



# THE EDUCATION ENDOWMENT AND SAVINGS SCHEMES

ANNUAL REPORT FOR FINANCIAL  
YEAR 2014/2015

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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 Singapore Citizen 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 Singapore Citizen student.
- 2 In January 2008, the Act was amended to incorporate the Post-Secondary Education (PSE) Scheme to promote savings for post-secondary education 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 Child Development Accounts and Edusave accounts will be transferred to their PSE accounts at the relevant age. 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 educators.
- 2 The members of the Council which completed its 2-year term in December 2014 comprised:

Chairman:	Mr Peter Lee Hwai Kiat Chief Financial Officer OSIM International Ltd
Members:	Assoc Prof Noor Aisha Bte Abdul Rahman Department of Malay Studies National University of Singapore
	Dr Alex Siow Yuen Khong Director Strategic Technology Management Institute
	Mr Eric Leong Yew Hon Principal Assumption Pathway School
	Ms Susie Ho Principal CHIJ St Joseph's Convent

- 3 The Council which was appointed in January 2015 comprises:

Chairman:	Mr Peter Lee Hwai Kiat Chief Financial Officer OSIM International Ltd
Members:	Dr Alex Siow Yuen Khon Director Strategic Technology Management Institute
	Assoc Prof Susheela A Varghese Corporate Communication Singapore Management University
	Mdm Ng Wie Pin Principal Anderson Primary School
	Mr Khoo Tse Horng Principal St. Hilda's 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, and received top-ups of \$200 million in financial year 2012 and \$300 million in financial year 2013, which brought the capital sum to \$5.5 billion.
- 2 The Edusave Endowment Fund is invested by the Government. Prior to financial year 2013, the interest rate was pegged to the 12-month average yield of 10-year Singapore Government Securities plus one percentage point. The Government decided to set the interest rate for the Fund at 4% per annum for financial years 2013 and 2014. The interest earned each year is used to fund the disbursements under the Edusave Scheme in the next year.
- 3 During the financial year, the Fund received a total income of \$257.5 million, of which \$180.2 million was disbursed. As at 31 March 2015, the balance in the Edusave Endowment Fund was \$6.5 billion, which included \$1.0 billion in 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 Singapore Citizen students in MOE-funded schools. From financial year 2014, contribution has been extended to all Singapore Citizen children aged 7 to 16 who are not studying in MOE-funded schools. With this extension, the Edusave balances of members will be transferred to their Post-Secondary Education Accounts in the year they turn 17 years old and are not studying in a MOE-funded school.
- 5 During the financial year, \$86.6 million was paid into the Edusave accounts, \$73.1 million withdrawn for approved fees and charges, and \$22.9 million transferred to the PSE Fund. As at 31 March 2015, the balance in the Edusave Pupils Fund was \$235.5 million.

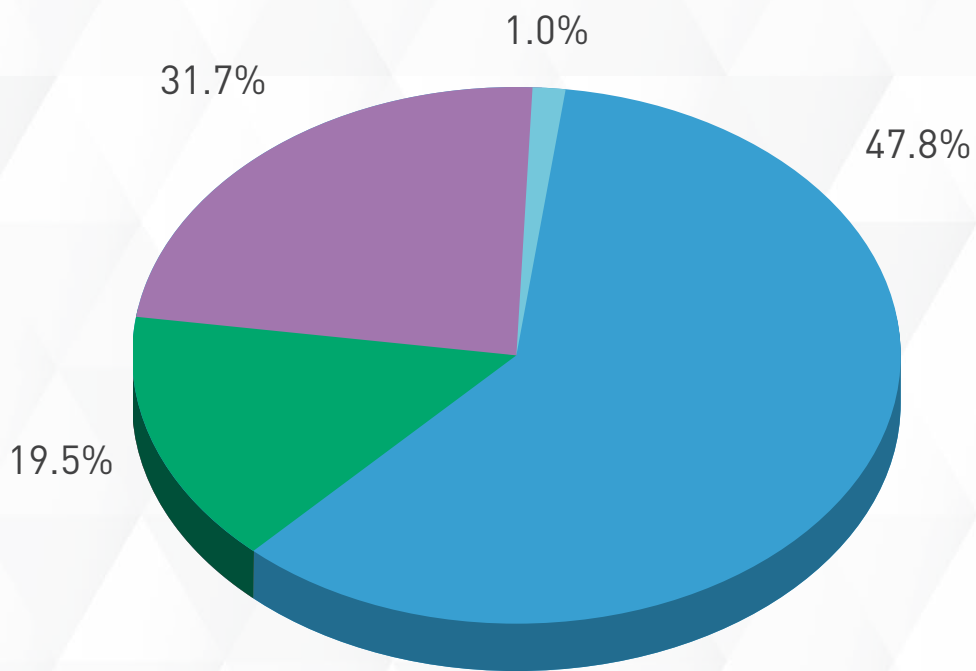
## POST-SECONDARY EDUCATION FUND

- 6 The Post-Secondary Education (PSE) Fund was established in January 2008 to help parents save for their Singapore Citizen children's post-secondary education. The balances from the Child Development Accounts (CDA) and from the Edusave accounts are transferred to the PSE accounts at the relevant ages. Children eligible for co-savings arrangements under the Child Development Co-Savings Act 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, whichever is earlier. The PSE Fund may also receive other grants from the Government and the Fund may be used by the members or their siblings to pay for fees and charges in approved institutions.
- 7 During the financial year, the PSE fund received \$0.1 million transferred from the CDA, \$22.9 million transferred from the Edusave accounts, and a \$66.8 million government grant paid to eligible national servicemen under the National Service Housing, Medical and Education Award Scheme. An amount of \$86.1 million was withdrawn for fees and charges at approved institutions during the financial year. As at 31 March 2015, the balance in the PSE Fund was \$1.4 billion.

# 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, and received top-ups of \$200 million in financial year 2012 and \$300 million in financial year 2013, which brought the capital sum to \$5.5 billion.
- 2 The Edusave Endowment Fund is invested by the Government. Prior to financial year 2013, the interest rate was pegged to the 12-month average yield of 10-year Singapore Government Securities plus one percentage point. The Government decided to set the interest rate for the Fund at 4% per annum for financial years 2013 and 2014. The interest earned each year is used to fund the disbursements under the Edusave Scheme in the next year.
- 3 During the financial year, the Fund earned an interest income of \$256 million. It received another \$1.2 million from the recovery of Edusave grants from schools and institutions which had unutilised balances exceeding 50% of the allocation for 2014. The total income was \$257.5 million, of which \$180.2 million was disbursed during the financial year.
- 4 The income from the Fund is used to fund annual 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 Financial Year 2014



Total amount Disbursed = \$180.2 million

- Edusave Pupils Fund \$86.6m
- Edusave Grants \$35.3m
- Opportunity Fund Refund (\$0.9m)
- Edusave Awards \$57.4m
- Development & Operating Cost \$1.8m

- 5 As at 31 March 2015, the balance in the Edusave Endowment Fund was \$6.5 billion, which included \$1.0 billion in accumulated surplus.



