



THE EDUCATION ENDOWMENT AND SAVINGS SCHEMES



ANNUAL REPORT For Financial Year 2008/2009



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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 establish the Education Endowment Scheme, commonly known as the Edusave Scheme. The Edusave Endowment Fund and Edusave Pupils Fund were established under this Scheme. The Edusave Scheme is to enhance the quality of education in Singapore and to level up educational opportunities for all Singaporean students. Income generated by the Edusave Endowment Fund is used to fund contributions to the Edusave Pupils Fund and other programmes to motivate students to excel in both academic and non-academic areas. An Edusave Pupils Fund account, commonly known as Edusave account, would be opened automatically for each eligible Singaporean student.
- 2 In January 2008, the Act was amended to incorporate the Post-Secondary Education Scheme to promote savings for post-secondary education and the title was changed to Education Endowment and Savings Schemes Act. The Post-Secondary Education Fund was established under this Scheme. Under the Scheme, unused funds in the Children Development Account will be transferred to the Post Secondary Education 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 Post-Secondary Education account when the 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 Post-Secondary Education accounts of eligible Singaporeans. A Post-Secondary Education account would be opened automatically for each eligible Singaporean.
- 3 In accordance with Section 18(2) of the Education Endowment and Savings Schemes Act (CAP 87A, 2009 Revised Edition), the first financial year of the Post-Secondary Education Fund began on 1 January 2008 when it was established and ended on 31 March 2009.

EDUSAVE ADVISORY COUNCIL

- 1 The Edusave Advisory Council was established under Section 10(1) of the Education Endowment and Savings Schemes Act (CAP 87A, 2009 Revised Edition) 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 2008 comprised:

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

3 The new Council appointed in January 2009 comprises:

Chairman:	Dr Foong Wai Keong President & CEO Ecquaria Technologies Pte Ltd
Members:	Assoc Prof Ramanathan Subramaniam Associate Dean (Educational Research) National Institute of Education Nanyang Technological University
	Asst Prof Noor Aisha Bte Abdul Rahman Department of Malay Studies National University of Singapore
	Ms Chandrika d/o Gopal Principal Jiemin Primary School
	Mr Adrian Lim Principal Ngee Ann Secondary School

EXECUTIVE SUMMARY

EDUSAVE ENDOWMENT FUND

- 1 During the Financial Year (FY) 2008, the Edusave Endowment Fund received a total income of \$262.8m. Of this, \$189.3m was disbursed, leaving a surplus of \$73.5m which brought the accumulated surplus to \$919.6m. As at 31 March 2009, the balance in the Edusave Endowment Fund was \$5.9 billion.

EDUSAVE PUPILS FUND

- 2 The Edusave Pupils Fund comprises contributions paid into the Edusave accounts of eligible students at primary and secondary levels in the Government and Government-aided schools, independent schools and the Government supported special education schools. The students may use their Edusave accounts to pay for approved fees and school-based enrichment programme charges. From April 2008, Edusave balances of members who have attained the age of 16 years or are not studying in a prescribed school, whichever is later, are transferred to their Post-Secondary Education accounts.
- 3 The amount disbursed to the Edusave Pupils Fund in the financial year was \$94.5m. Of this, \$82.3m (87.1%) was withdrawn for approved fees and charges. During the financial year, \$103.8m was transferred to members' Post-Secondary Education accounts. As at 31 March 2009, the balance in the Edusave Pupils Fund was \$262.8m.

EDUSAVE GRANTS

- 4 Edusave grants are given to all the Government and Government-aided schools, junior colleges and centralised institute, independent schools and junior colleges, the 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 \$39.2m. Of this, \$37.1m (94.6%) was spent.



OPPORTUNITY FUND GRANTS

- 5 In FY 2006, as part of the PROGRESS (**P**roviding **O**pportunities through **G**rowth, **R**emaking **S**ingapore for **S**uccess) Package, the Government allocated a one-off grant to the Edusave Endowment Fund income to be disbursed to all the Government and Government-aided schools, junior colleges and centralised institute, independent schools and junior colleges, the Government-supported special education schools and institutes of technical education to set up Opportunity Funds. The grants were to be used over 3 years up to December 2008 to level up co-curricular development opportunities for Singaporean students from lower income households. Pro-rated grants were disbursed to the new schools in FY 2007. The total grant disbursed was \$48.7m. As at 31 December 2008, \$36.7m (75.4%) was spent and the remaining \$12.0m was recovered.
- 6 In January 2009, fresh Opportunity Fund grants were allocated to these institutions for use in 2009. The grants were to be disbursed in two instalments in January 2009 and July 2009. The amount disbursed in January 2009 was \$8.2m. As in March 2009, \$0.6m (7.3%) was spent.

EDUSAVE AWARDS

- 7 Edusave awards are given to encourage Singaporean students to excel in both academic and non-academic areas. The amount disbursed in FY 2008 was \$46.4m.

DEVELOPMENT AND OPERATING COST

- 8 The development and operating cost of the Edusave Endowment Fund and Edusave Pupils Fund was \$1.0m in FY 2008.

POST-SECONDARY EDUCATION FUND

- 9 The Post-Secondary Education Fund was established in January 2008 when surplus funds in the Children Development Accounts of those who turned 7 years old were transferred to their Post-Secondary Education accounts. The first set of financial statements for the Post- Secondary Education Fund for FY 2008 covers 15 months from January 2008 to March 2009.
- 10 During the reporting period, \$63.3m was transferred from the Children Development Accounts and \$103.8m from the Edusave accounts to the Post-Secondary Education Fund. Another \$665.8m was paid into the Post-Secondary Education Fund, being top-ups given to eligible Singaporeans in March 2008, September 2008 and March 2009.
- 11 The account holders or their siblings may use the funds in the Post-Secondary Education accounts for approved fees and charges at post-secondary educational institutions such as institutes of technical education, polytechnics, autonomous universities and institutions accredited by Singapore Workforce Development Agency. During the reporting period, \$19.7m was withdrawn for approved fees and charges.
- 12 A Post-Secondary Education account holder may apply for his balance to be transferred to his Central Provident Fund ordinary account when he attains the age of 21 years. During the reporting period, \$0.01m was transferred to the Central Provident Fund.

