



Ministry of Education
SINGAPORE

The Education Endowment and Savings Schemes

Annual Report for Financial Year 2019

S. 30 of 2020
Presented to Parliament pursuant to Statute.
Ordered by Parliament to lie upon the Table:
18 September 2020

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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 aims to enhance the quality of education in Singapore and to level up educational opportunities for all Singapore Citizen children. Income generated by the Edusave Endowment Fund is used to fund contributions to the Edusave Pupils Fund and other programmes to motivate children to excel in both academic and non-academic areas. An Edusave Pupils Fund account, commonly known as “Edusave account”, is opened automatically for each eligible Singapore Citizen child.
- 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 ages. 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 two-year term.
- 2 The members of the Council in Financial Year (FY) 2019 were as follows:

Chairman: **Mr Tham Sai Choy**
Chartered Accountant

Members: **Dr Susheela Abraham Varghese**
Director
Centre for English Communication
Singapore Management University

Professor Rusli
Associate Professor
School of Electrical & Electronic Engineering
Nanyang Technological University

Mdm Wong Li Peng
Principal
River Valley Primary School

Miss Chen Li Ying Audrey
Principal
Fairfield Methodist School (Secondary)

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. Its capital sum was topped up to \$5.5 billion in FY 2013. The Edusave Endowment Fund is invested by the Government and earns an interest of 3.5% per annum as set by the Government for the Fund for FY 2019. The interest earned each year is used to fund the disbursements under the Edusave Scheme.
- 2 During FY 2019, the Fund received a total income of \$244.2 million and \$268.3 million was disbursed, partly funded by past surpluses. As at 31 March 2020, the balance in the Edusave Endowment Fund was \$6.7 billion, which included \$1.2 billion in accumulated surplus.

EDUSAVE PUPILS FUND

- 3 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 FY 2014, contribution was extended to all Singapore Citizen children aged 7 to 16 who are not studying in MOE-funded schools. 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.
- 4 During the financial year, \$153.3 million was paid into the Edusave accounts, including a Government top-up of \$150 each to all Singapore Citizens eligible for Edusave Contribution 2019. \$61.3 million was withdrawn for approved fees and charges, and \$30.0 million was transferred to the PSE Fund. As at 31 March 2020, the balance in the Edusave Pupils Fund was \$364.1 million.