# EDUSAVE PUPILS FUND

- 1 The Edusave Pupils Fund was established in January 1993. It comprises annual contributions and one-off grants paid into the Edusave accounts of Singapore Citizen students at primary and secondary levels in MOE-funded schools. From financial year 2014, contribution has been extended to all Singapore Citizen children aged 7 to 16 who are not studying in MOE-funded schools. The Edusave Pupils Fund Scheme is administered by the Ministry of Education and the Fund is invested by the Central Provident Fund Board. The Edusave Pupils Fund earns an interest rate pegged to the Central Provident Fund Ordinary Account rate, and interest earned is used to pay members at the same rate. The interest rate was 2.5% for financial year 2014. During the financial year, the Fund earned an interest income of \$5.1 million and \$4.5 million was paid to members, leaving a surplus of \$0.6 million.
- 2 In 2015, the contribution rates were maintained at \$200 for primary level and \$240 for secondary level. During the financial year, \$86.6 million was paid into the accounts of 398,006 Edusave members.
- 3 The students in MOE-funded schools may use their Edusave accounts to pay for approved fees and school-based enrichment programme charges. Singapore Citizen children not studying in MOE-funded schools may use their Edusave accounts to pay for approved enrichment programme charges. From April 2008, the Edusave balances of members are transferred to their Post-Secondary Education (PSE) accounts in the year they turn 17 years old and are not studying in a MOE-funded school. During the financial year, \$73.1 million was withdrawn, of which \$31.0 million (42.4%) was for approved fees and \$42.1 million (57.6%) for enrichment programme charges. Another \$22.9 million was transferred to the PSE accounts of 46,060 members.
- 4 As at 31 March 2015, the balance in the Edusave Pupils Fund was \$235.5 million.

# EDUSAVE GRANTS

- 1 Edusave grants are given to all Government and Government-aided schools; junior colleges and centralised institute; independent schools and institutions; specialised schools and the Government-supported special education schools; and the 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 2015, the grant rates were maintained at \$50 per student for primary level, \$90 for secondary level, \$120 for pre-university level, and \$100 for ITE. To incentivise schools and institutions to use the grants to benefit the current cohort of students, from 2013, unutilised grants exceeding 50% of the annual allocation will be recovered in December of the year. During the financial year, \$35.3 million was disbursed and \$1.2 million recovered from the schools and institutions.

# EDUSAVE GRANT FOR INFORMATION COMMUNICATION TECHNOLOGY

- 1 Edusave Grant for Information Communication Technology (ICT) was given earlier in 2010 to all Government and Government-aided schools; junior colleges and centralised institute; and independent schools and colleges to procure ICT equipment and enrich the learning experience of students. The schools and colleges use the grants to procure additional computing devices to meet the desired computing device norms, provide mobile devices such as notebooks and netbooks to enable students to learn beyond the classroom, and upgrade the current computing equipment to a higher configuration to allow teachers and students to access new media rich learning applications.
- 2 The one-off grant rates were \$158 per student for primary level, and \$258 for secondary and pre-university levels. During the financial year, \$0.3m was recovered in December 2014 from schools which had unspent balances.

# OPPORTUNITY FUND GRANTS

- 1 Since 2006, Opportunity Fund grants have been given to all Government and Government-aided schools; junior colleges and centralised institute; independent schools and institutions; specialised schools and Government-supported special education schools; and the Institute of Technical Education (ITE). The Opportunity Fund was extended to polytechnics from 2013. The schools and institutions use the grants to level up co-curricular development opportunities for Singapore Citizen students from low income households.
- 2 Opportunity Fund grants for each 3-year cycle are disbursed in two tranches. For the grant for 2013 – 2015, the first tranche of \$7.8 million was disbursed in January 2013 to all institutions except polytechnics based on 50% of the annualised rates for the previous 3-year cycle, pending a review of the allocation framework. The balance of \$61.2 million was disbursed during the financial year in July 2013 based on the enhanced rates less the quantum disbursed in January. During the financial year, \$0.9 million was recovered from schools and polytechnics based on the adjustments made to their enrolment.



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

- 1 Edusave scholarships are given to encourage Singapore Citizen students to excel in their studies. Singapore Citizen students in the top 10% of each level in primary five and six and all the secondary levels in 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	\$
Primary	350
Secondary	500

- 3 In 2014, 6,584 Singapore Citizen students were awarded the ESPS and 13,947 the ESSS at a total value of \$9.3 million. Table-2 shows the breakdown of awardees by level:

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

Level	No.	\$m
Primary	6,584	2.3
Secondary	13,947	7.0
<b>Total</b>	<b>20,531</b>	<b>9.3</b>

# EDUSAVE SCHOLARSHIPS FOR INDEPENDENT SCHOOLS

- 1 Edusave scholarships are given to Singapore Citizen students studying in independent schools. The Edusave Entrance Scholarships for Independent Schools (EESIS) are awarded to students in the top one-third of Singapore Citizen students enrolled in secondary one in the independent schools. Selection is based on the Primary School Leaving Examination (PSLE) 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 was in a Government or Government-aided school or junior college. For EESIS awarded from 2008, the annual quantum is \$2,400 or the annual school fees less the amount of school and standard miscellaneous fees payable by pupils in Government or Government-aided schools, whichever is lower. The scholarship is tenable for the duration of the scholar's education in the independent school.
- 2 The Edusave Scholarships for Integrated Programme (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, \$19.7 million was disbursed to Edusave scholars in the independent schools and junior colleges. Table-3 shows the breakdown of awardees by scheme and level:

**Table-3: Breakdown of Edusave Scholarship Awardees by Scheme and Level**

Level	EESIS		ESIP		E(IS)YA		Total	
	No.	\$m	No.	\$m	No.	\$m	No.	\$m
Secondary	4,960	10.8	173	0.4	222	0.4	5,355	11.6
Junior College	2,573	4.9	1,421	3.0	46	0.1	4,040	8.1
<b>Total</b>	<b>7,533</b>	<b>15.7</b>	<b>1,594</b>	<b>3.4</b>	<b>268</b>	<b>0.5</b>	<b>9,395</b>	<b>19.7</b>

# EDUSAVE MERIT BURSARIES

- 1 The Edusave Merit Bursary (EMB) Scheme aims to give Singapore Citizen students from modest home background in all Government and Government-aided schools; junior colleges and centralised institute; independent schools and institutions; specialised schools; and the Institute of Technical Education (ITE) an incentive to perform well.
- 2 The EMB Scheme is school-based. All Singapore Citizen students who are in the top 25% within each level and stream and meet the gross household income criterion are eligible for EMB unless they are recipients of Edusave scholarships or other Ministry of Education scholarship awards. In 2012, the gross household income limit was revised to \$5,000, and a per capita income criterion of \$1,250 introduced to benefit students from bigger households. 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 award if they meet the income criterion. Table-4 shows the breakdown of the bursary value by level.