EDUSAVE ENDOWMENT FUND

- 1 The Edusave Endowment Fund was established in 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.

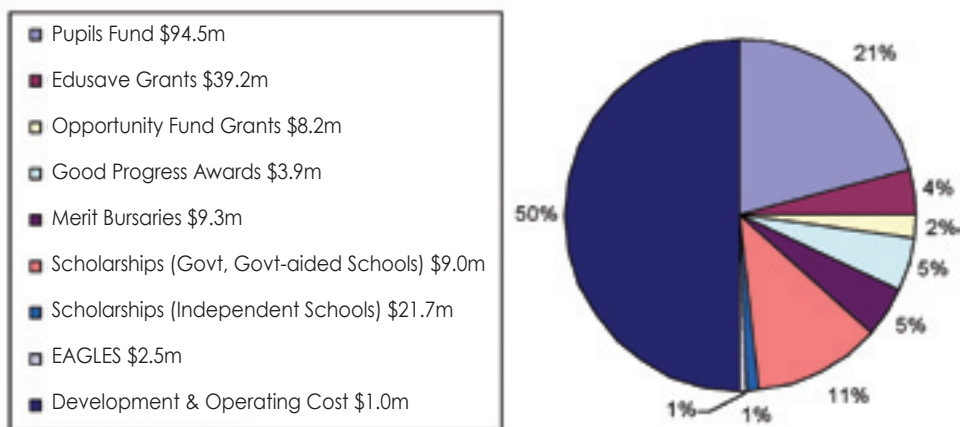
INCOME FROM THE EDUSAVE ENDOWMENT FUND

- 2 The Edusave Endowment Fund is invested by the Government and the interest rate is pegged to 1-percentage point above the 10-year Singapore Government Securities yield. The interest earned each year is used to finance the outlay under the Edusave Scheme in the next year. The interest rate was 4.3% per annum from April 2008 to March 2009.
- 3 In FY 2008, the Edusave Endowment Fund earned an interest income of \$250.8m. Together with the \$12.0m of unutilised Opportunity Fund grants recovered, the total income was \$262.8m. Of this, \$189.3m was disbursed, leaving a surplus of \$73.5m. This brought the accumulated surplus to \$919.6m.

DISBURSEMENT OF INCOME

- 4 The income from the Edusave Endowment Fund is used to fund contributions to the Edusave accounts of eligible students, Edusave grants and Opportunity Fund grants to schools and institutions, Edusave awards to students, and development and operating expenditure. The amount disbursed is distributed as shown in Chart 1 below:

Chart 1: Distribution of Amount Disbursed in FY 2008



Total Amount Disbursed = \$189.3m

BALANCE AS AT 31 MARCH 2009

- 5 As at 31 March 2009, the balance in the Edusave Endowment Fund was \$5.9 billion, comprising \$5.0 billion in the Capital Account and \$919.6m in the Income Account.



EDUSAVE PUPILS FUND

- 1 The Edusave Pupils Fund comprises contributions paid into the Edusave accounts of eligible students at primary and secondary levels in the Government and Government-aided schools, independent schools and the Government supported special education schools. In 2009, the contribution rates were \$200 for students in primary level and SPED schools and \$240 for those in secondary level. The students may use their Edusave accounts to pay for approved fees and school-based enrichment programme charges. From April 2008, Edusave balances of members who have attained the age of 16 years or are not studying in a prescribed school, whichever is later, are transferred to their Post-Secondary Education accounts.

ADMINISTRATION OF EDUSAVE PUPILS FUND

- 2 The Edusave Pupils Fund is administered by the Central Provident Fund Board. The balance is placed with the Monetary Authority of Singapore and financial institutions. The interest income earned is used to pay interest to individual Edusave accounts. During the financial year, the Fund earned an interest income of \$6.2m. Of this amount \$5.7m was paid as interest to individual Edusave accounts leaving a surplus of \$0.5m.

CONTRIBUTIONS AND WITHDRAWALS

- 3 During the financial year, \$94.5m was paid into the Edusave accounts of 434,560 eligible students. Of this, \$82.3m (87.1%) was withdrawn for approved fees and charges. Of the amount withdrawn, \$80.1m was withdrawn by 435,170 students in the Government and Government-aided 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	244,470	182,050	25,060	451,580
Total No. of Accounts with Withdrawals:	237,590	179,100	18,480	435,170
2nd-tier Misc Fees only	23,870	6,030	7,300	37,200
Enrichment Programmes only	31,490	41,070	5,770	78,330
Both	182,230	132,000	5,410	319,640
Participation Rate	97.2%	98.4%	73.7%	96.4%

- 4 Of the \$80.1m withdrawn by students in the Government and Government-aided schools, junior colleges and centralised institute, \$26.6m (33.2%) was used to pay for second-tier miscellaneous fees, and the remaining \$53.5m (66.8%) for enrichment programme charges. The details are in Table-2.

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

Level	Primary \$m	Secondary \$m	Pre-University \$m	Total \$m
Total Contributions	47.3	43.1	-(1)	90.4
Total Amount Withdrawn	33.5	44.0	2.6	80.1
Amount Withdrawn				
2nd-tier Misc Fees	12.5	13.2	0.9	26.6
Enrichment Programmes	21.0	30.8	1.7	53.5
Utilisation Rate	70.7%	102.2%(2)	-(3)	88.6%(4)

(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 88.6% is based on the contributions made in FY 2008 and excludes the withdrawals made by students at pre-university level.



TRANSFER TO POST-SECONDARY EDUCATION ACCOUNTS

- 5 From April 2008, the balances in the Edusave accounts of members who have attained the age of 16 years or are not studying in a prescribed school, whichever is later, are transferred to their Post-Secondary Education accounts. During the financial year, \$103.8m was transferred to members' Post-Secondary Education accounts.

