



ANNUAL REPORT FOR FINANCIAL YEAR  
2009/2010





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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 (PSE) Scheme to promote savings for PSE and the title was changed to Education Endowment and Savings Schemes Act. The PSE Fund was established under this Scheme. Under the Scheme, balances in the Children Development Accounts will be transferred to their PSE accounts in the year when the children attain the age of 7 years. From April 2008, the balances in the Edusave accounts are also transferred to the PSE accounts when the Edusave members attain the age of 16 years and are not studying in a prescribed school. The PSE Fund may also receive other grants from the Government.

## 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 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 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.
- 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 fund the disbursements under the Edusave Scheme in the next year. The interest rate was 3.95% per annum for financial year 2009.
- 3 During the financial year, the Fund received a total income of \$240.7 million. An amount of \$258.7 million was disbursed which included \$18.0 million from the accumulated surplus. As at 31 March 2010, the balance in the Edusave Endowment Fund was \$5.9 billion which included \$0.9 billion accumulated surplus.

### EDUSAVE PUPILS FUND

- 4 The Edusave Pupils Fund was established in January 1993. It comprises annual contributions and one-off grants paid into the Edusave accounts of eligible students at primary and secondary levels in the Government and Government-aided schools, independent schools, specialised 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 and are not studying in a prescribed school are transferred to their PSE accounts.
- 5 During the financial year, \$126.6 million was paid into the Edusave accounts of 449,389 students. Excluding the one-off grant of \$34.7 million paid in July 2009, the annual contribution was \$91.9 million. During the financial year, \$80.9 million was withdrawn for approved fees and charges, and \$23.3 million transferred to the PSE accounts. As at 31 March 2010, the balance in the Edusave Pupils Fund was \$291.1 million.

## POST-SECONDARY EDUCATION FUND

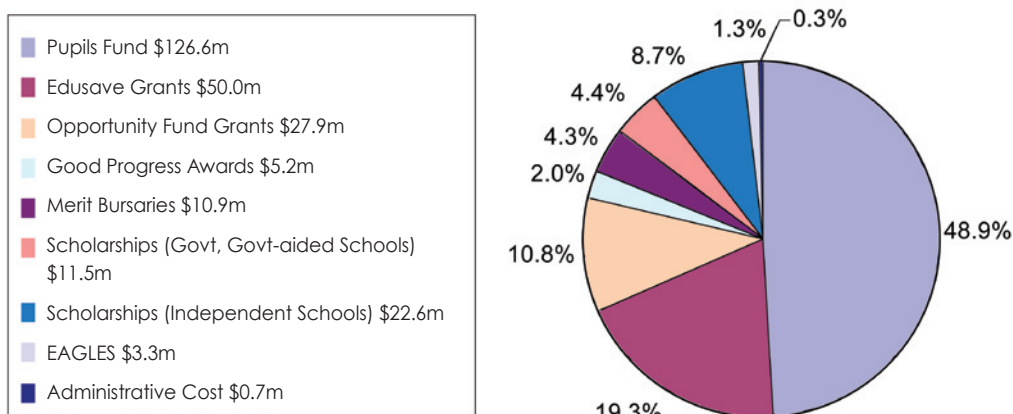
- 6 The Post-Secondary Education (PSE) Fund was established in January 2008 to help parents save for their Singaporean children's PSE. The PSE Fund will receive balances to be transferred from the Children Development Accounts (CDA) of those who attain the age of 7 years old. CDA-eligible children can continue to contribute to their PSE accounts and receive matching grants from the Government until the prescribed contribution cap is reached, or when the children turn 18 years old, whichever is earlier. The PSE Fund will also receive balances to be transferred from the Edusave accounts of members who attain the age of 16 years and are not studying in a prescribed school. The PSE Fund may also receive other grants from Government.
- 7 During the financial year, the PSE Fund received \$21.3 million transferred from the CDA of 8,861 children and \$23.3 million from the Edusave accounts of 48,007 members. There was no Government top-up grant during the financial year. An amount of \$0.9 million was paid to 3,489 children between the ages of 7 and 20 years when they became new Singapore citizens in 2009 and were eligible for the Government top-up.
- 8 The PSE Fund may be used by the account holders or their siblings to pay for fees and charges in approved institutions. The balance in the PSE account may be transferred to the Central Provident Fund ordinary account on a request basis when the member attains the age of 21 years. During the financial year, an amount of \$40.6 million was withdrawn for fees and charges at approved institutions, and \$0.1m transferred to the Central Provident Fund ordinary accounts. As at 31 March 2010, the balance in the PSE Fund was \$846.7 million.



## 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.
- 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 3.95% per annum for financial year 2009. During the financial year, the Edusave Endowment Fund earned an interest income of \$233.8 million. Together with the \$6.9 million of unutilised Opportunity Fund grants recovered in December 2009, the total income was \$240.7 million. The amount disbursed during the financial year was \$258.7 million which included \$18.0 million from the accumulated surplus.
- 3 The income from the Edusave Endowment Fund is used to fund contributions and one-off grants to the Edusave accounts of eligible students, Edusave grants and Opportunity Fund grants to schools and institutions, Edusave awards to students, and administrative cost. Chart-1 shows the distribution of the amount disbursed during the financial year.

**Chart-1: Distribution of Amount Disbursed in FY 2009**



Total Amount Disbursed = \$258.7 m

- 4 As at 31 March 2010, the balance in the Edusave Endowment Fund was \$5.9 billion, comprising \$5.0 billion in the Capital Account and \$0.9 billion in the Income Account.