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

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



- 3 In 2014, 26,269 students were awarded the EMB at a total value of \$8.5 million. Table-5 shows the breakdown of awardees by level:

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

Level	No.	\$m
Primary	9,954	2.2
Secondary	11,091	3.9
Pre-University	1,787	0.7
Institute of Technical Education	3,437	1.7
<b>Total</b>	<b>26,269</b>	<b>8.5</b>

## COMMUNITY EDUCATION AWARD SCHEME

- 4 Singapore Citizen students in Government and Government-aided schools; junior colleges and centralised institute; independent schools and institutions; and specialised schools who do not qualify for any Edusave scholarship, bursary or other awards 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 co-funds 85% of 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 \$0.9 million was disbursed through the People's Association to the Citizens' Consultative Committees as co-funding for the Constituency Bursaries.

# GOOD PROGRESS AWARDS

- 1 The Good Progress Awards (GPA) are given to Singapore Citizen students in Government and Government-aided primary (except those in primary one) and secondary schools, junior colleges and centralised institute; independent schools and institutions; specialised schools; and the Institute of Technical Education (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

- 3 In 2014, 31,293 students were awarded the GPA at a total value of \$5.7 million. Of this, \$0.6 million was recovered from the People's Association. Table-7 shows the breakdown of awardees by level.

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

Level	No.	\$m
Primary	14,978	1.9
Secondary	12,360	2.5
Pre-University	1,978	0.5
Institute of Technical Education	1,977	0.8
<b>Total</b>	<b>31,293</b>	<b>5.7</b>

# EDUSAVE AWARDS FOR ACHIEVEMENT, GOOD LEADERSHIP AND SERVICE

- 1 The Edusave Awards for Achievement, Good Leadership and Service (EAGLES) are given to Singapore Citizen students in Government and Government-aided schools; junior colleges and centralised institute; independent schools and institutions; specialised schools; and the Institute of Technical Education (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 In 2012, the number of the school-based awards was increased from 5% to a maximum of 10% of the Singapore Citizen students from primary four to six in each primary school, and at all levels in the other schools and institutions. The award value was also increased in line with the Ministry's emphasis on holistic education and non-academic achievements. 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 Edusave Awards for Achievement, Good Leadership And Service by Level**

Level	\$
Primary 4 to 6	250
Secondary	350
Pre-University	400
Institute of Technical Education	500

- 3 In 2014, 30,980 students were awarded the EAGLES at a total value of \$10.4 million. Table-9 shows the breakdown of awardees by level.

**Table-9: Breakdown of Edusave Awardees for Achievement, Good Leadership And Service by Level**

Level	No.	\$m
Primary	10,036	2.5
Secondary	15,607	5.5
Pre-University	2,730	1.1
Institute of Technical Education	2,607	1.3
<b>Total</b>	<b>30,980</b>	<b>10.4</b>



# EDUSAVE CHARACTER AWARDS

- 1 The Edusave Character Award (ECHA) was introduced in 2012 in line with the Ministry's emphasis on values-driven education. The awards are given to Singapore Citizen students in Government and Government-aided schools; junior colleges and centralised institute; independent schools and institutions; specialised schools; and the Institute of Technical Education (ITE) to recognise students who demonstrate exemplary values and civic responsibility through their behaviour and actions.
- 2 The school-based awards are given to a maximum of 2% of the Singapore Citizen students from all streams in each level. Table-10 shows the value of the awards by level.

**Table-10: Value of Edusave Character Awards by Level**

Level	\$
Primary 1 to 3	200
Primary 4 to 6	350
Secondary	500
Pre-University	500
Institute of Technical Education	500

- 3 In 2014, 8,166 students were awarded the ECHA at a total value of \$3.3 million. Table-11 shows the breakdown of awardees by level.

**Table-11: Breakdown of Edusave Character Awardees by Level**

Level	No.	\$m
Primary	3,956	1.2
Secondary	3,171	1.5
Pre-University	521	0.3
Institute of Technical Education	518	0.3
<b>Total</b>	<b>8,166</b>	<b>3.3</b>

# ACHIEVEMENT AWARDS FOR SPECIAL EDUCATION STUDENTS

- 1 The Achievement Award for Special Education Students (AASPEDS) was introduced in 2010 to recognise the achievements and progress of Singapore Citizen students in Government-supported special education schools and to motivate them to excel. An annual lump sum grant is given to each special education school based on \$100 per Singapore Citizen student to be used to disburse school-based AASPEDS each year.
- 2 The AASPEDS are given to Singapore Citizen students who meet the school-based criteria for the awards. The school-based criteria help schools to select students who best meet their school and student profiles. For example, schools for the hearing impaired could focus on the students' speech development whilst other schools focus on the students' development of vocational skills. Schools could also give awards based on their students' contribution to the school community, in areas such as leadership, exemplary behaviour, achievements in co-curricular activities or national events for persons with disabilities.
- 3 In 2014, 2,499 students were awarded AASPEDS at a total value of \$0.5 million.

# POST-SECONDARY EDUCATION FUND

- 1 The Post-Secondary Education (PSE) Fund was established in January 2008 to help parents save for their Singapore Citizen children's post-secondary education by maintaining a PSE account for each eligible child. Prior to 2012, the PSE Fund received the balances transferred from the Child Development Accounts (CDA) of those who attained the age of 7 years. From January 2013, the transfer was deferred till age 13 years to better support the development needs of children. For the transitional cohorts of children who were born between 2006 and 2012, the trustees may request to effect the transfer any time in the years when the children are between 7 and 12 years old. Children eligible for co-savings arrangements under the Child Development Co-Savings Act 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, whichever is earlier. The PSE Fund also receives the balances transferred from the Edusave accounts of members in the year they turn 17 years old and are not studying in a MOE-funded school. The PSE Fund may also receive other grants from the Government.
- 2 The PSE Scheme is administered by the Ministry of Education and the PSE Fund is invested by the Central Provident Fund Board. The PSE Fund earns an interest rate pegged to the Central Provident Fund Ordinary Account rate, and interest earned is used to pay members at the same interest rate. The interest rate was 2.5% for financial year 2014. During the financial year, the PSE Fund earned an interest income of \$33.3 million which was just sufficient to pay members at the same rate.

- 3 During the financial year, the PSE Fund received \$0.1 million transferred from the CDA of 47 children, and another \$0.2 million contributed by eligible members with matching grants from the Government. It also received \$22.9 million transferred from the Edusave accounts of 46,060 members. Under the National Service Housing, Medical and Education (NS HOME) Award scheme announced by the Government in August 2010, the first tranche of the NS HOME Award payout would be paid to the PSE accounts of national servicemen. During the financial year, \$66.8 million was paid to the PSE accounts of 21,215 eligible national servicemen.
- 4 The PSE Fund may be used by the account holders or their siblings for approved courses in the publicly-funded universities and polytechnics; diploma and degree programmes in LaSalle-SIA and Nanyang Academy of Fine Arts which are subsidised by the Ministry of Education; and approved degree programmes in SIM University (UniSIM). Students in the Institute of Technical Education (ITE) may also use their PSE Fund or those of their siblings for approved fees and charges. In addition, the PSE Fund can be used for approved courses conducted by continuing education and training agencies accredited by the Singapore Workforce Development Agency (WDA). During the financial year, \$86.1 million was withdrawn by 232,685 members for fees and charges at approved institutions, and \$0.7 million transferred to the Central Provident Fund Ordinary Accounts of 79 members.
- 5 As at 31 March 2015, the balance in the PSE Fund was \$1.4 billion.