BALANCE AS AT 31 MARCH 2009

- 6 As at 31 March 2009, the balance in the Edusave Pupils Fund was \$262.8m which includes an accumulated surplus interest earned of \$10.5m.

EDUSAVE GRANTS

- 1 Edusave grants are given to all the Government and Government-aided schools, junior colleges and centralised institute, independent schools and junior colleges, the Government-supported special education schools and institutes of technical education. The grants are used to procure resources and equipment, and to subsidise programmes that enhance the quality of teaching and learning.

AMOUNT DISBURSED

- 2 The total amount of Edusave grants disbursed during the financial year was \$39.3m as shown in Table-3. Of this, \$0.1m was recovered from 5 closed schools.

Table-3: Breakdown on Disbursement of Edusave Grants by Level

Level	Rate \$	Amount Disbursed \$m
Primary 1 to 6	50	13.7
Secondary 1 to 5	90	19.2
Pre-University 1 to 3	120	3.7
Special Education	50	0.2
Institute of Technical Education	100	2.5
Total	-	39.3

UTILISATION OF GRANTS

- 3 In FY 2008, the total amount of grants spent by all the institutions was \$37.1m. Enrichment programmes accounted for \$35.1m (94.6%) of the expenditure and resources and equipment accounted for the balance of \$2.0m (5.4%).



OPPORTUNITY FUND GRANTS

- 1 In FY 2006, as part of the PROGRESS (**P**roviding **O**pportunities through **G**rowth, **R**emaking **S**ingapore for **S**uccess) Package, the Government allocated a one-off grant to the Edusave Endowment Fund income to be disbursed to all the Government and Government-aided schools, junior colleges and centralised institute, independent schools and junior colleges, the Government-supported special education schools and the institutes of technical education to set up Opportunity Funds.
- 2 The grants were to be used over 3 years up to December 2008 to level up co-curricular development opportunities for Singaporean students from low-income households. The schools could use the Opportunity Funds to subsidise Singaporean students from low-income families to access learning opportunities which they would otherwise miss out due to their family circumstances. The aim was to create life-changing opportunities which had not existed before for financially disadvantaged students and to build firm foundations for learning. Pro-rated grants were disbursed to the new schools in FY 2007. The total grant disbursed was \$48.7m. As at 31 December 2008, \$36.7m (75.4%) was spent, of which \$26.5m was spent in FY 2008. The remaining \$12.0m (24.6%) was recovered. Study trips accounted for \$13.4m (36.5%) of the total expenditure, enrichment programmes, \$20.1m (54.9%) and purchase of personal computers, \$3.2m (8.6%).
- 3 In January 2009, fresh Opportunity Fund grants were allocated under a revised framework to the Government and Government-aided schools, junior colleges and centralised institute, independent schools and junior colleges, the Government-supported special education schools and the institutes of technical education. Under the revised framework, all the schools and institutes were allocated a base rate and those with more financial assistance scheme recipients would be given a 2nd-tier top-up rate. The allocation would be disbursed in two instalments in January 2009 and July 2009. The 2nd-tier top-up grants would be included in the disbursement in July 2009. Of the \$8.2m disbursed in January 2009 as shown in Table-4, \$0.6m (7.3%) was spent as at 31 March 2009.

Table-4: Breakdown on Disbursement of Opportunity Fund by Level

Level – School Type	Base Rate Allocated \$	Amount Disbursed \$m
Primary	19	3.1
Special Education	19	0.1
Secondary – non-IS	32	4.0
Secondary - IS	20	0.2
Pre-University	22	0.3
Institute of Technical Education	32	0.5
Total	-	8.2



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 Primary five and six and all the secondary levels in the Government and Government-aided 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-5 shows the criteria and value of the scholarships.

Table-5: Criteria and Award Values

Scholarship	Value \$
ESPS	
Top 5%	300
Next 5%	250
ESSS	
Top 5%	500
Next 5%	300

2008 EDUSAVE SCHOLARSHIPS FOR PRIMARY SCHOOLS (ESPS)

- 3 A total of 8,260 students in primary schools were awarded the ESPS. Of these 4,100 received the \$300 award and 4,160 students the \$250 award. The total amount paid was \$2.2m.
- 4 The breakdown of the awards by stream in Table-6 shows that 7,760 (94.0%) awardees were from EM1/EM2, 500 (6.0%) from EM3. On the whole, 8.4% 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-6: Distribution of 2008 ESPS Awardees by Stream

Stream	Top 5% \$300	Next 5% \$250	No. of Awardees	Percentage of Students in Stream %
EM1/EM2	3,830	3,930	7,760	8.4
EM3	270	230	500	9.4
Total	4,100	4,160	8,260	8.4
Amount Paid	\$1.2m	\$1.0m	\$2.2m	

2008 EDUSAVE SCHOLARSHIPS FOR SECONDARY SCHOOLS (ESSS)

- 5 A total of 16,780 students in secondary schools were awarded the ESSS. Of these, 8,210 received the \$500 award and 8,570 students the \$300 award. The total amount paid was \$6.7m.
- 6 The breakdown of the awards by stream in Table-7 shows that 7,640 (45.5%) awardees were from the Normal Stream, 8,640 (51.5%) from the Express Stream and 500 (3.0 %) from the Special Stream. On the whole, 7.8% 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-7: Distribution of 2008 ESSS Awardees by Stream

Stream	Top 5% \$500	Next 5% \$300	No. of Awardees	Percentage of Students in Stream %
Normal	3,770	3,870	7,640	8.8
Express	4,180	4,460	8,640	7.6
Special	260	240	500	3.8
Total	8,210	8,570	16,780	7.8
Amount Paid	\$4.1m	\$2.6m	\$6.7m	



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 awardee 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 level in the 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.