## EDUSAVE PUPILS FUND

- 1 The Edusave Pupils Fund was established in January 1993. It comprises annual contributions and one-off Government grants paid into the Edusave accounts of eligible students at primary and secondary levels in the Government and Government-aided schools, independent schools, specialised schools and the Government-supported special education schools. The Edusave Pupils Fund scheme is administered by the Ministry of Education and the Edusave Pupils Fund invested by the Central Provident Fund Board. During the financial year, the Fund earned an interest income of \$5.9 million and \$5.4 million was paid to members, leaving a surplus of \$0.5 million.
- 2 In 2010, the contribution rates were \$200 for students in primary level and \$240 for those in secondary level. In July 2009, the Government gave a one-off grant of \$80 to all eligible students to help parents cope during the economic downturn. During the financial year, a total of \$126.6 million was paid into the Edusave accounts of 449,389 students. Excluding the one-off grant of \$34.7 million, the annual contribution was \$91.9 million.
- 3 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 and are not studying in a prescribed school are transferred to their PSE accounts. During the financial year, \$80.9 million was withdrawn, of which \$26.7 million (33.0%) was for approved fees and \$54.2 million (67.0%) for enrichment programme charges. Another \$23.3 million was transferred to the PSE accounts of 48,007 members.
- 4 As at 31 March 2010, the balance in the Edusave Pupils Fund was \$291.1 million which included an accumulated surplus income of \$11.0 million.



A background image showing a teacher and several students in a classroom setting, focused on a craft or project. The teacher is a woman with glasses, and the students are of various ages, some wearing school uniforms. They are gathered around a table, looking at a colorful, patterned object they are working on.

## EDUSAVE GRANTS

- 1 Edusave grants are given to all the Government and Government-aided schools, junior colleges and centralised institute, independent schools and colleges, specialised schools and the Government-supported special education schools and Institute of Technical Education (ITE). The schools and institutions use the grants to procure resources and equipment or to subsidise programmes that enhance the quality of teaching and learning.
- 2 In 2010, the grant rates were \$50 per student for primary level, \$90 for secondary level, \$120 for pre-university level and \$100 for ITE. In July 2009, a one-off grant at \$20 per student was given to all schools and institutions to help them cope during the economic downturn. During the financial year, \$50.0 million was disbursed which comprised the annual grant of \$39.0 million and the one-off grant of \$11.0 million.

## OPPORTUNITY FUND GRANTS

- 1 Opportunity Fund grants are given to all the Government and Government-aided schools, junior colleges and centralised institute, independent schools and colleges, specialised schools and the Government-supported special education schools and ITE. The schools and institutions use the grants to level up co-curricular development opportunities for Singaporean students from lower income households.
- 2 In 2009, the grants were disbursed in two instalments in January and July for use in that year, and balances were recovered in December. From 2010, to give schools greater flexibility in planning and certainty of funding, grants were disbursed to schools to be used over 3 academic years. In line with the intent of the scheme, the allocation framework was also refined to give schools a top-up quantum if they have more than 10% of students who are beneficiaries of financial assistance schemes.
- 3 In 2010, the grant rates were \$19 per student for primary level, \$32 for secondary level in non-independent schools and specialised schools, \$20 for secondary level in independent schools, \$22 for pre-university level and \$32 for ITE. During the financial year, a total amount of \$28.0 million was disbursed to the schools and institutions, of which \$6.9 million was recovered in December 2009.

## 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 for Primary Schools (ESPS) and Secondary Schools (ESSS) Schemes respectively.
- 2 For both schemes, the scholarships are school-based. School principals select awardees from all streams in each level based on the students' academic performance and subject to good conduct. Table-1 shows the breakdown of the scholarship value by level:

**Table-1: Value of Edusave Scholarships by Level**

Level	\$
<b>Primary</b>	
Top 5%	400
Next 5%	350
<b>Secondary</b>	
Top 5%	650
Next 5%	400

- 3 A total of 7,669 Singaporean students were awarded the ESPS and 16,398 the ESSS in 2009 at a total value of \$11.5 million. Table-2 shows the breakdown of awardees by level:

**Table-2: Number of Edusave Scholarship Awardees by Level**

Level	No.	\$m
<b>Primary</b>	7,669	2.9
<b>Secondary</b>	16,398	8.6
<b>Total</b>	<b>24,067</b>	<b>11.5</b>

## EDUSAVE SCHOLARSHIPS FOR INDEPENDENT SCHOOLS

- 1 Edusave scholarships are also 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 Primary School Leaving Examination results. For EESIS awarded up to 2007, the annual quantum of the award was the school fees charged by the independent school less the amount of school and standard miscellaneous fees that the awardee would have to pay if he were in a Government or Government-aided school or junior college. For EESIS awarded from 2008, the annual quantum is capped at \$2,400 less the school and standard miscellaneous fees that an awardee would have to pay if he were in a Government or Government-aided secondary school or junior college. The scholarship is tenable for the duration of the scholar's education in the independent school.
- 2 The Edusave Scholarships for Integrated Programme Schools (ESIP) are for students who join the Integrated Programme at entry points beyond Secondary one. The selection is based on either the Primary School Leaving Examination or the Integrated Programme Scholarship Test results. The quantum of the ESIP is the same as that for the EESIS, and capped for ESIP awarded from 2008. The scholarship is tenable for the duration of the scholar's Integrated Programme course.
- 3 Students in independent schools who are not EESIS and ESIP holders are eligible for the Edusave (Independent Schools) Yearly Award (E(IS)YA) if they are among the top 5% students in each level in the school. The value of E(IS)YA is the same as the annual value of the EESIS, and capped for awards given out from 2008.