# 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 2015*



# EDUSAVE ENDOWMENT FUND

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

## FINANCIAL STATEMENTS

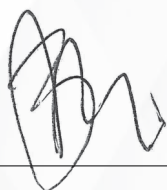
*For the financial year ended 31 March 2015*

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# STATEMENT BY MANAGEMENT

In the opinion of Management, the accompanying financial statements as set out on pages 30 to 41 are drawn up in accordance with the provisions of the Education Endowment and Savings Schemes Act, Chapter 87A so as to give a true and fair view of the state of affairs of the Edusave Endowment Fund as at 31 March 2015 and the income and expenditure for the financial year ended 31 March 2015.

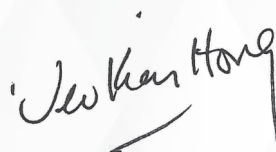


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**MS GOH WAN LEE**

*Deputy Director/Financial Schemes, Systems & Services*

MINISTRY OF EDUCATION  
DATE: 08 May 2015



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**MR NEO KIAN HONG**

*Permanent Secretary/Education Development*

MINISTRY OF EDUCATION  
DATE: 08 May 2015

# INDEPENDENT AUDITOR'S REPORT TO THE MANAGEMENT OF EDUSAVE ENDOWMENT FUND

## **Report on the Financial Statements**

We have audited the accompanying financial statements of the Edusave Endowment Fund (the "Fund"), which comprise the balance sheet of the Fund as at 31 March 2015, and the income and expenditure statement for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 30 to 41.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Education Endowment and Savings Schemes Act, Chapter 87A (the "Act"), and for 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 statements and balance sheets and to maintain accountability of assets.

The Edusave Endowment Fund's policy is to prepare the financial statements on the cash receipts and disbursement basis. On this basis, revenue is recognised when received rather than when earned and expenses are recognised when paid rather than when incurred.

### *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 about 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 judgement, 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 of financial statements that give a true and fair view 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, 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, the financial statements 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 Fund as at 31 March 2015 and the results of the Fund for the financial year ended on that date.

## **Report on Other Legal and Regulatory Requirements**

In our opinion, the accounting and other records required by the Act to be kept, including records of all assets by the Fund have been properly kept in accordance with the provisions of the Act; and the receipts, expenditure and investment of monies and the acquisition and disposal of assets on account of the Fund during the financial year have been in accordance with the provisions of the Act.



---

### **AUDIT ALLIANCE LLP**

*Public Accountants and Chartered Accountants*

SINGAPORE

DATE: 08 May 2015

# BALANCE SHEET

as at 31 March 2015

	Note	31 March 2015 S\$	31 March 2014 S\$
Capital fund	4	5,500,000,000	5,500,000,000
Accumulated surplus		978,691,712	901,428,667
<b>Total Fund and Surplus</b>		<b>6,478,691,712</b>	<b>6,401,428,667</b>
<b>Represented By:</b>			
Balance held by Accountant-General	5	6,478,691,712	6,401,428,667
<b>Total Assets</b>		<b>6,478,691,712</b>	<b>6,401,428,667</b>

The accompanying notes form an integral part of these financial statements.



# INCOME AND EXPENDITURE STATEMENT

For the financial year ended 31 March 2015

	Note	FY 2014 S\$	FY 2013 S\$
<b>INCOME</b>			
Interest income	6	256,057,147	251,554,356
Grant from Government	7	-	72,000,000
Recovery of unspent Opportunity Fund balances	8	-	65,078
Recovery of Edusave Grant Reserves	9	1,173,895	2,567,477
Recovery of unspent Edusave Grant for Information Communication Technology balances	10	273,704	-
		<u>257,504,746</u>	<u>326,186,911</u>
<b>EXPENDITURE</b>			
Contribution to Edusave Accounts	11	86,613,660	82,692,990
Edusave Scholarships	12	28,935,521	29,170,267
Edusave Merit Bursaries	13	9,356,907	9,079,679
Good Progress Awards	14	5,062,170	5,122,505
Edusave Awards for Achievement, Good Leadership and Service	15	10,330,900	10,165,450
Edusave Character Awards	16	3,271,250	3,292,150
Achievement Awards for Special Education Students	17	449,616	435,428
Edusave Grants	18	35,275,455	35,916,255
Opportunity Fund Grants	19	(900,727)	61,187,109
Development expenditure	20	958,963	186,477
Operating expenditure	20	887,986	1,026,366
		<u>180,241,701</u>	<u>238,274,676</u>
Surplus for the year		77,263,045	87,912,235
Accumulated surplus brought forward		901,428,667	813,516,432
<b>Accumulated surplus carried forward</b>		<b>978,691,712</b>	<b>901,428,667</b>

The accompanying notes form an integral part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

## 1. Principal Activities

The Edusave Endowment 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 and additional income to the Edusave Pupils Fund;
- (ii) the provision of Edusave grants to Government and Government-aided schools; junior colleges and centralised institute; independent schools and institutions; specialised schools and Government-supported special education schools; and the Institute of Technical Education (ITE);
- (iii) the provision of Edusave scholarships, bursaries and awards to full-time students in Government and Government-aided schools; junior colleges and centralised institute; independent schools and institutions; specialised schools and Government-supported special education schools; and the Institute of Technical Education (ITE); and
- (iv) 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 2014 relates to the financial year from 1 April 2014 to 31 March 2015. Correspondingly, FY 2013 relates to the financial year from 1 April 2013 to 31 March 2014.

#### **4. Capital Fund**

Capital Fund represents the contributions from the Consolidated Revenue Account of the Singapore Government. There was no contribution in FY 2014.

#### **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 and received from the balance placed with the Accountant-General. Interest rate for FY 2014 was 4% (FY 2013 – 4%) per annum.

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

The Opportunity Fund was set up in 2006 as part of Government's PROGRESS (Providing Opportunities through Growth, Remaking Singapore for Success) Package for Singaporeans. Opportunity Fund Grants were given to Government and Government-aided schools; junior colleges and centralised institute; independent schools and institutions; specialised schools and Government-supported special education schools; the Institute of Technical Education (ITE) and Polytechnics to level up enrichment opportunities for Singapore Citizen students from low income households. The S\$72 million provided by the Government to the Income Account in FY 2013 to defray the grants disbursed in FY 2013 to be used over three years.