2009 EESIS, ESIP AND 2008 E(IS)YA

- 5 A total of 6,840 students in independent schools were awarded the EESIS in 2009. Of these, 6,360 scholarships amounting to \$17.9m were funded from Edusave Funds while the remaining 480 scholarships amounting to \$1.3m were funded from Voted Funds.
- 6 A total of 1,240 students in independent schools were awarded the ESIP in 2009. Of these, 1,140 scholarships amounting to \$3.4m were funded from Edusave Funds while the remaining 100 scholarships amounting to \$0.3m were funded from Voted Funds.
- 7 In December 2008, 200 students in the independent schools were given the E(IS)YA, amounting to \$0.4m. Table-8 shows the breakdown on EESIS, ESIP and E(IS)YA recipients.

Table-8: Breakdown by Type of Scholarships

Scholarship	No. of Awardees	Amount Paid \$m
EESIS		
Secondary 1	1,090	2.5
Secondary 2 to 4	3,370	9.8
Pre-University 1 to 2	1,900	5.6
ESIP		
Secondary 3 to 4	80	0.2
Pre-University 1 to 2	1,060	3.2
E(IS)YA	200	0.4
Total	7,690	21.7



EDUSAVE MERIT BURSARIES

- 1 The Edusave Merit Bursaries (EMB) Scheme aims to give Singaporean students from modest home background in all the Government and Government-aided schools, junior colleges and centralised institute, independent schools and junior colleges and institutes of technical education an incentive to perform well. Table-9 shows the value of award by level.

Table-9: Value of EMB by Level

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

- 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.

2008 EDUSAVE MERIT BURSARIES (EMB)

- 3 A total of 35,590 students were awarded the EMB in 2008. The breakdown of awardees by level in Table-10 shows that 16,480 awardees were from primary schools, 13,970 from secondary schools, 2,270 from junior colleges and centralised institute, and the remaining 2,870 from institutes of technical education. The total amount disbursed was \$8.2m.

Table-10: Breakdown on Number of EMB Awardees by Level

School	No. of Awardees	Percentage of Awardees out of the Total Student Population %	Amount Paid \$m
Primary	16,480	5.9	2.9
Secondary	13,970	6.5	3.5
Pre-University	2,270	7.2	0.7
Institute of Technical Education	2,870	12.2	1.1
Total	35,590	6.5	8.2

COMMUNITY EDUCATION AWARD SCHEME

- 4 Under Community Education Award Scheme, 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 \$1.1m was disbursed through the People's Association to the Citizens' Consultative Committees in FY 2008.



GOOD PROGRESS AWARDS

- 1 The Good Progress Awards (GPA) are given to Singaporean students in the Government and Government-aided primary (except those in primary one) and secondary schools, junior colleges and centralised institute, independent schools and 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-11 shows the value of the award by level.

Table-11: Value of GPA by Level

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

2008 GOOD PROGRESS AWARDS (GPA)

3 A total of 35,210 students were awarded the GPA in 2008. The breakdown of awardees by level in Table-12 shows 17,870 awardees were from primary schools, 13,720 from secondary schools, 1,980 from junior colleges and centralised institute, and the remaining 1,640 from institutes of technical education. The total value of GPA was \$4.3m. Of this, \$0.4m was recovered from the People's Association for their share in the financial year, and \$0.04m was recovered due to unclaimed awards.

Table-12: Breakdown on Number of GPA by Level

School	No. of Awardees	Percentage of Awardees out of the Total Student Population %	Amount Paid \$m
Primary	17,870	7.6 ⁽¹⁾	1.4
Secondary	13,720	6.4	2.0
Pre-University	1,980	6.2	0.4
Institute of Technical Education	1,640	7.0	0.5
Total	35,210	7.0	4.3

⁽¹⁾ 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) are given to Singaporean students in all the Government and Government-aided schools, junior colleges and centralised institute, independent schools and junior colleges and institutes of technical education 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.

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 and institute of technical education. Recipients of Edusave scholarships and bursaries are also eligible for this award. Table-13 shows the value of the awards by level.

Table-13: Value of EAGLES by Level

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

2008 EDUSAVE AWARDS FOR ACHIEVEMENT, GOOD LEADERSHIP AND SERVICE (EAGLES)

- 2 18,210 students were awarded the EAGLES in 2008. The breakdown of awardees by level in Table-14 shows 6,230 awardees were from primary schools, 9,470 from secondary schools, 1,390 from junior colleges and centralised institute, and 1,120 from institutes of technical education. The total amount disbursed for the awards was \$2.5m.

Table-14: Breakdown on EAGLES by Category and Level

Level	Achievement	Good Leadership	Community Service	Total
Primary	3,960	1,590	680	6,230
Secondary	3,130	5,070	1,270	9,470
Pre-University	540	610	240	1,390
Institute of Technical Education	530	560	30	1,120
Total	8,170	7,830	2,220	18,210
Amount paid	\$1.1m	\$1.1m	\$0.3m	\$2.5m



POST SECONDARY EDUCATION FUND

- 1 The Post-Secondary Education (PSE) Scheme was implemented in January 2008 to promote savings for post-secondary education. The PSE Fund was established in January 2008 when the balances in the Children Development Accounts (CDA) of those who turned 7 years old were transferred to their PSE accounts. The first set of financial statements for the PSE Fund for FY 2008 covers 15 months from January 2008 to March 2009.

ADMINISTRATION OF POST-SECONDARY EDUCATION FUND

- 2 The Post-Secondary Education Fund is administered by the Ministry of Education. The balance is placed with the Central Provident Fund Board and financial institutions. During the financial year, the Fund earned an interest income of \$7.9m. Of this amount, \$7.6m was paid to individual PSE Accounts as interest leaving a surplus of \$0.3m.

