$	S\$
<b>(a) Development Expenditure</b>		
System development		
Manpower cost	19,994	20,484
Processing charges (program testing)	1,901	1,362
Total development expenditure	21,895	21,846
<b>(b) Operating Expenditure</b>		
Computer services:		
Manpower cost	40,872	28,648
Processing charges	49,904	26,022
	90,776	54,670
Administrative support:		
Manpower cost	66,339	50,506
Printing and stationery	595	345
Software and equipment maintenance	4,736	2,262
General expenses	83	1,470
	71,753	54,583
Total operating expenditure	162,529	109,253
<b>Total expenditure</b>	<b>184,424</b>	<b>131,099</b>

## 10. Edusave Scholarships

The scholarships are given to encourage Singaporean pupils to excel in their studies and are disbursed as follows:

	FY 2007 S\$	FY 2006 S\$
Primary schools	2,331,650	2,347,450
Secondary schools	6,862,950	6,949,300
Independent schools	23,730,254	18,036,104
	<hr/>	<hr/>
	32,924,854	27,332,854
Less:		
Refund of unclaimed scholarships	(7,400)	(12,300)
<b>Total</b>	<b>32,917,454</b>	<b>27,320,554</b>

## 11. Edusave Merit Bursaries

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

	FY 2007 S\$	FY 2006 S\$
Primary schools	3,273,100	3,671,100
Secondary schools	3,698,100	3,909,000
Junior Colleges/ Centralised Institute	739,800	828,300
Institutes of Technical Education	1,164,400	1,205,300
Community Education Award Scheme	906,788	1,197,466
2006 Edusave Merit Bursaries	20,500	-
	<hr/>	<hr/>
	9,802,688	10,811,166
Less:		
Refund of unclaimed Merit Bursaries	(6,500)	(1,150)
<b>Total</b>	<b>9,796,188</b>	<b>10,810,016</b>

## 12. Good Progress Awards

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

	FY 2007 S\$	FY 2006 S\$
Primary schools	1,453,000	1,486,800
Secondary schools	2,077,650	2,072,550
Junior Colleges/ Centralised Institute	379,400	401,400
Institutes of Technical Education	499,800	469,200
	4,409,850	4,429,950
Less:		
Funding by People's Association	(442,270)	(450,725)
Refund of unclaimed Good Progress Awards	(32,200)	(23,750)
<b>Total</b>	<b>3,935,380</b>	<b>3,955,475</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 2006.

## 13. EAGLES

These awards are given to Singaporean pupils for their leadership quality, service to the community and schools, and achievements in non-academic areas and are disbursed as follows:

	FY 2007 S\$	FY 2006 S\$
Primary schools	758,400	780,000
Secondary schools	1,441,650	1,446,000
Junior Colleges/ Centralised Institute	205,500	206,100
Institutes of Technical Education	161,250	161,400
	2,566,800	2,593,500
Less:		
Refund of unclaimed EAGLES	(11,370)	(5,970)
<b>Total</b>	<b>2,555,430</b>	<b>2,587,530</b>

## 14. Edusave Grants

During the financial year, grants were disbursed to schools at rates based on the level of the school. The grants disbursed are as follows:

	FY 2007 S\$	FY 2006 S\$
Primary schools		
- Payment in July	6,971,450	7,057,400
- Payment in January	7,091,050	7,171,300
Special education schools		
- Payment in July	132,375	130,825
- Payment in January	117,300	114,975
Secondary schools		
- Payment in July	8,812,065	8,770,590
- Payment in January	9,277,395	9,319,305
Independent schools		
- Payment in July	610,320	586,005
- Payment in January	644,925	588,570
Junior Colleges/ Centralised Institute		
- Payment in July	1,508,850	1,528,470
- Payment in January	1,633,980	1,626,630
Independent Junior Colleges/ Institution		
- Payment in July	365,685	452,430
- Payment in January	369,630	357,585
Institutes of Technical Education		
- Payment in July	721,000	775,310
- Payment in January	1,669,430	1,634,500
	39,925,455	40,113,895
Less:		
Refund of balances from closed schools	(53,578)	(158,778)
<b>Total</b>	<b>39,871,877</b>	<b>39,955,117</b>