POST-SECONDARY EDUCATION FUND

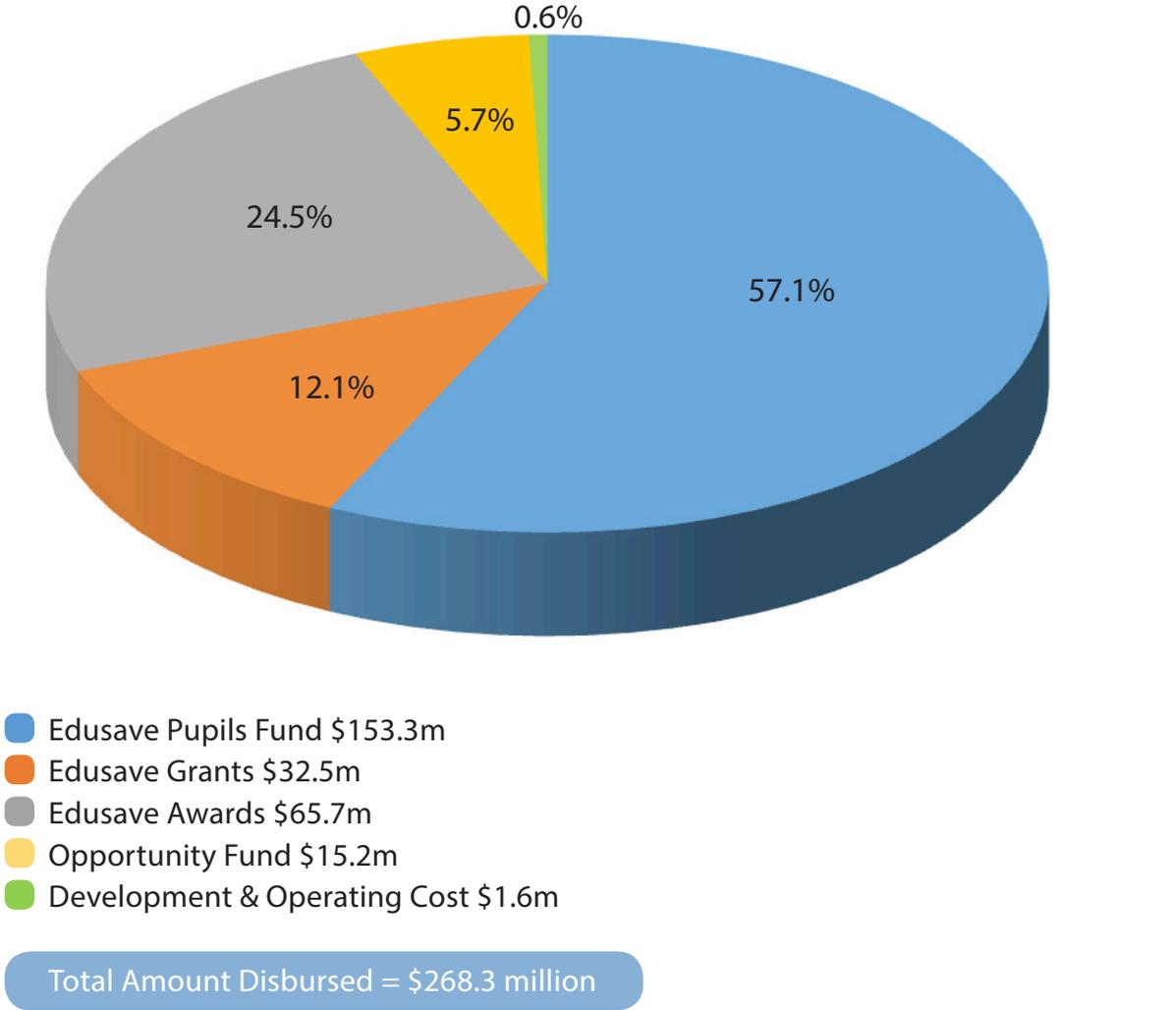
- 5 The Post-Secondary Education (PSE) Fund was established in January 2008 to help parents save for their Singapore Citizen children's post-secondary education. The balances from the Child Development Accounts (CDA) and from the Edusave accounts are transferred to the PSE accounts in the year the children turn 13 and 17 respectively. 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.
- 6 During the financial year, the PSE Fund received \$39.7 million transferred from the CDA and \$30.0 million transferred from the Edusave accounts. Another \$71.3 million was paid to the PSE accounts of eligible Singaporeans between the ages of 17 and 20 under the 2019 Government top-up. \$63.9 million government grant was paid to eligible national servicemen's PSE accounts under the National Service Housing, Medical and Education (NS HOME) Award Scheme. An amount of \$100.0 million was withdrawn for fees and charges at approved institutions during the financial year. From March 2018, the usage of PSE Fund was expanded to allow repayment of Government education loans and/or approved financing schemes taken for studies at publicly-funded universities, polytechnics, ITE and art institutions. In FY 2019, \$6.9 million was used to repay loans. As at 31 March 2020, the balance in the PSE Fund was \$1.7 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 FY 2012 and \$300 million in FY 2013, bringing the capital sum to \$5.5 billion.
- 2** The Edusave Endowment Fund is invested by the Government. The interest rate for all government endowment funds is fixed by MOF during the annual budget cycle. The interest rate was reduced from 4% per annum for FY 2018 to 3.5% for FY 2019. The interest earned each year is used to fund the disbursements under the Edusave Scheme.
- 3** During the financial year, the Fund earned an interest income of \$235.5 million. Another \$7.6 million was added back to the Fund from unutilised Opportunity Fund grants, and \$1.1 million from unutilised Edusave grants from schools and institutions which had unutilised balances exceeding 50% of the annual allocation for 2019, based on MOE's recovery policy. The total income was \$244.2 million, of which \$268.3 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 children, Edusave grants and Opportunity Fund grants to schools and institutions, Edusave awards to students, and administrative costs. Chart-1 shows the distribution of the amount disbursed during the financial year.