## 8. Recovery of Unspent Opportunity Fund Grants

Opportunity Fund Grants were disbursed for use over three years and unspent balances were recovered at the end of the 3-year cycle. In January 2013, Opportunity Fund Grants were disbursed to all eligible schools to be used up to December 2015. Hence, there was no recovery of balances in FY 2014.

	<b>FY 2014</b>	<b>FY 2013</b>
	<b>S\$</b>	<b>S\$</b>
Primary Schools	-	40,751
Special Education Schools	-	4,384
Secondary Schools	-	19,943
<b>Total amount recovered</b>	<b>-</b>	<b>65,078</b>

## 9. Recovery of Edusave Grant Reserves

To encourage schools to use the annual Edusave Grant allocation to benefit the current cohort of students, a cap of 6 months' allocation is imposed on the Edusave Grant reserves to be rolled over to the following year. In FY 2014, \$1,173,895 excess Edusave Grant reserves were recovered from schools as follows:

	<b>FY 2014</b>	<b>FY 2013</b>
	<b>S\$</b>	<b>S\$</b>
Primary Schools	539,199	1,088,537
Special Education Schools	8,307	144,155
Secondary Schools	603,728	877,421
Independent and Specialised Schools	1,320	209,877
Junior Colleges/Centralised Institute	21,341	25,179
Institute of Technical Education	-	222,308
<b>Total amount recovered</b>	<b>1,173,895</b>	<b>2,567,477</b>

## 10. Recovery of Unspent Edusave Grant for Information Communication Technology Balances

In July 2010, a one-off Edusave Grant for Information Communication Technology was disbursed to all eligible schools to be used up till December 2014, and unused balances were recovered in FY 2014.

	<b>FY 2014</b>	<b>FY 2013</b>
	<b>S\$</b>	<b>S\$</b>
Primary Schools	171,003	-
Secondary Schools	37,780	-
Junior Colleges/Centralised Institute	5,301	-
Independent Junior Colleges/Institution	59,620	-
<b>Total amount recovered</b>	<b>273,704</b>	<b>-</b>

## 11. Contribution to Edusave Accounts

The contribution to Edusave accounts represents payments made to Singapore Citizen students studying at primary or secondary level in MOE-funded schools. From FY 2014, contribution was extended to all Singapore Citizen children aged 7 to 16 who are not enrolled in any MOE-funded schools. Those aged 7 to 12 receive the quantum applicable to primary level students, and those aged 13 to 16 receive the quantum applicable to secondary level students. The rate of contribution to each account for 2015 was \$200 (2014: \$200) for primary level students and \$240 (2014: \$240) for secondary level students. During the financial year, contributions were paid into the Edusave accounts of 399,337 children (FY 2013 – 380,827). There is an additional amount of \$15,143 which is the account balances for deceased members pending transfer to Public Trustee for disposal in accordance with the Intestate Succession Act (Cap. 146) for non-Muslim members and section 112 of the Administration of Muslim Law Act (Cap. 3) for Muslim members.



## 12. Edusave Scholarships

The scholarships are given to encourage Singapore Citizen students to excel in their studies and were disbursed as follows:

	<b>FY 2014</b>	<b>FY 2013</b>
	<b>S\$</b>	<b>S\$</b>
Primary Schools	2,304,400	2,383,500
Secondary Schools	6,973,500	7,224,000
Independent Schools	19,671,571	19,576,817
	<u>28,949,471</u>	<u>29,184,317</u>
Less:		
Refund of unclaimed scholarships	(13,950)	(14,050)
<b>Total</b>	<b>28,935,521</b>	<b>29,170,267</b>

## 13. Edusave Merit Bursaries

These bursaries are given to Singapore Citizen students from lower and lower-middle income families to motivate them to excel and were disbursed as follows:

	<b>FY 2014</b>	<b>FY 2013</b>
	<b>S\$</b>	<b>S\$</b>
Primary Schools	2,222,000	2,377,600
Secondary Schools	3,853,600	4,073,050
Junior Colleges/Centralised Institute	708,000	712,400
Institute of Technical Education	1,709,750	1,604,000
Community Education Award Scheme	858,207	303,129
Edusave Merit Bursaries [late cases]	13,050	17,550
	<u>9,364,607</u>	<u>9,087,729</u>
Less:		
Refund of unclaimed bursaries	(7,700)	(8,050)
<b>Total</b>	<b>9,356,907</b>	<b>9,079,679</b>

#### 14. Good Progress Awards

These awards are given to Singapore Citizen students who have made significant improvements in their academic performance and were disbursed as follows:

	<b>FY 2014</b>	<b>FY 2013</b>
	<b>S\$</b>	<b>S\$</b>
Primary Schools	1,946,400	1,955,600
Secondary Schools	2,472,000	2,552,650
Junior Colleges/Centralised Institute	494,500	506,250
Institute of Technical Education	790,950	748,000
	<u>5,703,850</u>	<u>5,762,500</u>
Less:		
Co-Funding by Peoples' Association	(576,330)	(592,795)
Refund of unclaimed awards	(65,350)	(47,200)
<b>Total</b>	<b>5,062,170</b>	<b>5,122,505</b>

#### 15. Edusave Awards for Achievement, Good Leadership and Service

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

	<b>FY 2014</b>	<b>FY 2013</b>
	<b>S\$</b>	<b>S\$</b>
Primary Schools	2,509,000	2,487,500
Secondary Schools	5,462,450	5,716,200
Junior Colleges/Centralised Institute	1,092,000	1,078,000
Institute of Technical Education	1,303,300	918,500
	<u>10,366,750</u>	<u>10,200,200</u>
Less:		
Refund of unclaimed awards	(35,850)	(34,750)
<b>Total</b>	<b>10,330,900</b>	<b>10,165,450</b>

## 16. Edusave Character Awards

From 2012, these awards are given to Singapore Citizen students who demonstrate exemplary character and outstanding personal qualities through their behaviour and actions and were disbursed as follows:

	<b>FY 2014</b>	<b>FY 2013</b>
	<b>S\$</b>	<b>S\$</b>
Primary Schools	1,172,650	1,175,750
Secondary Schools	1,585,500	1,621,500
Junior Colleges/Centralised Institute	260,500	249,000
Institute of Technical Education	259,000	250,000
	<u>3,277,650</u>	<u>3,296,250</u>
Less:		
Refund of unclaimed awards	(6,400)	(4,100)
<b>Total</b>	<b>3,271,250</b>	<b>3,292,150</b>

## 17. Achievement Awards for Special Education Students

From 2010, grants were disbursed to Government-supported special education schools to fund awards for Singapore Citizen students to recognise their achievements and progress and to motivate them to excel. The grants for the awards were computed based on the total Singapore Citizen enrolment aged 6 and above for each special education school and unspent grants were recovered at the end of the year.