- 4 During the financial year, a total of \$22.6 million was disbursed to 8,102 Edusave scholars in the independent schools and junior colleges. Another \$1.5 million was disbursed from Voted Fund for 521 independent school Edusave scholars who were in the Gifted Education, Music Elective or Arts Elective Special Programmes. Table-3 shows the breakdown of awardees by scheme and level:

**Table-3: Number of Edusave Scholarship Awardees by Level**


Level	EESIS		ESIP		E(IS)YA		Total	
	No.	\$m	No.	\$m	No.	\$m	No.	\$m
<b>Secondary</b>	4,714	11.4	261	0.8	183	0.4	5,158	12.6
<b>Junior College</b>	1,984	6.5	939	3.4	21	0.1	2,944	10.0
<b>Total</b>	<b>6,698</b>	<b>17.9</b>	<b>1,200</b>	<b>4.2</b>	<b>204</b>	<b>0.5</b>	<b>8,102</b>	<b>22.6</b>

## 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 colleges, specialised schools and ITE an incentive to perform well.
- 2 The EMB scheme is school-based. All 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 scholarship awards. School principals select eligible students from all streams in each level based on academic performance and subject to good conduct, and invite them to apply for the bursary if they meet the household income criterion. Table-4 shows the breakdown of value of bursary by level.

**Table-4: Value of Edusave Merit Bursaries by Level**

Level	\$
<b>Primary 1 to 3</b>	200
<b>Primary 4 to 6</b>	250
<b>Secondary</b>	350
<b>Pre-University</b>	400
<b>Institute of Technical Education</b>	500

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- 3 A total of 32,832 students were awarded the EMB in 2009 at a total value of \$10.1 million. Table-5 shows the breakdown of awardees by level:

**Table-5: Number of Edusave Merit Bursary Awardees by Level**

Level	No.	\$m
Primary	14,626	3.3
Secondary	13,165	4.6
Pre-University	2,111	0.8
Institute of Technical Education	2,930	1.4
Total	<b>32,832</b>	<b>10.1</b>

## COMMUNITY EDUCATION AWARD SCHEME

- 4 Singaporean students in schools, junior colleges and ITE who do not qualify for any Edusave scholarship, bursary or award and are in need of financial assistance for their education may apply for Constituency Bursaries established by the Citizens' Consultative Committees under the Community Education Award Scheme. Under this Scheme, the Edusave Endowment Fund provides a matching grant of 3:1 for the Constituency Bursaries paid to the students, subject to a cap of 15% of the total value of the EMB disbursed in the previous year.
- 5 During the financial year, an amount of \$0.8 million was disbursed through the People's Association to the Citizens' Consultative Committees as matching grants for the Constituency Bursaries.

## 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 colleges, specialised schools and ITE who have made significant improvement in their academic performance. Students who are recipients of Edusave scholarships or bursaries or other Ministry of Education scholarships or bursaries are not eligible for this award. The GPA is co-funded by the People's Association which bears 10% of the amount paid.
- 2 The school-based awards are given to a maximum of 10% of students from all streams in each level. Selection is by comparing the year-end school examination results against those of the previous year. Table-6 shows the breakdown of award value by level:

**Table-6: Value of Good Progress Awards by Level**

Level	\$
Primary 2 to 3	100
Primary 4 to 6	150
Secondary	200
Pre-University	250
Institute of Technical Education	400



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- 3 A total of 35,136 students were awarded the GPA in 2009 at a total value of \$6.3 million. An amount of \$1.1 million was received from the People's Association being reimbursement for their share of the GPA payment. Table-7 shows the breakdown of awardees by level.

**Table-7: Number of Good Progress Awardees by Level**


Level	No.	\$m
Primary	17,332	2.4
Secondary	13,921	2.7
Pre-University	2,087	0.5
Institute of Technical Education	1,796	0.7
Total	<b>35,136</b>	<b>6.3</b>

## 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 the Government and Government-aided schools, junior colleges and centralised institute, independent schools and colleges, specialised schools and ITE 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 school-based 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, specialised school and ITE. Students who are recipients of Edusave scholarships or bursaries or other Ministry of Education scholarships or bursaries are also eligible for this award. Table-8 shows the value of the awards by level.

**Table-8: Value of EAGLES by Level**

Level	\$
<b>Primary 4 to 6</b>	150
<b>Secondary</b>	200
<b>Pre-University</b>	200
<b>Institute of Technical Education</b>	200

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- 3 A total of 17,804 students were awarded the EAGLES in 2009 at a total value of \$3.3 million. Table-9 shows the breakdown of awardees by level.