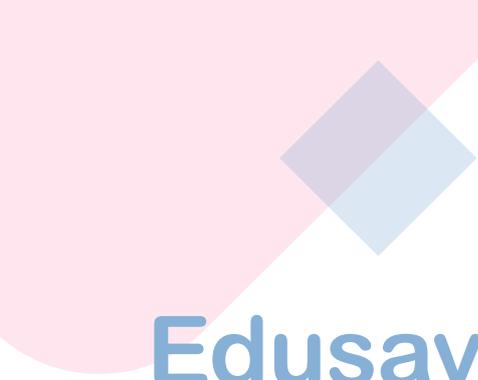
Chart-1: Distribution of Amount Disbursed in Financial Year 2019



5 As at 31 March 2020, the balance in the Edusave Endowment Fund was \$6.7 billion, which included \$1.2 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 FY 2014, contribution was 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 MOE, and the Fund is invested and earns an interest rate pegged to the Central Provident Fund Ordinary Account rate. The interest rate was 2.5% for FY 2019. During the financial year, the Fund earned an interest income of \$5.7 million and \$6.6 million was paid to members, leaving a deficit of \$0.9 million. The 6-monthly interest income is usually received in January and July. In November 2019, MOE converted the Fund held with MAS to the Special Singapore Government Securities (SSGS), and the interest crediting timeline was realigned to May and November instead. Therefore, in FY 2019, only 10 months of interest income were credited to the Fund instead of 12 months.
- 2 From January 2019, the contribution rates were increased to \$230 for primary level and \$290 for secondary level. In addition, all Singapore Citizen children eligible for Edusave contribution in 2019 were given a one-off Bicentennial Bonus Top-up of \$150 each in June 2019. During the financial year, \$153.3 million was paid into the 379,271 accounts of Edusave members.
- 3 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. 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, \$61.3 million was withdrawn, of which \$31.1 million (51%) was for approved fees and \$30.2 million (49%) for enrichment programme charges. Another \$30.0 million was transferred to the PSE accounts of 42,288 members.
- 4 As at 31 March 2020, the balance in the Edusave Pupils Fund was \$364.1 million.



Edusave Grants

- 1 Edusave grants are given to all the 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 schools and institutions can use the grants to procure resources and equipment, or to subsidise enrichment programmes that enhance the quality of teaching and learning.
- 2 In 2019, 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. From 2013, to incentivise schools and institutions to use the grants to benefit the current cohort of students, unutilised grants exceeding 50% of the annual allocation will be recovered in December of the year. During the financial year, \$32.5 million was disbursed and \$1.1 million was recovered from the schools and institutions.



Opportunity Fund Grants

- 1** Since 2006, Opportunity Fund grants have been given to all the 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 the 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** From 2019, the Opportunity Fund grants have been disbursed as annual grants to the schools and institutions for use in that year, and unutilised grants will be recovered at the end of each year. From FY 2020, the disbursement period for the ITE and polytechnics will be changed from calendar year to financial year to align with their academic year.
- 3** During the financial year, \$15.2 million was disbursed to the schools and institutions as annual grants, and \$7.6 million not utilised was recovered.

Edusave Scholarships For Government And Government-Aided Primary And Secondary Schools; And Specialised 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 5 and 6, and all the secondary levels in the Government and Government-aided schools; and specialised 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 2019, 6,915 Singapore Citizen students were awarded the ESPS and 13,422 the ESSS at a total value of \$9.2 million. Table-2 shows the breakdown of awardees by level:

Table-2: Breakdown of Edusave Scholarship Awardees by Level

Level	No.	\$m
Primary	6,915	2.5
Secondary	13,134	6.6
Specialised Schools	288	0.1
Total	20,337	9.2