TRANSFER FROM CDA AND CONTRIBUTIONS FROM MEMBERS

- 3 Under the Children Development Co-Savings Act, the balances in the Children Development Accounts (CDA) of those who turned 7 years old were transferred to their PSE accounts. Under the Education Endowment and Savings Schemes Act, CDA-eligible children can continue to contribute to their PSE accounts and receive matching grant from the Government until the prescribed contribution cap is reached, or when the child turns 18 years old, whichever is earlier. During the reporting period, \$63.3m was transferred from the CDA of 17,440 children to their PSE accounts. Another \$0.2m was received from CDA-eligible members and matched by the Government. The details of the CDA transfer are shown in Table-15:

Table-15: Transfer from CDA to PSE Accounts

	No. of CDA	Amount Transferred \$m
Jan 2008	7,010	26.4
Jan 2009	10,430	36.9
Total	17,440	63.3

TRANSFER FROM EDUSAVE ACCOUNTS

- 4 From April 2008, the balances in the Edusave accounts of members who attain the age of 16 years or are not studying in a prescribed school, whichever is later, are also transferred to their PSE accounts. During the reporting period, \$103.8m from 176,660 Edusave account holders was transferred to their PSE accounts.

TOP-UP FROM THE GOVERNMENT

- 5 The Government would grant top-up to the PSE accounts of Singaporeans between the ages of 7 and 20 years in good years to help parents save for their children's post secondary education. The quantum of top-up would depend on the age in the year of payout and the annual value of their homes. During the reporting period, 3 top-ups were given in March 2008, September 2008 and March 2009 and a total of \$665.8m was disbursed. The details are in Table-16.

Table-16: Top-up To PSE Accounts

Top-Up Date	No. of Eligible Singaporeans	Top-up Amount \$m
March 2008	651,650	188.2
September 2008	653,510	290.0
March 2009	638,000	187.6
Total		665.8



APPROVED USES

- 6 The PSE funds may be used by the account holders or their siblings for approved courses in the publicly-funded universities, Polytechnics, Ministry Of Education-subsidised diploma programmes of LaSalle-SIA and Nanyang Academy of Fine Arts, and approved degree programmes of institutions conferring local degrees (e.g. UniSIM). Students in Institutes of Technical Education are allowed to use their PSE funds or that of their siblings for approved fees. PSE funds may also be used by students attending approved courses at Workforce Development Agency-accredited training agencies. As an exception, children in special education schools are allowed to use their own PSE funds to pay for approved fees and charges.
- 7 During the reporting period, \$19.7m was withdrawn by students in the approved institutions. Of the total amount withdrawn, \$18.1 m (91.7%) was for payment of fees and the remaining \$1.6 m (8.3%) was for enrichment programme charges.

TRANSFER TO CENTRAL PROVIDENT FUND-ORDINARY ACCOUNTS

- 8 A PSE account member may apply to transfer his balance to his Central Provident Board ordinary account when he attains the age of 21 years. An amount of \$0.01m from 16 Post-Secondary Education Account members was transferred to their Central Provident Fund-Ordinary Accounts during the reporting period.

BALANCE AS AT 31 MARCH 2009

- 9 As at 31 March 2009, the balance in the PSE Fund was \$822.3m which includes the surplus interest income earned of \$0.3m.



EDUSAVE ENDOWMENT FUND

**A Fund established under the Education Endowment and
Savings Schemes Act, Chapter 87A**

**FINANCIAL STATEMENTS FOR
THE FINANCIAL YEAR ENDED**

31 MARCH 2009

EDUSAVE ENDOWMENT FUND

(A Fund established under the Education Endowment and Savings Schemes Act, Chapter 87A)

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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 2009, 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"). 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 so as to give a true and fair view of the state of affairs of the Edusave Endowment Fund as at 31 March 2009 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

GEETHA A & ASSOCIATES
PUBLIC ACCOUNTANTS AND
CERTIFIED PUBLIC ACCOUNTANTS
SINGAPORE
Date: 22 May 2009

BALANCE SHEET AS AT 31 MARCH 2009

	NOTE	31 March 2009 S\$	31 March 2008 S\$
Capital fund	4	5,000,000,000	5,000,000,000
Accumulated surplus		919,610,057	846,072,266
Total Fund and Surplus		5,919,610,057	5,846,072,266

Represented By:

Balance held by Accountant-General	5	5,919,610,057	5,846,072,266
Total Assets		5,919,610,057	5,846,072,266

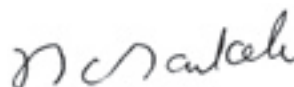


MS YEOH CHEE YAN

Second Permanent Secretary

MINISTRY OF EDUCATION

DATE: 22 May 2009



MRS WONG-HO SAI KEK

Deputy Director/Financial Systems & Operations

MINISTRY OF EDUCATION

DATE: 22 May 2009

INCOME AND EXPENDITURE STATEMENT FOR FINANCIAL YEAR ENDED 31 MARCH 2009

	NOTE	FY 2008 S\$	FY 2007 S\$
INCOME			
Interest income	6	250,863,630	231,849,358
Recovery of unspent Opportunity Fund balances	7	11,962,565	-
		262,826,195	231,849,358
EXPENDITURE			
Edusave Pupils Fund			
- Contribution to Edusave accounts	8	94,489,239	84,146,815
- Development expenditure	9	21,576	21,895
- Operating expenditure	9	108,987	162,529
Edusave Scholarships	10	30,683,588	32,917,454
Edusave Merit Bursaries	11	9,266,329	9,796,188
Good Progress Awards	12	3,900,170	3,935,380
EAGLES	13	2,533,710	2,555,430
Edusave Grants	14	39,156,234	39,871,877
Opportunity Fund Grants	15	8,219,313	165,678
Edusave Endowment Fund			
- Development expenditure	16	110,488	83,687
- Operating expenditure	16	798,770	678,242
		189,288,404	174,335,175
Surplus for the year		73,537,791	57,514,183
Accumulated surplus brought forward		846,072,266	788,558,083
Accumulated surplus carried forward		919,610,057	846,072,266

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 2009

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 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 2008 relates to the financial year from 1 April 2008 to 31 March 2009. Correspondingly, FY 2007 relates to the financial year from 1 April 2007 to 31 March 2008.