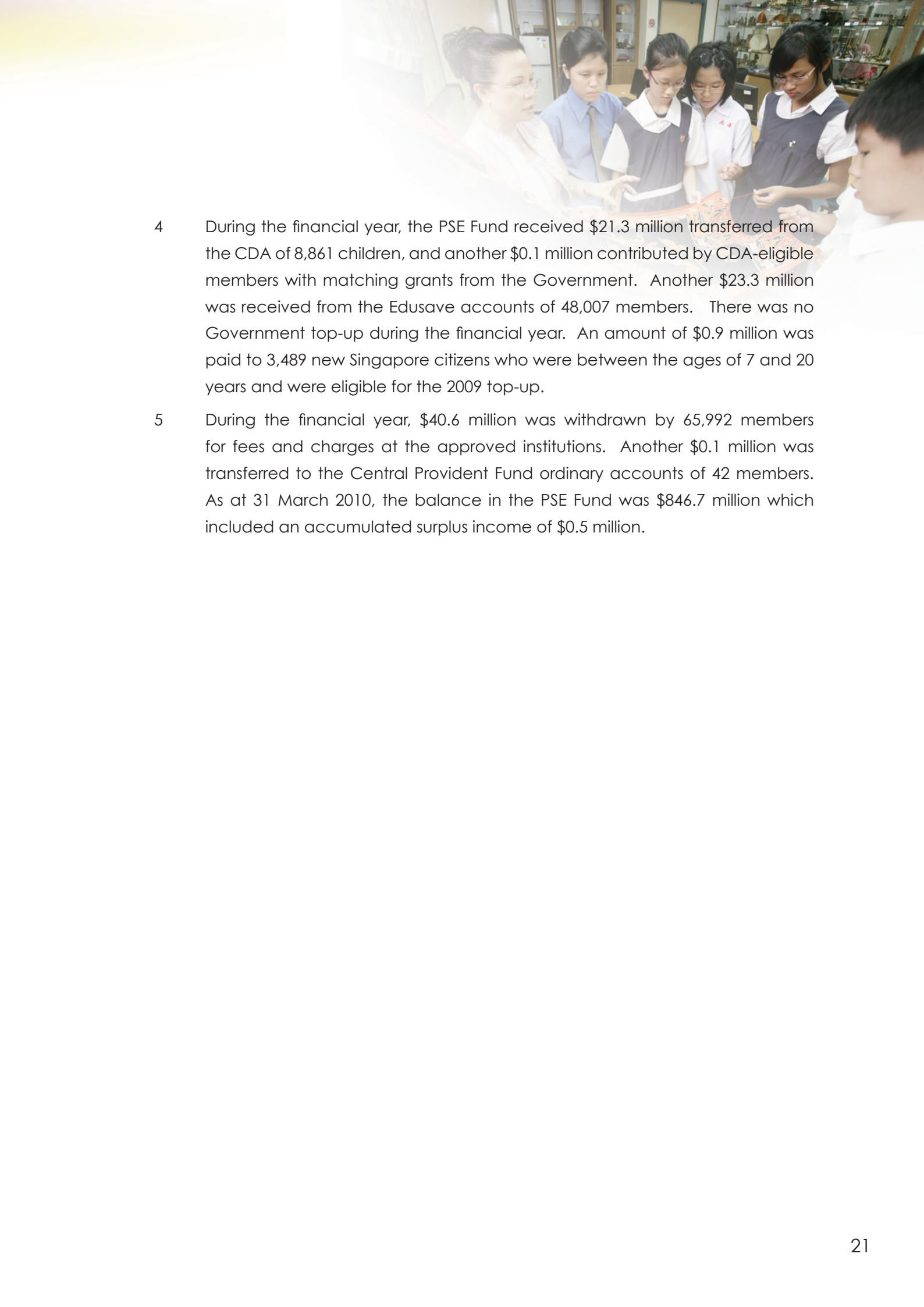
**Table-9: Number of EAGLES Awardees by Level**

Level	No.	\$m
Primary	5,873	0.9
Secondary	9,393	1.9
Pre-University	1,401	0.3
Institute of Technical Education	1,137	0.2
Total	<b>17,804</b>	<b>3.3</b>

## POST-SECONDARY EDUCATION FUND

- 1 The Post-Secondary Education (PSE) Fund was established in January 2008 to help parents save for their Singaporean children's post-secondary education by maintaining a PSE account for each eligible child. Under the Children Development Co-Savings Act, the balances in the Children Development Accounts (CDA) of those who attain the age of 7 years old would be 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 grants from the Government until the prescribed contribution cap is reached, or when the children turn 18 years old, whichever is earlier. From April 2008, the balances in the Edusave accounts of members who attain the age of 16 years and are not studying in a prescribed school are also transferred to their PSE accounts. The PSE Fund may also receive grants from the Government.
- 2 The PSE Fund may be used by the account holders or their siblings for approved courses in the publicly-funded universities, polytechnics and diploma programmes in LaSalle-SIA and Nanyang Academy of Fine Arts which are subsidised by the Ministry of Education, and approved degree programmes of institutions conferring local degrees. Students in ITE may also use their PSE Fund or those of their siblings for approved fees and charges. The PSE Fund may also be used for approved courses conducted by training agencies accredited by the Workforce Development Agency. The balance in the PSE account may be transferred to the Central Provident Board ordinary account on a request basis when the member attains the age of 21 years.
- 3 The PSE Scheme is administered by the Ministry of Education and the PSE Fund invested by the Central Provident Fund Board. The interest earned is used to pay interest to the members. During the financial year, the Fund earned an interest income of \$19.5 million. Of this amount, \$19.3 million was paid to members leaving a surplus of \$0.2 million.



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- 4 During the financial year, the PSE Fund received \$21.3 million transferred from the CDA of 8,861 children, and another \$0.1 million contributed by CDA-eligible members with matching grants from the Government. Another \$23.3 million was received from the Edusave accounts of 48,007 members. There was no Government top-up during the financial year. An amount of \$0.9 million was paid to 3,489 new Singapore citizens who were between the ages of 7 and 20 years and were eligible for the 2009 top-up.
- 5 During the financial year, \$40.6 million was withdrawn by 65,992 members for fees and charges at the approved institutions. Another \$0.1 million was transferred to the Central Provident Fund ordinary accounts of 42 members. As at 31 March 2010, the balance in the PSE Fund was \$846.7 million which included an accumulated surplus income of \$0.5 million.



# **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 2010**

## **EDUSAVE ENDOWMENT FUND**

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

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## STATEMENT BY MANAGEMENT

In the opinion of the Management, the accompanying financial statements are drawn up in accordance with the provisions of the Education Endowment and Savings Schemes Act so as to give a true and fair view of the state of affairs of the Edusave Endowment Fund for the financial year ended 31 March 2010.