Edusave Scholarships For Independent Schools

- 1 The Edusave Scholarships for Independent Schools (ESIS) are available to students in the independent schools.
- 2 The ESIS are awarded at the following points, based either on the PSLE/GCE O-Level/ESIS Test results:
 - a) ESIS (Secondary 1)
 - b) ESIS (Secondary 3)
 - c) ESIS (Pre-University 1)
- 3 The ESIS (Yearly Award) are awarded to Singapore Citizen students in independent schools who are not awarded any other type of ESIS and if they are among the top 10% students in each level in the school based on their school examination results for the year. This award is to encourage and reward students who have excelled academically as well as obtained a good grade for conduct in that year.
- 4 The ESIS award quantum is \$2,400, or the annual school fees charged by the independent school less the annual amount of school and standard miscellaneous fees paid by students in Government or Government-aided schools, whichever is lower.
- 5 During the financial year, \$20.8 million was disbursed to Edusave scholars in the independent schools. This amount was higher than the amount disbursed in FY 2018 (\$5.1 million) as there were changes to the payment schedules where most of the payments were made in FY 2019. Table-3 shows the breakdown of awardees by level:

Table-3: Breakdown of Edusave Scholarship Awardees by Level

Level	No.	\$m
Secondary	5,490	12.1
Pre-University	4,125	8.7
Total	9,615	20.8

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; the Institute of Technical Education; and the polytechnics 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 MOE scholarship awards. In 2018, the gross household income limit was revised to \$6,900, or a per capita income does not exceed \$1,725. School principals select eligible students from all streams in each level based on positive learning dispositions (for Primary 1 and 2), academic performance (for Primary 3 and above) 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
Polytechnic	

- 3 In 2019, 37,915 students were awarded the EMB at a total value of \$13.6 million. Table-5 shows the breakdown of awardees by level:

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

Level	No.	\$m
Primary	13,192	2.9
Secondary	9,334	3.2
Pre-University	1,394	0.5
Specialised Schools	319	0.2
Institute of Technical Education	4,359	2.1
Polytechnic	9,317	4.7
Total	37,915	13.6



Community Education Award Scheme

- 4 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; and the polytechnics, 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 same financial year.
- 5 During the financial year, an amount of \$1 million was disbursed through the People's Association to the Citizens' Consultative Committees as co-funding for the Constituency Bursaries.

Edusave Good Progress Awards

- 1 The Edusave Good Progress Awards (GPA) are given to Singapore Citizen students in Government and Government-aided primary (except those in Primary 1) and secondary schools, junior colleges and centralised institute; independent schools and institutions; specialised schools; the Institute of Technical Education; and the polytechnics who have made significant improvement in their learning dispositions (for Primary 2 and 3) or academic performance (for Primary 4 and above). Students who are recipients of Edusave scholarships or bursaries, or other MOE 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 Edusave 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
Polytechnic	

- 3 In 2019, 32,870 students were awarded the GPA at a total value of \$6.5 million. Table-7 shows the breakdown of awardees by level.

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

Level	No.	\$m
Primary	15,886	2.0
Secondary	10,165	2.0
Pre-University	1,696	0.4
Specialised Schools	169	0.1
Institute of Technical Education	1,894	0.8
Polytechnic	3,060	1.2
Total	32,870	6.5

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 the Government and Government-aided schools, junior colleges and centralised institute; independent schools and institutions; specialised schools; and the Institute of Technical Education to encourage them to excel in non-academic areas. The awards recognise students' leadership quality, service to community and schools, and excellence in non-academic activities.
- 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 4 to 6 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 MOE 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 2019, 28,530 students were awarded the EAGLES at a total value of \$9.5 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	9,773	2.4
Secondary	13,432	4.7
Pre-University	2,473	1.0
Specialised Schools	258	0.1
Institute of Technical Education	2,594	1.3
Total	28,530	9.5

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 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	
Institute of Technical Education	

- 3 In 2019, 7,821 students were awarded the ECHA at a total value of \$3.10 million. Table-11 shows the breakdown of awardees by level.