## 15. Opportunity Fund Grants

In FY 2006, opportunity fund grants were disbursed to all eligible schools at rates based on level and type of school to be used over 3 years. In FY 2007, pro-rated grants were disbursed to 9 new schools. The grants disbursed are as follows:

	FY 2007	FY 2006
	S\$	S\$
Primary schools	38,433	19,868,310
Special education schools	-	342,930
Secondary schools:		
- Non-autonomous secondary	67,590	19,435,440
- Autonomous secondary	-	2,288,940
Independent secondary schools	59,655	856,900
Junior Colleges/ Centralised Institute	-	2,192,840
Independent Junior Colleges/ Institution	-	349,360
Institutes of Technical Education	-	3,213,420
<b>Total</b>	<b>165,678</b>	<b>48,548,140</b>

## 16. Development & Operating Expenditure – Edusave Endowment Fund

	FY 2007 S\$	FY 2006 S\$
a) Development Expenditure		
Edusave Awards Selection and Administration System	83,687	140,989
Integrated Billing, Edusave and Collection System	-	301,565
Total development expenditure	83,687	442,554
b) Operating Expenditure		
Computer services:		
- Manpower cost	16,843	17,488
- Processing charges	80,447	61,320
Edusave unit manpower cost	243,762	222,817
Printing and stationery	248,768	158,147
Auditors' remuneration	25,000	30,450
Data entry services	14,891	65,127
Award briefing cost	629	28,392
Printing cost for award vouchers	44,952	48,946
General expenses	2,950	10,644
Total operating expenditure	678,242	643,331
<b>Total</b>	<b>761,929</b>	<b>1,085,885</b>



# EDUSAVE PUPILS FUND

## FINANCIAL STATEMENTS

for FY2007/2008





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## INDEPENDENT AUDITORS' REPORT TO THE MANAGEMENT OF EDUSAVE PUPILS FUND

We have audited the accompanying financial statements of the Edusave Pupils Fund, which comprise the balance sheet as at 31 March 2008, and the income and expenditure statement and other explanatory notes.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Education Endowment and Savings Schemes Act, Chapter 87A (the "Act") and Singapore Financial Reporting Standards. This responsibility includes:


- (a) devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair income and expenditure accounts and balance sheets and to maintain accountability of assets.
- (b) selecting and applying appropriate accounting policies; and
- (c) making accounting estimates that are reasonable in the circumstances.

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.

### *Auditor's Responsibility*

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant



to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management committee, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion,

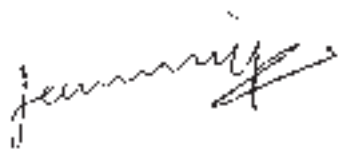
- (a) the financial statements of Edusave Pupils Fund are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Edusave Pupils Fund as at 31 March 2008 and the results of the Edusave Pupils Fund for the year ended on that date; and
- (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.

*Geetha A & Associates*

GEETHA A & ASSOCIATES  
PUBLIC ACCOUNTANTS AND  
CERTIFIED PUBLIC ACCOUNTANTS  
Singapore  
Date: 28 May 2008

## BALANCE SHEET AS AT 31 MARCH 2008

	31 March 2008	31 March 2007
	S\$	S\$
Members' Accounts	338,293,434	353,231,829
Accumulated surplus	10,006,341	11,177,190
<b>Total Fund and Surplus</b>	<b>348,299,775</b>	<b>364,409,019</b>
<b>Represented By:</b>		
Deposits placed with the Monetary Authority of Singapore	348,170,000	5,436,000
Short Term Fund / Overnight Funds	-	358,800,000
Cash at bank	129,775	173,019
<b>Total Assets</b>	<b>348,299,775</b>	<b>364,409,019</b>



**MRS TAN CHING YEE**

*Permanent Secretary*

MINISTRY OF EDUCATION

DATE: 28 May 2008



**MRS WONG-HO SAI KEK**

*Deputy Director/Financial Systems & Operations*

MINISTRY OF EDUCATION

DATE: 28 May 2008

*The annexed notes form an integral part of and should be read in conjunction with these financial statements.*