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**MS YEOH CHEE YAN**

*Second Permanent Secretary*

MINISTRY OF EDUCATION

DATE: 14 May 2010



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**MRS WONG-HO SAI KEK**

*Deputy Director/Financial Systems & Operations*

MINISTRY OF EDUCATION

DATE: 14 May 2010





## **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 2010, 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 2010 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: 14 May 2010

## BALANCE SHEET AS AT 31 MARCH 2010

	NOTE	31 March 2010 S\$	31 March 2009 S\$
Capital fund	4	5,000,000,000	5,000,000,000
Accumulated surplus		901,567,699	919,610,057
<b>Total Fund and Surplus</b>		<b>5,901,567,699</b>	<b>5,919,610,057</b>

### Represented By:

Balance held by Accountant-General	5	5,901,567,699	5,919,610,057
<b>Total Assets</b>		<b>5,901,567,699</b>	<b>5,919,610,057</b>

## INCOME AND EXPENDITURE STATEMENT FOR FINANCIAL YEAR ENDED 31 MARCH 2010

	NOTE	FY 2009 S\$	FY 2008 S\$
<b>INCOME</b>			
Interest income	6	233,824,597	250,863,630
Recovery of unspent Opportunity Fund balances	7	6,882,116	11,962,565
		240,706,713	262,826,195
<b>EXPENDITURE</b>			
Edusave Pupils Fund			
- Contribution to Edusave Accounts	8	126,601,903	94,489,239
Edusave Scholarships	9	34,080,330	30,683,588
Edusave Merit Bursaries	10	10,958,167	9,266,329
Good Progress Awards	11	5,185,245	3,900,170
EAGLES	12	3,258,780	2,533,710
Edusave Grants	13	50,018,690	39,156,234
Opportunity Fund Grants	14	27,968,421	8,219,313
Edusave Endowment Fund			
- Development expenditure	15	97,324	110,488
- Operating expenditure	15	580,211	929,333
		258,749,071	189,288,404
(Deficit)/ Surplus for the year		(18,042,358)	73,537,791
Accumulated surplus brought forward		919,610,057	846,072,266
<b>Accumulated surplus carried forward</b>		<b>901,567,699</b>	<b>919,610,057</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 2010

### 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 2009 relates to the financial year from 1 April 2009 to 31 March 2010. Correspondingly, FY 2008 relates to the financial year from 1 April 2008 to 31 March 2009.



#### 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% point above the 10-year Singapore Government Securities yield. Interest for the financial year was 3.95% per annum. (FY 2008: 4.3%)

#### 7. Recovery of Unspent Opportunity Fund balances

In January 2009, opportunity fund grants were disbursed to all eligible schools to be used up to December 2009. In December 2009, the unused balance of \$6,882,116 was recovered from schools as follows:

	<b>FY 2009</b>	<b>FY 2008</b>
	<b><u>S\$</u></b>	<b><u>S\$</u></b>
Primary Schools	2,264,098	4,619,706
Special Education Schools	41,278	69,513
Secondary Schools	3,938,399	3,766,100
Independent Secondary Schools	82,850	98,896
Junior Colleges/Centralised Institute	231,027	269,958
Independent Junior Colleges/Institution	27,744	91,555
Institutes of Technical Education	296,720	3,046,837
<b>Total amount recovered</b>	<b><u>6,882,116</u></b>	<b><u>11,962,565</u></b>

## 8. Contribution to Edusave Accounts

The contribution to Edusave accounts represents payments made to Singaporean pupils from the age of six onwards studying in prescribed schools. The rate of contribution to each account for 2010 was \$200 (FY 2008: \$200) for primary school level pupils and \$240 (FY 2008: \$240) for secondary level pupils. In addition, all pupils eligible for Edusave contributions in 2009 were given a one-off top-up of \$80 each in July 2009 to help parents cope during the economic downturn. During the financial year, a total of \$126,601,903 was paid into the Edusave accounts of 449,389 pupils (FY2008: 461,297).

## 9. Edusave Scholarships

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

	<b>FY 2009</b>	<b>FY 2008</b>
	<b><u>S\$</u></b>	<b><u>S\$</u></b>
Primary Schools	2,875,450	2,270,350
Secondary Schools	8,575,150	6,674,500
Independent Schools	22,635,080	21,748,238
	<hr/>	<hr/>
	34,085,680	30,693,088
Less:		
Refund of unclaimed scholarships	(5,350)	(9,500)
<b>Total</b>	<b>34,080,330</b>	<b>30,683,588</b>

## 10. 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:

	<b>FY 2009</b>	<b>FY 2008</b>
	<b><u>S\$</u></b>	<b><u>S\$</u></b>
Primary Schools	3,280,800	2,880,950
Secondary Schools	4,604,250	3,493,250
Junior Colleges/ Centralised Institute	844,000	681,000
Institutes of Technical Education	1,408,000	1,147,200
Community Education Award Scheme	806,817	1,061,029
2007 Edusave Merit Bursaries	16,900	7,500
	<hr/>	<hr/>
	10,960,767	9,270,929
Less:		
Refund of unclaimed Merit Bursaries	(2,600)	(4,600)
<b>Total</b>	<b>10,958,167</b>	<b>9,266,329</b>

## 11. Good Progress Awards

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

	<b>FY 2009</b>	<b>FY 2008</b>
	<b><u>S\$</u></b>	<b><u>S\$</u></b>
Primary Schools	2,249,200	1,431,500
Secondary Schools	2,785,200	2,058,150
Junior Colleges/ Centralised Institute	521,750	395,000
Institutes of Technical Education	720,400	492,900
	<hr/>	<hr/>
	6,276,550	4,377,550
Less:		
Funding by People's Association	(1,065,305)	(440,930)
Refund of unclaimed Good Progress Awards	(26,000)	(36,450)
<b>Total</b>	<b>5,185,245</b>	<b>3,900,170</b>

Funding by People's Association received in the current financial year relates to the co-funding for Good Progress Awards disbursed in FY 2008.