Table-11: Breakdown of Edusave Character Awardees by Level

Level	No.	\$m
Primary	4,037	1.22
Secondary	2,726	1.37
Pre-University	488	0.24
Specialised Schools	53	0.02
Institute of Technical Education	517	0.25
Total	7,821	3.10

Edusave Skills Awards

- 1 The Edusave Skills Award (ESA) was introduced in 2016. The awards are given to Singapore Citizen students in specialised schools; the Institute of Technical Education; and the polytechnics to recognise students who have excellent application of course-specific skills, and soft skills in the course of their studies.
- 2 The school-based awards are given to a maximum of 10% Singapore Citizen graduating students from each type of school. Table-12 shows the value of the awards by types of schools.

Table-12: Value of Edusave Skills Awards by Types of Schools

Types of Schools	\$
Specialised Schools	500
Institute of Technical Education	
Polytechnic	

- 3 In 2019, 3,018 students were awarded the ESA at a total value of \$1.51 million. Table-13 shows the breakdown of awardees by types of schools.

Table-13: Breakdown of Edusave Skills Awardees by Types of Schools

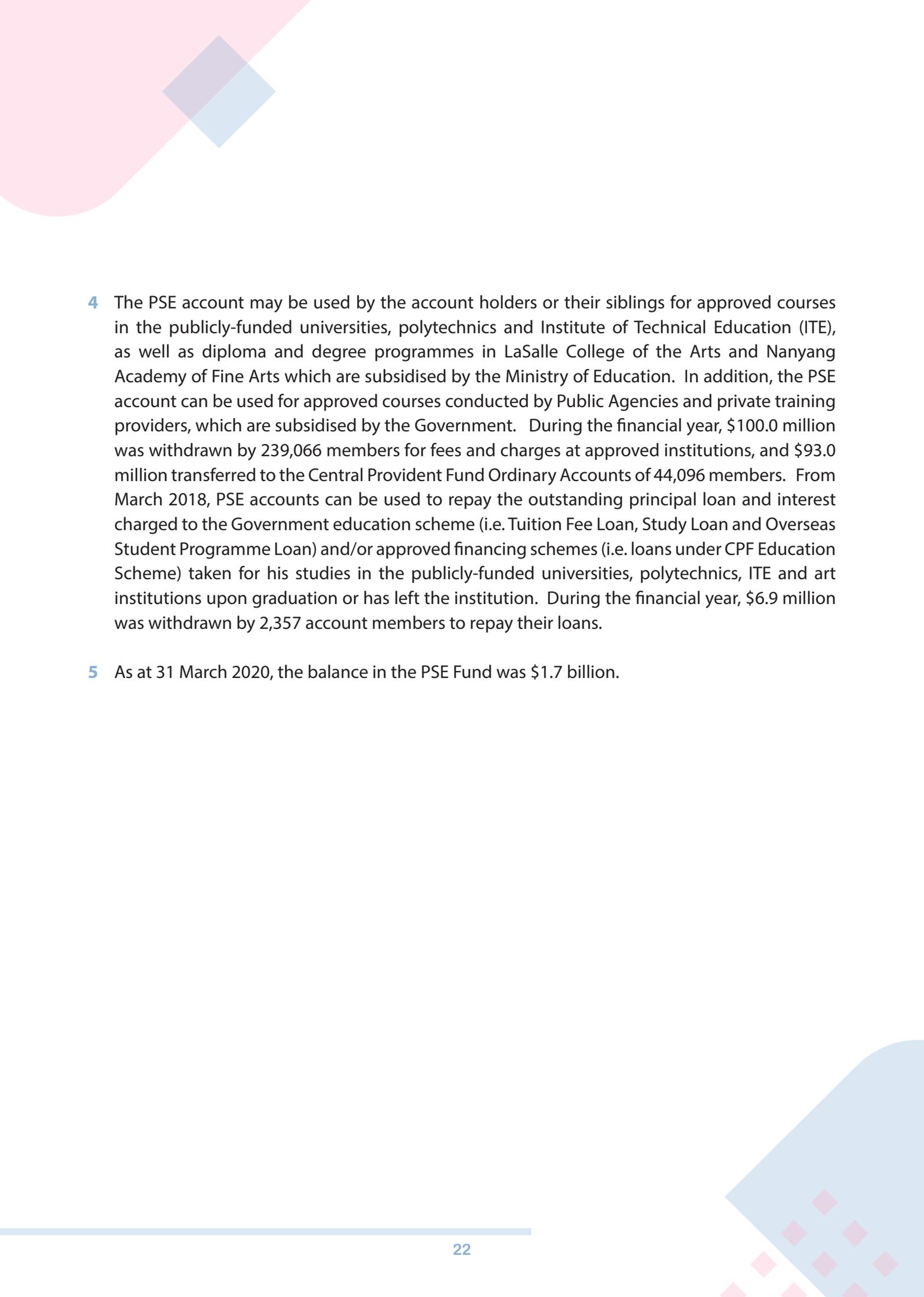
Types of Schools	No.	\$m
Specialised Schools	64	0.03
Institute of Technical Education	1,128	0.56
Polytechnic	1,826	0.92
Total	3,018	1.51