	<b>FY 2014</b>	<b>FY 2013</b>
	<b>S\$</b>	<b>S\$</b>
Grants disbursed	493,400	484,000
Less:		
Refund of unspent grants	(43,784)	(48,572)
<b>Total</b>	<b>449,616</b>	<b>435,428</b>

## 18. Edusave Grants

Edusave grants are given to Government and Government-aided schools; junior colleges and centralised institute; independent schools and institutions; specialised schools and Government-supported special education schools; and the Institute of Technical Education (ITE) to be used to advance teaching and learning. They are disbursed to schools in January and July each year at rates based on enrolment and the academic level of the students. The amounts disbursed during the financial year were as follows:

	FY 2014 S\$	FY 2013 S\$
Primary Schools		
- Payment in July	5,918,700	5,809,350
- Payment in January	5,985,100	6,065,500
Special Education Schools		
- Payment in July	151,025	147,350
- Payment in January	149,965	148,685
Secondary Schools		
- Payment in July	7,389,090	7,813,665
- Payment in January	7,698,330	8,031,600
Independent and Specialised Schools		
- Payment in July	803,440	781,775
- Payment in January	790,885	785,400
Junior Colleges/Centralised Institute		
- Payment in July	1,447,440	1,525,260
- Payment in January	1,468,380	1,505,040
Independent Junior Colleges/Institution		
- Payment in July	398,520	389,520
- Payment in January	392,580	389,160
Institute of Technical Education		
- Payment in July	1,415,350	1,291,000
- Payment in January	1,266,650	1,232,950
<b>Total</b>	<b>35,275,455</b>	<b>35,916,255</b>

## 19. Opportunity Fund Grants

Since 2006, Opportunity Fund grants have been given to Government and Government-aided schools; junior colleges and centralised institute; independent schools and institutions; specialised schools and Government-supported special education schools; and the Institute of Technical Education (ITE) to be used to level up co-curricular development opportunities for Singapore Citizen students from low income households. In 2013, it was extended to polytechnics. The grants are disbursed to the schools and institutions based on enrolment to be used over three years, and adjustments are made yearly to take into account fluctuation in enrolment. In January 2015, pro-rated grants were also disbursed to 3 new schools.

	FY 2014 S\$	FY 2013 S\$
Primary Schools		
- Payment /(Refund) in July	(222,076)	14,881,665
- Payment /(Refund) in January	(46,275)	16,264
Special Education Schools		
- Payment in July	55,928	473,378
- Payment /(Refund) in January	(8,740)	-
Secondary Schools		
- Payment /(Refund) in July	(627,228)	21,115,112
Independent and Specialised Schools		
- Payment in July	51,650	890,725
- Payment /(Refund) in January	(20,014)	8,000
Junior Colleges/Centralised Institute		
- Payment /(Refund) in July	(44,196)	1,377,785
Independent Junior Colleges/Institution		
- Payment in July	5,204	297,660
- Payment /(Refund) in January	(180)	-
Institute of Technical Education		
- Payment in January	-	5,388,960
Polytechnics		
- Payment /(Refund) in July	(44,800)	-
- Payment in January	-	16,737,560
<b>Total</b>	<b>(900,727)</b>	<b>61,187,109</b>



## 20. Development & Operating Expenditure

	FY 2014 S\$	FY 2013 S\$
a) Development Expenditure:		
- Edusave Awards Selection and Administration System	85,370	186,477
- Integrated Billing, Edusave and Collection System	873,593	-
<b>Total development expenditure</b>	<b>958,963</b>	<b>186,477</b>
b) Operating Expenditure:		
- System maintenance cost	244,945	254,102
- Edusave Pupils Fund agency charges	31,679	25,970
- Edusave Unit's manpower cost	313,986	314,568
- Printing and stationery	281,848	410,899
- Auditors' remuneration	10,315	11,071
- General expenses	5,213	9,756
<b>Total operating expenditure</b>	<b>887,986</b>	<b>1,026,366</b>
<b>Total</b>	<b>1,846,949</b>	<b>1,212,843</b>

The development expenditure for FY 2014 was higher due to the system enhancements to extend Edusave to all Singapore Citizens aged 7 to 16 in 2014. The higher operating expenditure for FY 2013 was due to the billing of Edusave Awards letters printed for 2012 award exercise.



# 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 2015*

# EDUSAVE PUPILS FUND

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

## FINANCIAL STATEMENTS

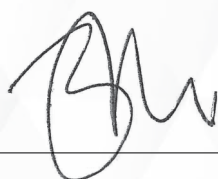
*For the financial year ended 31 March 2015*

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# STATEMENT BY MANAGEMENT

In the opinion of Management, the accompanying financial statements as set out on pages 47 to 51 are drawn up in accordance with the provisions of the Education Endowment and Savings Schemes Act, Chapter 87A so as to give a true and fair view of the state of affairs of the Edusave Pupils Fund as at 31 March 2015, and the income and expenditure and movement in members' accounts for the financial year ended 31 March 2015.

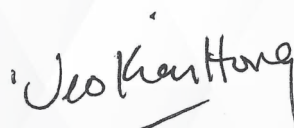


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**MS GOH WAN LEE**

*Deputy Director/Financial Schemes, Systems & Services*

MINISTRY OF EDUCATION  
DATE: 08 May 2015



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**MR NEO KIAN HONG**

*Permanent Secretary/Education Development*

MINISTRY OF EDUCATION  
DATE: 08 May 2015



# INDEPENDENT AUDITOR'S REPORT TO THE MANAGEMENT OF EDUSAVE PUPILS FUND

## **Report on the Financial Statements**

We have audited the accompanying financial statements of Edusave Pupils Fund (the "Fund"), which comprise the balance sheet of the Fund as at 31 March 2015, and the income and expenditure statement and movement of members' accounts, for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 47 to 51.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Education Endowment and Savings Schemes Act, Chapter 87A (the "Act"), and for 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 statements, movement of members' accounts and balance sheets and to maintain accountability of assets.

The Edusave Pupils Fund's policy is to prepare the financial statements on the cash receipts and disbursement basis. On this basis, revenue is recognised when received rather than when earned and expenses are recognised when paid rather than when incurred.

### *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 about 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 judgement, 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 of financial statements that give a true and fair view 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, as well as evaluating the overall presentation of the financial statements.

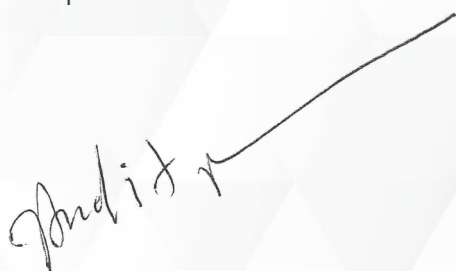
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements 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 Fund as at 31 March 2015 and the results of the Fund for the financial year ended on that date.

## **Report on Other Legal and Regulatory Requirements**

In our opinion, the accounting and other records required by the Act to be kept including records of all assets by the Fund have been properly kept in accordance with the provisions of the Act; and the receipts, expenditure and investment of monies and the acquisition and disposal of assets on account of the Fund during the financial year have been in accordance with the provisions of the Act.