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. From FY 2008, the interest rate is pegged to 1 percentage point above the 10-year Singapore Government Securities yield. Interest for the financial year was 4.3 % per annum. (FY 2007: 4.0%)

7. Recovery of Unspent Opportunity Fund balances

In FY 2006, opportunity fund grants were disbursed to all eligible schools to be used over 3 years up to December 2008. In December 2008, the unused balances of \$11,962,565 were recovered as follows:

	FY 2008	FY 2007
	<u>S\$</u>	<u>S\$</u>
Primary Schools	4,619,706	-
Special Education Schools	69,513	-
Secondary Schools	3,766,100	-
Independent Secondary Schools	98,896	-
Junior Colleges/Centralised Institute	269,958	-
Independent Junior Colleges/Institution	91,555	-
Institutes of Technical Education	3,046,837	-
Total amount recovered	11,962,565	-

8. Contribution to Edusave Accounts

The contributions to Edusave accounts represent payments made to Singaporean pupils from the age of six onwards studying in prescribed schools. The rate of contribution to each account was \$200 (FY 2007: \$180) for primary school pupils and \$240 (FY 2007: \$220) for secondary school pupils. The total number of pupils who received these contributions was 434,558 (FY2007: 427,727) and contributions recovered with interest from pupils who did not attend school or have been found to be ineligible were S\$51,581 (FY2007: S\$31,925).

9. Development & Operating Expenditure- Edusave Pupils Fund

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

	FY 2008 <u>S\$</u>	FY 2007 <u>S\$</u>
(a) Development Expenditure		
System development		
Manpower cost	20,890	19,994
Processing charges (program testing)	686	1,901
Total development expenditure	21,576	21,895
(b) Operating Expenditure		
Computer services		
Manpower cost	23,474	40,872
Processing charges	14,823	49,904
	38,297	90,776
Administrative support		
Manpower cost	65,376	66,339
Printing and stationery	270	595
Software and equipment maintenance	4,922	4,736
General expenses	122	83
	70,690	71,753
Total operating expenditure	108,987	162,529
Total expenditure	130,563	184,424

10. Edusave Scholarships

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

	FY 2008	FY 2007
	<u>S\$</u>	<u>S\$</u>
Primary Schools	2,270,350	2,331,650
Secondary Schools	6,674,500	6,862,950
Independent Schools	21,748,238	23,730,254
	<hr/>	<hr/>
	30,693,088	32,924,854
Less:		
Refund of unclaimed scholarships	(9,500)	(7,400)
Total	30,683,588	32,917,454

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 2008	FY 2007
	<u>S\$</u>	<u>S\$</u>
Primary Schools	2,880,950	3,273,100
Secondary Schools	3,493,250	3,698,100
Junior Colleges/ Centralised Institute	681,000	739,800
Institutes of Technical Education	1,147,200	1,164,400
Community Education Award Scheme	1,061,029	906,788
2007 Edusave Merit Bursaries	7,500	20,500
	<hr/>	<hr/>
	9,270,929	9,802,688
Less:		
Refund of unclaimed Merit Bursaries	(4,600)	(6,500)
Total	9,266,329	9,796,188

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 2008	FY 2007
	<u>S\$</u>	<u>S\$</u>
Primary Schools	1,431,500	1,453,000
Secondary Schools	2,058,150	2,077,650
Junior Colleges/ Centralised Institute	395,000	379,400
Institutes of Technical Education	492,900	499,800
	<hr/>	<hr/>
	4,377,550	4,409,850
Less:		
Funding by People's Association	(440,930)	(442,270)
Refund of unclaimed Good Progress Awards	(36,450)	(32,200)
Total	3,900,170	3,935,380

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 2008	FY 2007
	<u>S\$</u>	<u>S\$</u>
Primary Schools	747,480	758,400
Secondary Schools	1,420,500	1,441,650
Junior Colleges/ Centralised Institute	209,400	205,500
Institutes of Technical Education	167,550	161,250
	<hr/>	<hr/>
	2,544,930	2,566,800
Less:		
Refund of unclaimed EAGLES	(11,220)	(11,370)
Total	2,533,710	2,555,430

14. Edusave Grants

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

	FY 2008 S\$	FY 2007 S\$
Primary Schools		
- Payment in July	6,757,550	6,971,450
- Payment in January	6,970,525	7,091,050
Special Education Schools		
- Payment in July	131,100	132,375
- Payment in January	116,125	117,300
Secondary Schools		
- Payment in July	8,722,965	8,812,065
- Payment in January	9,041,730	9,277,395
Independent Schools		
- Payment in July	705,655	610,320
- Payment in January	713,860	644,925
Junior Colleges/ Centralised Institute		
- Payment in July	1,518,060	1,508,850
- Payment in January	1,639,380	1,633,980
Independent Junior Colleges/ Institution		
- Payment in July	351,240	365,685
- Payment in January	174,240	369,630
Institutes of Technical Education		
- Payment in July	794,870	721,000
- Payment in January	1,649,900	1,669,430
	39,287,200	39,925,455
Less:		
Refund of balances from closed schools	(130,966)	(53,578)
Total	39,156,234	39,871,877

15. Opportunity Fund Grants

In January 2009, opportunity funds were downloaded to all eligible schools at rates based on level and type of school. The grants are disbursed as follows:

	FY 2008	FY 2007
	<u>₪</u>	<u>₪</u>
Primary Schools	3,120,811	38,433
Special Education Schools	62,930	-
Secondary Schools	3,984,984	67,590
Independent Secondary Schools	191,820	59,655
Junior Colleges/ Centralised Institute	325,860	-
Independent Junior Colleges/ Institution	35,404	-
Institutes of Technical Education	497,504	-
Total	8,219,313	165,678