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 the 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 2019, 5,842 students were awarded AASPEDS at a total value of \$0.6 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. The member's PSE Fund will be automatically transferred to his Central Provident Fund (CPF)-Ordinary Account (OA) in the year he turns 31 years old.
- 2 The PSE Scheme is administered by the Ministry of Education. 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 FY 2019. During the financial year, the PSE Fund earned an interest income of \$33.4 million and \$39.9 million was paid to members' PSE accounts. The 6-monthly interest income is usually received in January and July. In November 2019, MOE converted the Fund held with MAS to the Special Singapore Government Securities (SSGS), and the interest crediting timeline was realigned to May and November. Therefore, in FY 2019, only 10 months of interest income were credited to the Fund instead of 12 months.
- 3 During the financial year, the PSE Fund received \$39.7 million transferred from the CDA of 24,961 children, and another \$0.9 million contributed by eligible members with matching grants from the Government. It also received \$30.0 million transferred from the Edusave accounts of 42,288 members. Another \$71.3 million was paid to the PSE accounts of 165,493 eligible Singaporeans between the ages of 17 and 20 under the 2019 Government top-up. Under the National Service Housing, Medical and Education (NS HOME) Award scheme, the first tranche of the NS HOME Award payout would be paid to the PSE accounts of national servicemen. During the financial year, \$63.9 million was paid to the PSE accounts of 20,083 eligible national servicemen.

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- 4 The PSE account may be used by the account holders or their siblings for approved courses in the publicly-funded universities, polytechnics and Institute of Technical Education (ITE), as well as diploma and degree programmes in LaSalle College of the Arts and Nanyang Academy of Fine Arts which are subsidised by the Ministry of Education. In addition, the PSE account can be used for approved courses conducted by Public Agencies and private training providers, which are subsidised by the Government. During the financial year, \$100.0 million was withdrawn by 239,066 members for fees and charges at approved institutions, and \$93.0 million transferred to the Central Provident Fund Ordinary Accounts of 44,096 members. From March 2018, PSE accounts can be used to repay the outstanding principal loan and interest charged to the Government education scheme (i.e. Tuition Fee Loan, Study Loan and Overseas Student Programme Loan) and/or approved financing schemes (i.e. loans under CPF Education Scheme) taken for his studies in the publicly-funded universities, polytechnics, ITE and art institutions upon graduation or has left the institution. During the financial year, \$6.9 million was withdrawn by 2,357 account members to repay their loans.
- 5 As at 31 March 2020, the balance in the PSE Fund was \$1.7 billion.

FINANCIAL STATEMENTS

For the financial year ended
31 March 2020

EDUSAVE ENDOWMENT FUND

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

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 2020

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Statement by Management

For the financial year ended 31 March 2020

In the opinion of Management, the accompanying financial statements 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 2020 and the income and expenditure for the financial year ended 31 March 2020.