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### **AUDIT ALLIANCE LLP**

*Public Accountants and Chartered Accountants*

SINGAPORE  
DATE: 08 May 2015

# BALANCE SHEET

as at 31 March 2015

	31 March 2015 S\$	31 March 2014 S\$
Members' accounts	221,345,653	226,302,765
Accumulated surplus	14,111,211	13,475,369
<b>Total Fund and Surplus</b>	<b>235,456,864</b>	<b>239,778,134</b>
<b>Represented By:</b>		
Deposits placed with the Monetary Authority of Singapore	235,279,106	239,663,362
Cash at bank	177,758	114,772
<b>Total Assets</b>	<b>235,456,864</b>	<b>239,778,134</b>

The accompanying notes form an integral part of these financial statements.

# INCOME AND EXPENDITURE STATEMENT

For the financial year ended 31 March 2015

	Note	FY 2014 S\$	FY 2013 S\$
<b>INCOME</b>			
Interest income :			
-Deposits placed with Monetary Authority of Singapore	4	5,114,140	5,498,026
- Cash at bank		543	51
		5,114,683	5,498,077
<b>EXPENDITURE</b>			
Interest credited to members' accounts	5	4,478,842	4,880,489
Surplus for the year		635,841	617,588
Accumulated surplus brought forward		13,475,370	12,857,781
<b>Accumulated surplus carried forward</b>		<b>14,111,211</b>	<b>13,475,369</b>

The accompanying notes form an integral part of these financial statements.

# MOVEMENT OF MEMBERS' ACCOUNTS

For the financial year ended 31 March 2015

	Note	FY 2014 S\$	FY 2013 S\$
<b>RECEIPTS</b>			
Interest credited to members' accounts	5	4,478,842	4,880,489
Contributions from the Edusave Endowment Fund	6	86,628,803	82,692,990
		91,107,645	87,573,479
<b>PAYMENTS</b>			
Withdrawals of deceased members' balances		24,853	40,532
Withdrawals for approved fees and programme charges	7	73,154,220	84,832,375
Transfer to Post-Secondary Education Accounts	8	22,885,683	27,042,124
		96,064,756	111,915,031
Net decrease in members' accounts for the year		(4,957,111)	(24,341,552)
Members' Accounts at beginning of the year		226,302,765	250,644,317
<b>Members' Accounts at end of the year</b>		<b>221,345,653</b>	<b>226,302,765</b>

The accompanying notes form an integral part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

## 1. Principal Activities

The Edusave Pupils 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. From November 2014, the Act was amended for Edusave Scheme Administrator, appointed by the Minister for Education, to administer the Edusave Pupils Fund on behalf of the Minister.

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 Singapore Citizen students. The Edusave Pupils Fund earns an interest rate pegged to the Central Provident Fund Ordinary Account rate, and interest earned is used to pay members at the same rate. The monies can be withdrawn for use on enrichment programmes organised by schools or education providers, 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 2014 relates to the financial year from 1 April 2014 to 31 March 2015. Correspondingly, FY 2013 relates to the financial year from 1 April 2013 to 31 March 2014.



#### 4. Interest Income

This represents interest income earned and received from the balance placed with the Monetary Authority of Singapore. Interest rate for FY 2014 was 2.5% (FY 2013 - 2.5 %) per annum.

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

This represents interest paid to members' accounts for unutilised credit balances calculated using CPF's Ordinary Account interest rate of 2.5% (FY 2013 - 2.5%) per annum.

#### 6. Contribution from the Edusave Endowment Fund

The contribution to Edusave accounts represent monies received from the Edusave Endowment Fund for Singapore Citizen students studying at primary or secondary level in MOE-funded schools. From FY 2014, contribution was extended to all Singapore Citizen children aged 7 to 16 who are not enrolled in any MOE-funded schools. Those aged 7 to 12 receive the quantum applicable to primary level students, and those aged 13 to 16 receive the quantum applicable to secondary level students. The rate of contribution to each account for 2015 was \$200 (2014: \$200) for primary level students and \$240 (2014: \$240) for secondary level students. During the financial year, contributions were paid into the Edusave accounts of 399,337 children (FY 2013 - 380,827).

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

	<b>FY 2014</b>	<b>FY 2013</b>
	<b>S\$</b>	<b>S\$</b>
Enrichment programme charges	42,143,083	52,783,140
Approved fees	31,011,137	32,049,235
<b>Net Total Withdrawals</b>	<b>73,154,220</b>	<b>84,832,375</b>

#### 8. Transfer to Post-Secondary Education Accounts

Under Section 16A of the Act, Edusave balances of members will be transferred to their Post-Secondary Education Accounts in the year they turn 17 years old and are not studying in a MOE-funded school. During the financial year, the Edusave balances of 46,060 (FY 2013: 48,197) members were transferred to their 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 2015*

# POST-SECONDARY EDUCATION FUND

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

## FINANCIAL STATEMENTS

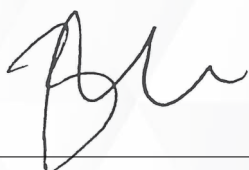
*For the financial year ended 31 March 2015*

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# STATEMENT BY MANAGEMENT

In the opinion of Management, the accompanying financial statements as set out on pages 57 to 62 are drawn up in accordance with the provisions of the Education Endowment and Savings Schemes Act, Chapter 87A so as to give a true and fair view of the state of affairs of the Post-Secondary Education Fund as at 31 March 2015, and the income and expenditure and movement in members' accounts for the financial year ended 31 March 2015.

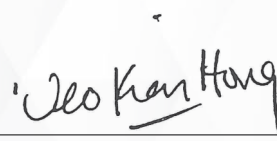


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**MS GOH WAN LEE**

*Deputy Director/Financial Schemes, Systems & Services*

MINISTRY OF EDUCATION  
DATE: 08 May 2015



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**MR NEO KIAN HONG**

*Permanent Secretary/Education Development*

MINISTRY OF EDUCATION  
DATE: 08 May 2015



# INDEPENDENT AUDITOR'S REPORT TO THE MANAGEMENT OF POST-SECONDARY EDUCATION FUND

## Report on the Financial Statements

We have audited the accompanying financial statements of Post-Secondary Education Fund (the "Fund"), which comprise the balance sheet of the Fund as at 31 March 2015, and the income and expenditure statement and movement of members' accounts, for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 57 to 62.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Education Endowment and Savings Schemes Act, Chapter 87A (the "Act"), and for 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 statements, movement of members' accounts and balance sheets and to maintain accountability of assets.

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 about 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 judgement, 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 of financial statements that give a true and fair view 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, as well as evaluating the overall presentation of the financial statements.