## 12. Edusave Awards for Achievement, Good Leadership and Service (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:

	<b>FY 2009</b>	<b>FY 2008</b>
	<b><u>S\$</u></b>	<b><u>S\$</u></b>
Primary Schools	880,800	747,480
Secondary Schools	1,878,600	1,420,500
Junior Colleges/ Centralised Institute	280,200	209,400
Institutes of Technical Education	227,400	167,550
	<hr/>	<hr/>
	3,267,000	2,544,930
Less:		
Refund of unclaimed EAGLES	(8,220)	(11,220)
<b>Total</b>	<b>3,258,780</b>	<b>2,533,710</b>



### 13. Edusave Grants

During the financial year, grants were disbursed to schools at rates based on the level of the school. The grants disbursed which included the one-off top-up of \$20 per student in July 2009 are as follows:

	<b>FY 2009</b> <b><u>S\$</u></b>	<b>FY 2008</b> <b><u>S\$</u></b>
Primary Schools		
- Payment in July	11,942,565	6,757,550
- Payment in January	6,801,225	6,970,525
Special Education Schools		
- Payment in July	245,555	131,100
- Payment in January	124,800	116,125
Secondary Schools		
- Payment in July	12,986,540	8,722,965
- Payment in January	9,019,620	9,041,730
Independent Secondary Schools		
- Payment in July	1,047,110	705,655
- Payment in January	726,365	713,860
Junior Colleges/ Centralised Institute		
- Payment in July	1,936,320	1,518,060
- Payment in January	1,645,800	1,639,380
Independent Junior Colleges/ Institution		
- Payment in July	653,440	351,240
- Payment in January	353,400	174,240
Institutes of Technical Education		
- Payment in July	1,321,900	794,870
- Payment in January	1,214,050	1,649,900
	<b>50,018,690</b>	<b>39,287,200</b>
Less:		
Refund of balances from closed schools	-	(130,966)
<b>Total</b>	<b>50,018,690</b>	<b>39,156,234</b>

## 14. Opportunity Fund

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

	FY 2009 S\$	FY 2008 S\$
Primary Schools		
-Payment in July	2,100,002	-
-Payment in January	7,945,115	3,120,811
Special Education Schools		
-Payment in July	37,036	-
-Payment in January	133,180	62,930
Secondary Schools		
-Payment in July	3,013,648	-
-Payment in January	10,821,192	3,984,984
Independent Secondary Schools		
-Payment in July	100,168	-
-Payment in January	458,724	191,820
Junior Colleges/ Centralised Institute		
-Payment in July	163,190	-
-Payment in January	731,379	325,860
Independent Junior Colleges/ Institution		
-Payment in July	67,732	-
-Payment in January	158,367	35,404
Institutes of Technical Education		
-Payment in July	596,512	-
-Payment in January	1,642,176	497,504
<b>Total</b>	<b>27,968,421</b>	<b>8,219,313</b>

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

	FY 2009 S\$	FY 2008 S\$
a) Development Expenditure		
Edusave Awards Selection and Administration System	61,024	64,976
Integrated Billing, Edusave and Collection System	36,300	45,512
Total development expenditure	97,324	110,488
b) Operating Expenditure		
System maintenance cost	162,417	289,525
Edusave Pupils Fund agency charges	22,961	130,563
Edusave unit manpower cost	179,208	236,155
Printing and stationery	138,713	197,177
Auditors' remuneration	17,120	26,750
Printing cost for award vouchers	52,968	44,028
General expenses	6,824	5,135
Total operating expenditure	580,211	929,333
<b>Total</b>	<b>677,535</b>	<b>1,039,821</b>



# 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 2010

## **EDUSAVE PUPILS FUND**

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

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## STATEMENT BY MANAGEMENT

In the opinion of the Management, the accompanying financial statements are drawn up in accordance with the provisions in the Education Endowment and Savings Schemes Act so as to give a true and fair view of the state of affairs of the Edusave Pupils Fund for the financial year ended 31 March 2010.



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**MS YEOH CHEE YAN**

*Second Permanent Secretary*

MINISTRY OF EDUCATION

DATE: 14 May 2010



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**MRS WONG-HO SAI KEK**

*Deputy Director/Financial Systems & Operations*

MINISTRY OF EDUCATION

DATE: 14 May 2010



## **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 2010, 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 2010 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: 14 May 2010

## BALANCE SHEET AS AT 31 MARCH 2010

	31 March 2010 S\$	31 March 2009 S\$
Members' accounts	280,130,261	252,310,497
Accumulated surplus	11,021,071	10,503,006
<b>Total Fund and Surplus</b>	<b>291,151,332</b>	<b>262,813,503</b>
<b>Represented By:</b>		
Deposits placed with the Monetary Authority of Singapore	291,018,431	262,713,682
Cash at bank	132,901	99,821
<b>Total Assets</b>	<b>291,151,332</b>	<b>262,813,503</b>

*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 2010

	NOTE	FY 2009 <u>S\$</u>	FY 2008 <u>S\$</u>
<b>INCOME</b>			
Interest income:			
- Deposits placed with Monetary Authority of Singapore	4	5,949,860	6,192,034
- Cash at bank		439	423
		5,950,299	6,192,457
<b>EXPENDITURE</b>			
Interest credited to members' accounts	5	5,432,234	5,695,792
Surplus for the year		518,065	496,665
Accumulated surplus brought forward		10,503,006	10,006,341
<b>Accumulated surplus carried forward</b>		<b>11,021,071</b>	<b>10,503,006</b>



## MOVEMENT OF MEMBERS' ACCOUNT FOR FINANCIAL YEAR ENDED 31 MARCH 2010

	NOTE	FY 2009 S\$	FY 2008 S\$
<b>RECEIPTS</b>			
Interest credited to members' accounts	5	5,432,234	5,695,792
Contributions from the Edusave Endowment Fund	6	126,601,903	94,489,239
		132,034,137	100,185,031
<b>PAYMENTS</b>			
Withdrawals of deceased members' balances		40,994	32,624
Withdrawals for approved fees and programme charges	7	80,865,148	82,286,747
Transfer to Post Secondary Education Accounts	8	23,308,231	103,848,597
		104,214,373	186,167,968
Net Increase/ (Decrease) in members' account for the year		27,819,764	(85,982,937)
Members' Account at beginning of the year		252,310,497	338,293,434
<b>Members' Account at end of the year</b>		<b>280,130,261</b>	<b>252,310,497</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 2010

## 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 2009 relates to the financial year from 1 April 2009 to 31 March 2010. Correspondingly, FY 2008 relates to the financial year from 1 April 2008 to 31 March 2009.