16. Development & Operating Expenditure- Edusave Endowment Fund

	FY 2008 <u>S\$</u>	FY 2007 <u>S\$</u>
a) Development Expenditure		
Edusave Awards Selection and Administration System	64,976	83,687
Integrated Billing, Edusave and Collection System	45,512	-
Total development expenditure	110,488	83,687
b) Operating Expenditure		
System maintenance cost	289,525	97,290
Edusave unit manpower cost	236,155	243,762
Printing and stationery	197,177	248,768
Auditors' remuneration	26,750	25,000
Printing cost for award vouchers	44,028	44,952
General expenses	5,135	18,470
Total operating expenditure	798,770	678,242
Total	909,258	761,929



EDUSAVE PUPILS FUND

A Fund established under the Education Endowment and Savings Schemes Act, Chapter 87A

**FINANCIAL STATEMENTS FOR
THE FINANCIAL YEAR ENDED**

31 MARCH 2009

EDUSAVE PUPILS FUND

(A Fund established under the Education Endowment and Savings Schemes Act, Chapter 87A)

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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 2009, 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"). 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 so as to give a true and fair view of the state of affairs of the Edusave Pupils Fund as at 31 March 2009 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: 22 May 2009

BALANCE SHEET AS AT 31 MARCH 2009

	31 March 2009 S\$	31 March 2008 S\$
Members' accounts	252,310,497	338,293,434
Accumulated surplus	10,503,006	10,006,341
Total Fund and Surplus	262,813,503	348,299,775
Represented By:		
Deposits placed with the Monetary Authority of Singapore	262,713,682	348,170,000
Cash at bank	99,821	129,775
Total Assets	262,813,503	348,299,775

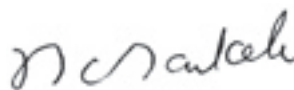


MS YEOH CHEE YAN

Second Permanent Secretary

MINISTRY OF EDUCATION

DATE: 22 May 2009



MRS WONG-HO SAI KEK

Deputy Director/Financial Systems & Operations

MINISTRY OF EDUCATION

DATE: 22 May 2009



INCOME AND EXPENDITURE STATEMENT FOR FINANCIAL YEAR ENDED 31 MARCH 2009

	NOTE	FY 2008 <u>S\$</u>	FY 2007 <u>S\$</u>
INCOME			
Interest income:			
- Deposits placed with Monetary Authority of Singapore		6,192,034	4,581,082
- Deposits from Overnight / Term Fund		-	2,185,461
- Cash at bank		423	648
	4	6,192,457	6,767,191
EXPENDITURE			
Interest credited to members' accounts		5,695,792	7,938,040
Surplus / (Deficit) for the year		496,665	(1,170,849)
Accumulated surplus brought forward		10,006,341	11,177,190
Accumulated surplus carried forward		10,503,006	10,006,341

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 2009

	NOTE	FY 2008 <u>S\$</u>	FY 2007 <u>S\$</u>
RECEIPTS			
Interest credited to members' accounts	5	5,695,792	7,938,040
Contributions from the Edusave Endowment Fund	6	94,489,239	84,146,825
		100,185,031	92,084,865
PAYMENTS			
Withdrawals of deceased members' balances		32,624	76,998
Withdrawals for approved fees and programme charges	7	82,286,747	90,705,664
Transfer to Central Provident Fund Ordinary Accounts	8	-	16,240,598
Transfer to Post Secondary Education Accounts	9	103,848,597	-
		186,167,968	107,023,260
Net Decrease in members' account for the year		(85,982,937)	(14,938,395)
Members' account at beginning of the year		338,293,434	353,231,829
Members' account at end of the year		252,310,497	338,293,434



NOTES TO FINANCIAL STATEMENTS FOR FINANCIAL YEAR ENDED 31 MARCH 2009

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 Minister for Education. The monies can be withdrawn for use on enrichment programmes organised by schools, payment of second-tier miscellaneous fees, autonomous schools 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 2008 relates to the financial year from 1 April 2008 to 31 March 2009. Correspondingly, FY 2007 relates to the financial year from 1 April 2007 to 31 March 2008.

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 2008 was 2.5 % (FY 2007: 2.5% to 2.83%) 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 2007: 2.5%) per annum.

6. Contributions from the Edusave Endowment Fund

The contributions to Edusave accounts represent monies received from the Edusave Endowment Fund for Singaporean pupils from the age of six studying in prescribed schools. The rate of contribution to each account was \$200 (FY 2007: \$180) for primary school pupils and \$240 (FY 2007: \$220) for secondary school pupils. The total number of pupils who received these contributions was 434,558 (FY2007: 427,727) and contributions recovered with interest from pupils who did not attend school or have been found to be ineligible were \$51,581 (FY 2007: \$31,915).

7. Withdrawals for Approved Fees and Programme Charges

	FY 2008 <u>S\$</u>	FY 2007 <u>S\$</u>
Enrichment programmes:		
- Schools	55,631,999	55,715,002
- Institutes of Technical Education	6,166	478,391
Second-tier miscellaneous fees	26,648,582	27,192,109
Tuition fees for tertiary institutions	-	7,320,162
	82,286,747	90,705,664



8. Transfer to Central Provident Fund Ordinary Accounts

Prior to 1 January 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.

9. Transfer to Post Secondary Education Accounts

From 1 January 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 (PSE) Accounts. An amount of \$103,848,597 from 176,677 Edusave accounts was transferred to the PSE Fund during the financial year. Of these, \$9,067 from 14 accounts was returned to the Edusave accounts when the members rejoined the prescribed schools.