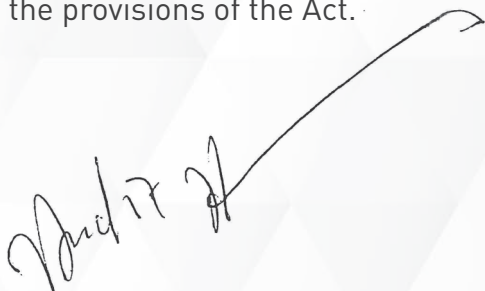
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements 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 Fund as at 31 March 2015 and the results of the Fund for the financial year ended on that date.

## **Report on Other Legal and Regulatory Requirements**

In our opinion, the accounting and other records required by the Act to be kept including records of all assets by the Fund have been properly kept in accordance with the provisions of the Act; and the receipts, expenditure and investment of monies and the acquisition and disposal of assets on account of the Fund during the financial year have been in accordance with the provisions of the Act.



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### **AUDIT ALLIANCE LLP**

*Public Accountants and Chartered Accountants*

SINGAPORE  
DATE: 08 May 2015

# BALANCE SHEET

as at 31 March 2015

	31 March 2015	31 March 2014
	S\$	S\$
Members' Accounts	1,369,336,448	1,332,650,363
Accumulated surplus	1,042,319	911,790
<b>Total Fund and Surplus</b>	<b>1,370,378,767</b>	<b>1,333,562,153</b>
<b>Represented By:</b>		
Deposits placed with the Central Provident Fund Board	1,352,763,033	1,314,799,167
Balance held by Accountant-General	17,615,734	18,762,986
<b>Total Assets</b>	<b>1,370,378,767</b>	<b>1,333,562,153</b>

The accompanying notes form an integral part of these financial statements.

# INCOME AND EXPENDITURE STATEMENT

For the financial year ended 31 March 2015

	Note	FY 2014 S\$	FY 2013 S\$
<b>INCOME</b>			
Interest income :	4	33,334,854	32,213,940
<b>EXPENDITURE</b>			
Interest credited to members' accounts	5	33,204,325	32,205,398
Surplus for the year		130,529	8,542
Accumulated surplus brought forward		911,790	903,248
<b>Accumulated surplus carried forward</b>		<b>1,042,319</b>	<b>911,790</b>

The accompanying notes form an integral part of these financial statements.

# MOVEMENT OF MEMBERS' ACCOUNTS

For the financial year ended 31 March 2015

	Note	FY 2014 S\$	FY 2013 S\$
<b>RECEIPTS</b>			
Interest credited to members' accounts	5	33,204,325	32,205,398
Balances transferred from			
- Child Development Accounts	6	136,129	468,115
- Edusave Pupils Fund Accounts	7	22,885,683	27,042,124
Contributions from members		198,453	215,397
Matching contributions from Government		222,478	186,659
Grants from Government	8	9,100	(4,000)
National Service Housing, Medical and Education Awards Grants	9	66,751,226	76,312,559
		123,407,394	136,426,252
<b>PAYMENTS</b>			
Withdrawals of deceased members' balances		396,059	405,792
Withdrawals for approved fees and programme charges	10	86,055,866	88,157,443
Transfer to Central Provident Fund Ordinary Accounts	11	269,384	103,006
		86,721,309	88,666,241
Net increase in members' accounts for the year		36,686,085	47,760,011
Members' Accounts at beginning of the year		1,332,650,363	1,284,890,352
<b>Members' Accounts at end of the year</b>		<b>1,369,336,448</b>	<b>1,332,650,363</b>

The accompanying notes form an integral part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

## 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 Child Development Accounts
- Contributions from eligible members
- Matching contributions from Government
- Balance transferred from Edusave Accounts
- Grants from Government
- National Service Housing, Medical and Education Awards
- 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 2014 relates to the financial year from 1 April 2014 to 31 March 2015. Correspondingly, FY 2013 relates to the financial year from 1 April 2013 to 31 March 2014.



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

This represents interest income earned from the balance placed with the Central Provident Fund Board. Interest rate for FY 2014 was 2.5 % (FY 2013 - 2.5 %) per annum.

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

This represents interest credited to members' accounts for unutilized credit balances calculated using CPF's Ordinary Account interest rate of 2.5% (FY 2013 - 2.5%) per annum.

#### **6. Transfer from Child Development Account (CDA)**

Under Section 16A of the Act, the PSE Accounts will receive the balances transferred from the CDA when the CDA are closed. From 1 January 2013, the CDA balances of members will be transferred to their PSE Accounts in the year the children turn 13 years old. As a transitional arrangement, trustees of CDA children who were born between 2006 and 2012 may request for the CDA balances to be transferred to PSE Accounts anytime in the years when the members are between 7 and 12 years old. In FY 2014, the CDA balances of 47 (FY 2013 - 59) children were transferred to their PSE Accounts.

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

Under Section 16A of the Act, the PSE accounts will receive the balances transferred from the Edusave Accounts when the Edusave Accounts are closed. The Edusave balances of members will be transferred to their PSE Accounts in the year they turn 17 years old and are not studying in a MOE-funded school. In FY 2014, the Edusave balances of 46,060 (FY 2013 - 48,197) members were transferred to their PSE Accounts.

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

There were no top-up grants from Government in FY 2014 and FY 2013. However, there were appeals and reversals against the previous years' top-up grants. The value of the reversals exceeded that for top-up appeals in FY2014 and FY2013. Grants from Government include Education Bursary grants for school-going children under the Home Ownership Plus Education Scheme.

## 9. National Service Housing, Medical and Education Awards

The first tranche of the National Service Housing, Medical and Education (NS HOME) Awards, [previously known as the National Service Recognition Awards] for Singapore Citizens is deposited into the PSE Accounts of eligible servicemen upon the completion of their full time National Service. In FY 2014, 21,215 (FY 2013 - 24,191) eligible servicemen received the NS HOME Award in their PSE Accounts.

## 10. Withdrawals for Approved Fees and Programme Charges

	FY 2014 S\$	FY 2013 S\$
<b>Fees:</b>		
Tertiary Institutions	63,833,648	68,867,899
Institute of Technical Education	8,350,509	7,886,375
Special Education Schools	20,912	13,167
Workforce Skills Qualifications Continuing Education and Training Centres	3,752,837	2,387,559
	75,957,906	79,155,000
<b>Enrichment Programme Charges:</b>		
Tertiary Institutions	10,180,468	10,256,865
Institute of Technical Education	3,340,050	2,862,029
Special Education Schools	43,348	85,632
	13,563,866	13,204,526
Gross Total Withdrawals	89,521,772	92,359,526
Less: Refund of Withdrawals	(3,465,906)	(4,202,083)
<b>Net Total Withdrawals</b>	<b>86,055,866</b>	<b>88,157,443</b>

## 11. Transfer to Central Provident Fund Ordinary Accounts

Under Section 16E of the Act, a PSE Account member's account balance will be automatically transferred to his CPF Ordinary Account when he attains the age of 30 years. A member can also apply to transfer his account balance to his CPF Ordinary Account when he attains the age of 21 years. In FY 2014, the balances of 79 (FY 2013 - 32) members were transferred to their CPF Ordinary Accounts.