#### 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 2009 was 2.5 % (FY 2008: 2.5%) per annum.

#### 5. Interest Credited to Members' Accounts

This represents interest credited to members' accounts for unutilised credit balances calculated using CPF's ordinary account interest rate of 2.5% (FY 2008: 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 for 2010 (FY 2008: \$200) for primary level pupils and \$240 (FY 2008: \$240) for secondary level pupils. In addition, all pupils eligible for Edusave contributions in 2009 were given a one-off top-up of \$80 each in July 2009 to help parents cope during the economic downturn. During the financial year, a total of \$126,601,903 was paid into the Edusave accounts of 449,389 pupils (FY 2008: 461,297).

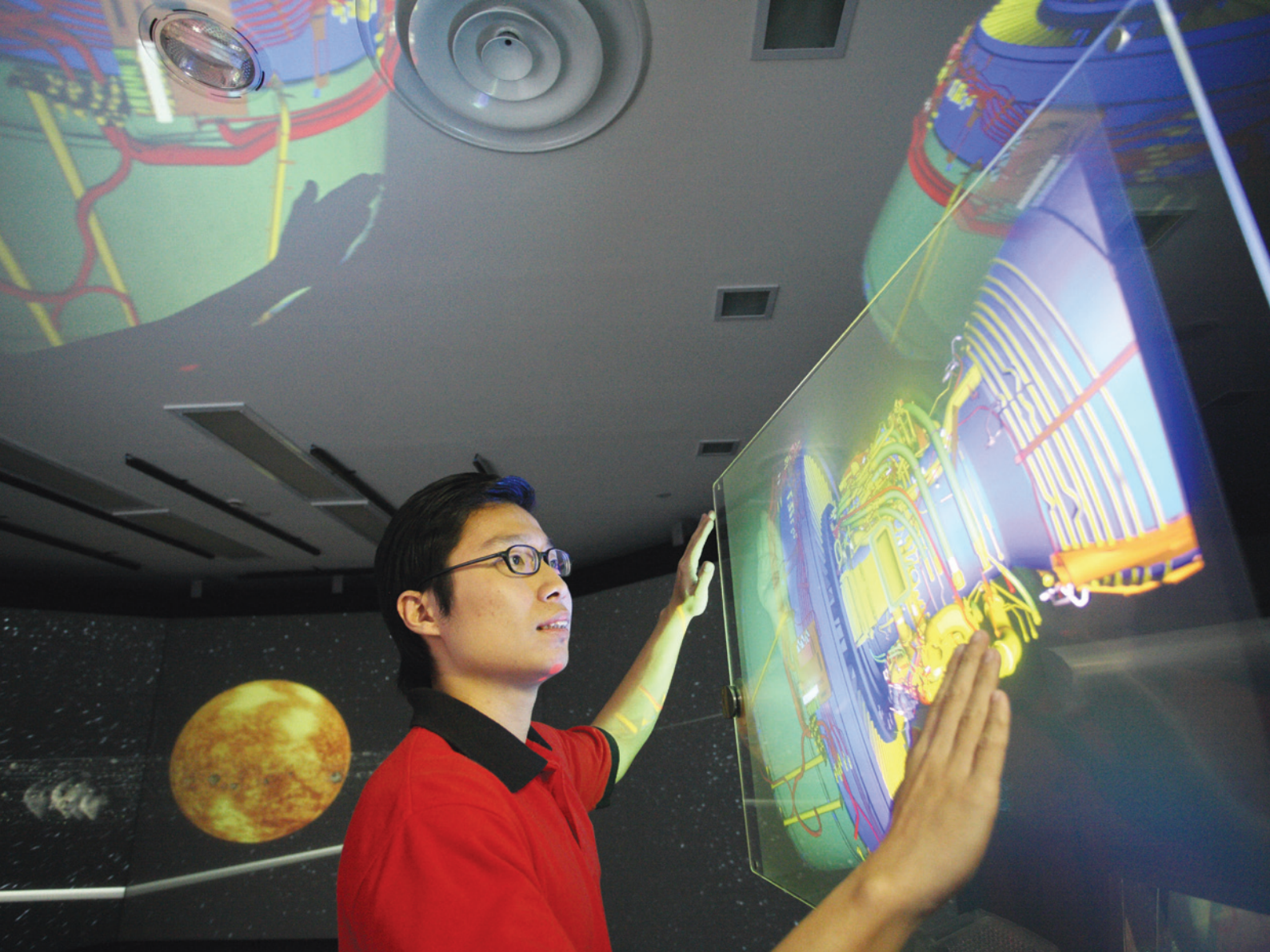
#### 7. Withdrawals for Approved Fees and Programme Charges

	FY 2009 S\$	FY 2008 S\$
Enrichment programmes:		
- Schools	54,130,026	55,631,999
- Institutes of Technical Education	-	6,166
Second-tier miscellaneous fees	26,735,122	26,648,582
	<b>80,865,148</b>	<b>82,286,747</b>

## **8. 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 Accounts. During the financial year, an amount of \$23,308,231 from 48,007 (FY 2008: 176,663) Edusave accounts was transferred to the Post-Secondary Education Accounts.