POST-SECONDARY EDUCATION FUND

**A Fund established under the Education Endowment and
Savings Schemes Act, Chapter 87A**

**FINANCIAL STATEMENTS FOR
THE FINANCIAL PERIOD
FROM 1 JANUARY 2008 TO 31 MARCH 2009**

POST-SECONDARY EDUCATION FUND

(A Fund established under the Education Endowment and Savings Schemes Act, Chapter 87A)

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INDEPENDENT AUDITORS' REPORT TO THE MANAGEMENT OF POST-SECONDARY EDUCATION FUND

We have audited the accompanying financial statements of the Post-Secondary Education Fund, which comprise the balance sheet as at 31 March 2009, 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"). 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 Post-Secondary Education 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 Post-Secondary Education Fund are properly drawn up in accordance with the provisions of the Act so as to give a true and fair view of the state of affairs of the Post-Secondary Education Fund as at 31 March 2009 and the results of the Post-Secondary Education Fund for the financial period from 1 January 2008 to 31 March 2009; and
- (b) the accounting and other records required by the Act to be kept by the Post-Secondary Education 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 Post-Secondary Education 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: 22 May 2009

BALANCE SHEET AS AT 31 MARCH 2009

	31 March 2009
	<u>S\$</u>
Members' accounts	822,096,665
Accumulated surplus	247,124
Total Fund and Surplus	822,343,789
Represented By:	
Deposits placed with the Central Provident Fund Board	815,282,350
Balance held by Accountant-General	7,060,459
Cash at bank	980
Total Assets	822,343,789

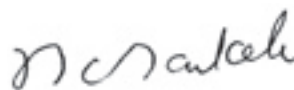


MS YEOH CHEE YAN

Second Permanent Secretary

MINISTRY OF EDUCATION

DATE: 22 May 2009



MRS WONG-HO SAI KEK

Deputy Director/Financial Systems & Operations

MINISTRY OF EDUCATION

DATE: 22 May 2009



INCOME AND EXPENDITURE STATEMENT FOR FINANCIAL PERIOD FROM 1 JANUARY 2008 TO 31 MARCH 2009

	NOTE	FY 2008 <u>S\$</u>
INCOME		
Interest income	4	7,857,347
EXPENDITURE		
Interest credited to members' accounts		7,610,223
Surplus for the financial period carried forward		247,124

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

MOVEMENT OF MEMBERS' ACCOUNT FOR FINANCIAL PERIOD FROM 1 JANUARY 2008 TO 31 MARCH 2009

	NOTE	FY 2008 S\$
RECEIPTS		
Interest credited to members' accounts	5	7,610,209
Balances transferred from		
- Children Development Accounts	6	63,297,955
- Edusave Pupils Fund Accounts	7	103,839,530
Contributions from members		224,862
Matching contributions from Government		1,166,774
Grants from Government	8	665,840,150
		841,979,480
PAYMENTS		
Withdrawals of deceased members' balances		138,847
Withdrawals for approved fees and programme charges	9	19,733,529
Transfer to Central Provident Fund Ordinary Accounts	10	10,439
		19,882,815

Members' Account at end of the Financial Period

822,096,665



NOTES TO THE FINANCIAL STATEMENTS FOR FINANCIAL PERIOD FROM 1 JANUARY 2008 TO 31 MARCH 2009

1. Principal Activities

The Post-Secondary Education (PSE) Fund was established on 1 January 2008 under the Education Endowment and Savings Schemes Act, Chapter 87A.

In accordance with Section 16B 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 PSE Fund.

The PSE Fund receives moneys from the following sources which are credited to the PSE Accounts of eligible Singaporeans:

- Balance transferred from Children Development Accounts
- Contributions from eligible members
- Matching contributions from Government
- Balance transferred from Edusave Accounts
- Grants from Government
- Interest income earned by the PSE Fund

Interest is paid on the amount standing to the credit of members at interest rates prescribed by the Minister for Education. The monies can be withdrawn to pay for approved fees and charges in approved institutions 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

As the PSE Fund was established on 1 January 2008, for FY 2008, the financial year is from 1 January 2008 to 31 March 2009. For subsequent reporting, the financial year will be from 1 April to 31 March of the following year.

4. Interest Income

This represents interest income earned from the balance placed with the Central Provident Fund Board. Interest rate for FY 2008 was 2.5% per annum.

5. Interest Credited to Members' Accounts

This represents interest credited to members' accounts based on rates approved by the Minister. The interest rate for FY 2008 is 2.5% per annum.

6. Transfer from Children Development Accounts (CDA)

Under Section 16A of the Act, unspent CDA balances would be transferred to PSE Fund in the year the children turn 7 years old. During the financial period, two transfers were effected in January 2008 and 2009 as follows:

	No. of CDA	Amount Transferred S\$
2008	7,010	26,360,437
2009	10,431	36,937,518
Total	17,441	63,297,955



7. Transfer from Edusave Pupils Fund Accounts

From 1 January 2008, the Act was amended to provide for Edusave balances of members who have attained the age of 16 and are not studying in a prescribed school to be transferred to their PSE Accounts. A net amount of \$103,839,530 from 176,663 Edusave accounts was transferred to the PSE Fund during the financial period.

8. Grants from Government

As part of the GST offset package, the Minister for Finance announced in his budget speech for 2007 that Government would top up the PSE Accounts of Singaporeans between the ages of 7 and 20 years in 2008 and 2009. In the budget speech for 2008, he announced that an additional top-up would be given in the second half of 2008. During the financial period, three top-ups were effected in March 2008, September 2008 and March 2009.

	No. of Eligible Singaporeans	Top-up Amount <u>S\$</u>
March 2008	651,654	188,170,500
September 2008	653,507	290,056,950
March 2009	638,002	187,612,700
Total		665,840,150

9. Withdrawals for Approved Fees and Programme Charges

	FY 2008 S\$
Fees:	
Tertiary Institutions	15,592,145
Institutes of Technical Education	2,506,908
Workforce Skills Qualification lead training agencies	45,590
Special Education Schools	4,338
Enrichment Programmes Charges:	
Tertiary Institutions	1,341,976
Institutes of Technical Education	692,096
Workforce Skills Qualification lead training agencies	-
Special Education Schools	17,100
Gross Total Withdrawals	20,200,153
Less Withdrawal Refunds	(466,624)
Net Total Withdrawals	19,733,529

10. Transfer to Central Provident Fund Ordinary Accounts

Under Section 16E of the Act, a PSE Account member can apply to transfer his account balance to his CPF ordinary account when he attains the age of 21 years. An amount of \$10,439 from 16 PSE Account members was transferred to their CPF ordinary accounts during the financial period.