## INCOME AND EXPENDITURE STATEMENT FOR FINANCIAL YEAR ENDED 31 MARCH 2008

	NOTE	FY 2007 S\$	FY 2006 S\$
<b>INCOME</b>			
Interest income :			
- Deposits placed with Monetary Authority of Singapore		4,581,082	970,299
- Deposits from Overnight / Term Fund		2,185,461	11,345,828
- Cash at bank		648	16,452
	4	6,767,191	12,332,579
<b>EXPENDITURE</b>			
Interest credited to members' accounts	5	7,938,040	8,192,847
(Deficit)/ Surplus for the year		(1,170,849)	4,139,732
Accumulated surplus brought forward		11,177,190	7,037,458
<b>Accumulated surplus carried forward</b>		<b>10,006,341</b>	<b>11,177,190</b>

*The annexed notes form an integral part of and should be read in conjunction with these financial statements.*

## MOVEMENT OF MEMBERS' ACCOUNT FOR FINANCIAL YEAR ENDED 31 MARCH 2008

	NOTE	FY 2007 S\$	FY 2006 S\$
<b>CONTRIBUTIONS</b>			
Interest credited to members' accounts	5	7,938,040	8,192,847
Edusave contributions from the Edusave Endowment Fund	6	84,146,825	79,593,120
		92,084,865	87,785,967
<b>PAYMENTS</b>			
Withdrawals of deceased members' balances		76,998	78,574
Withdrawals for approved fees and programme charges	7	90,705,664	82,281,383
Transfer to Central Provident Fund ordinary account of members	8	16,240,598	15,037,345
		107,023,260	97,397,302
Net (Decrease) in members' account for the year		(14,938,395)	(9,611,335)
Members' Account at beginning of the year		353,231,829	362,843,164
<b>Members' Account at end of the year</b>		<b>338,293,434</b>	<b>353,231,829</b>

*The annexed notes form an integral part of and  
should be read in conjunction with these financial statements.*



## NOTES TO FINANCIAL STATEMENTS FOR FINANCIAL YEAR ENDED 31 MARCH 2008

### 1. Principal Activities

The Edusave Pupils Fund (the “Fund”) was established on 1 January 1993 under the Education Endowment and Savings Schemes 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 Ministry of Education. The monies can be withdrawn for use on enrichment programmes organised by schools, payment of second-tier miscellaneous fees, autonomous schools 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 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 2007 relates to the financial year from 1 April 2007 to 31 March 2008. Correspondingly, FY 2006 relates to the financial year from 1 April 2006 to 31 March 2007.

### 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 2007 was 2.5 % to 2.83% (FY 2006 was 2.5% to 3.5%) per annum.



## 5. Interest Credited to Members' Accounts

This represents interest credited to members' accounts for unutilised credit balances calculated using CPF's ordinary account interest rate of 2.5% (FY 2006 - 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 \$180 (FY 2006: \$170) for primary school pupils and \$220 (FY 2006: \$200) for secondary school pupils. The total number of pupils who received these contributions was 427,727 (FY2006 - 436,165) and contributions recovered with interest from pupils who did not attend school or have been found to be ineligible were \$31,915.29 (FY 2006 - \$4,020).

## 7. Withdrawals for Approved Fees and Programme Charges

	FY 2007 S\$	FY 2006 S\$
Enrichment programmes:		
- Schools	55,715,002	48,566,127
- Institutes of Technical Education	478,391	316,379
Second-tier miscellaneous fees	27,192,109	27,566,533
Tuition fees for tertiary institutions	7,320,162	5,832,344
	<b>90,705,664</b>	<b>82,281,383</b>

## 8. Transfer to Central Provident Fund Ordinary Account of Members

Prior to 1 Jan 2008, unutilised balances standing to the credit of members of Edusave Pupils Fund were transferred to their CPF ordinary accounts when they attained the age of 21 years in accordance with Section 13 of the previous Education Endowment Scheme Act, Chapter 87A. From 1 Jan 2008, the Act was amended to provide for the Edusave balances of members who have attained the age of 16 years and are not studying in a prescribed school to be transferred to their Post-Secondary Education Accounts.

## 9. Events After the Balance Sheet Date

In accordance with the amended Act, an amount of \$103,464,087 from the Edusave accounts of 176,047 members was transferred to their Post-Secondary Education Accounts on 5 Apr 2008.