# **POST-SECONDARY EDUCATION FUND**

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

**FINANCIAL STATEMENTS FOR  
THE FINANCIAL YEAR ENDED  
31 MARCH 2010**



## POST-SECONDARY EDUCATION FUND

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

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## STATEMENT BY MANAGEMENT

In the opinion of the Management, the accompanying financial statements are drawn up in accordance with the provisions in the Education Endowment and Savings Schemes Act so as to give a true and fair view of the state of affairs of the Post-Secondary Education Fund for the financial year ended 31 March 2010.



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**MS YEOH CHEE YAN**

*Second Permanent Secretary*

MINISTRY OF EDUCATION

DATE: 1 June 2010



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**MRS WONG-HO SAI KEK**

*Deputy Director/Financial Systems & Operations*

MINISTRY OF EDUCATION

DATE: 1 June 2010

## **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 2010, 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 2010 and the results of the Post-Secondary Education Fund for the year ended on that date; 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: 01 June 2010

## BALANCE SHEET AS AT 31 MARCH 2010

	31 March 2010 S\$	31 March 2009 S\$
Members' Accounts	846,246,710	822,096,665
Accumulated surplus	493,898	247,124
<b>Total Fund and Surplus</b>	<b>846,740,608</b>	<b>822,343,789</b>
<b>Represented By:</b>		
Deposits placed with the Central Provident Fund Board	840,190,060	815,282,350
Balance held by Accountant-General	6,550,548	7,060,459
Cash at bank	-	980
<b>Total Assets</b>	<b>846,740,608</b>	<b>822,343,789</b>



## INCOME AND EXPENDITURE STATEMENT FOR FINANCIAL YEAR ENDED 31 MARCH 2010

	NOTE	FY 2009 <u>S\$</u>	FY 2008 <u>S\$</u>
<b>INCOME</b>			
Interest income	4	19,500,894	7,857,333
<b>EXPENDITURE</b>			
Interest credited to members' accounts		19,254,120	7,610,209
Surplus for the year		246,774	247,124
Accumulated surplus brought forward		247,124	-
<b>Accumulated surplus carried forward</b>		<b>493,898</b>	<b>247,124</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 2010

	NOTE	FY 2009 S\$	FY 2008 S\$
<b>RECEIPTS</b>			
Interest credited to members' accounts	5	19,254,120	7,610,209
Balances transferred from			
- Children Development Accounts	6	21,263,026	63,297,955
- Edusave Pupils Fund Accounts	7	23,308,231	103,839,530
Contributions from members		97,325	224,862
Matching contributions from Government		175,570	1,166,774
Grants from Government	8	919,850	665,840,150
		65,018,122	841,979,480
<b>PAYMENTS</b>			
Withdrawals of deceased members' balances		235,388	138,847
Withdrawals for approved fees and programme charges	9	40,585,347	19,733,529
Transfer to Central Provident Fund ordinary accounts	10	47,342	10,439
		40,868,077	19,882,815
Net Increase in members' account for the year		24,150,045	822,096,665
Members' Account at beginning of the year		822,096,665	-
<b>Members' Account at end of the year</b>		<b>846,246,710</b>	<b>822,096,665</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 2010

### 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 monies from the following sources:

- 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

FY 2009 relates to the financial year from 1 April 2009 to 31 March 2010. As the PSE Fund was established on 1 January 2008, for FY 2008 the financial year was from 1 January 2008 to 31 March 2009.

#### **4. Interest Income**

This represents interest income earned from the balance placed with the Central Provident Fund Board. Interest rate for FY 2009 was 2.5 % (FY 2008: 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 is 2.5% (FY 2008: 2.5%) per annum.

#### **6. Transfer from Children Development Accounts (CDA)**

Under Section 16A of the Act, CDA balances would be transferred to their PSE Accounts in the year the children turn 7 years old. In FY 2009, the CDA balances of 8,861 (FY 2008: 17,441) children were transferred to their PSE Accounts.

#### **7. Transfer from Edusave Pupils Fund Accounts**

Under Section 16A of the Act, Edusave balances of members who have attained the age of 16 years and are not studying in a prescribed school would be transferred to their PSE Accounts. In FY 2009, the Edusave balances of 48,007 (FY 2008: 176,663) members were transferred to their PSE Accounts.

#### **8. Grants from Government**

In FY 2008, three top-ups were effected in March 2008, September 2008 and March 2009. However in FY 2009, top-ups were only given to 3,489 new members between the ages of 7 and 20 who became Singapore citizens in 2009.

## 9. Withdrawals for Approved Fees and Programme Charges

	FY 2009 S\$	FY 2008 S\$
<b>Fees:</b>		
Tertiary Institutions	32,524,204	15,592,145
Institutes of Technical Education	4,525,461	2,506,908
Special Education Schools	94,442	4,338
Workforce Skills Qualification lead training agencies	70,334	45,590
<b>Enrichment Programmes Charges:</b>		
Tertiary Institutions	3,994,793	1,341,976
Institutes of Technical Education	986,429	692,096
Special Education Schools	279,907	17,100
Gross Total Withdrawals	42,475,570	20,200,153
Less Withdrawal Refunds	(1,890,223)	(466,624)
<b>Net Total Withdrawals</b>	<b>40,585,347</b>	<b>19,733,529</b>

## 10. Transfer to Central Provident Fund (CPF) Ordinary Accounts

Under Section 16E of the Act, a PSEA account member can apply to transfer his account balance to his CPF ordinary account when he attains the age of 21 years. In FY 2009, the account balances of 42 (FY 2008: 16) members were transferred to their respective CPF ordinary accounts.