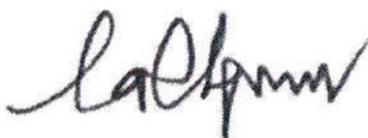


MS GOH WAN LEE

Director/Financial Schemes, Systems & Services

MINISTRY OF EDUCATION

DATE: 18 JUN 2020



MR LAI CHUNG HAN

Permanent Secretary/Education

MINISTRY OF EDUCATION

DATE: 18 JUN 2020

Opinion

We have audited the accompanying financial statements of the Edusave Endowment Fund (the "Fund"), which comprise the balance sheet as at 31 March 2020, and the income and expenditure statement for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Education Endowment and Savings Schemes Act, Chapter 87A (the "Act"), so as to give a true and fair view of the financial position of the Fund as at 31 March 2020 and of the financial performance and changes in accumulated fund of the Fund for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Fund in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Our opinion on the financial statements does not cover any other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management 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 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 financial statements 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.

The Management's responsibilities include overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Fund to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

We communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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, 18 JUN 2020

EDUSAVE ENDOWMENT FUND

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

Balance Sheet

As at 31 March 2020

	Note	31 March 2020 S\$	31 March 2019 S\$
Capital fund	4	5,500,000,000	5,500,000,000
Accumulated surplus		1,204,091,136	1,228,202,460
Total Fund and Surplus		6,704,091,136	6,728,202,460
Represented By:			
Balance held by Accountant-General	5	6,704,091,136	6,728,202,460
Total Assets		6,704,091,136	6,728,202,460

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

EDUSAVE ENDOWMENT FUND

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

Income and Expenditure Statement

For the financial year ended 31 March 2020

	Note	FY 2019 S\$	FY 2018 S\$
INCOME			
Interest income	6	235,487,086	265,757,075
Recovery of unspent Opportunity Fund balances	7	7,584,669	16,954,344
Recovery of Edusave Grant Reserves	8	1,136,326	1,824,897
		244,208,081	284,536,316
EXPENDITURE			
Contribution to Edusave Accounts	9	153,338,689	95,255,648
Edusave Scholarships	10	29,979,292	13,468,785
Edusave Merit Bursaries	11	14,619,614	14,154,115
Edusave Good Progress Awards	12	6,444,150	5,920,635
Edusave Awards for Achievement, Good Leadership and Service	13	9,520,100	9,699,250
Edusave Character Awards	14	3,097,000	3,140,950
Edusave Skills Awards	15	1,507,000	1,548,850
Achievement Awards for Special Education Students	16	551,999	523,819
Edusave Grants	17	32,457,885	32,548,495
Opportunity Fund Grants	18	15,158,554	22,156,748
Development expenditure	19	157,737	523,682
Operating expenditure	19	1,487,385	1,319,761
		268,319,405	200,260,738
(Deficit) / Surplus for the year		(24,111,324)	84,275,578
Accumulated surplus brought forward		1,228,202,460	1,143,926,882
Accumulated surplus carried forward		1,204,091,136	1,228,202,460

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

Notes to the Financial Statements

For the financial year ended 31 March 2020

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; Institute of Technical Education (ITE) and the polytechnics;
- (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; Institute of Technical Education (ITE) and the polytechnics; 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 2019 relates to the financial year from 1 April 2019 to 31 March 2020. Correspondingly, FY 2018 relates to the financial year from 1 April 2018 to 31 March 2019.

4. Capital Fund

Capital Fund represents the contributions from the Consolidated Revenue Account of the Singapore Government. There was no contribution in FY 2019.

EDUSAVE ENDOWMENT FUND

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

Notes to the Financial Statements

For the financial year ended 31 March 2020

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 2019 was 3.5% (FY 2018: 4%) per annum.

7. Recovery of Unspent Opportunity Fund Grants

Opportunity Fund Grants were disbursed annually, and unspent balances were recovered at the end of each year from all schools.

In December 2019, the unused balances of \$7,584,669 were recovered from schools as follows:

	FY 2019	FY 2018
	S\$	S\$
Primary Schools	3,204,237	4,545,722
Special Education Schools	118,075	131,918
Secondary Schools	3,828,777	5,350,454
Independent and Specialised Schools	114,179	248,696
Junior Colleges/Centralised Institute	268,450	318,892
Independent Junior Colleges/Institution	50,943	40,050
Institute of Technical Education	8	3,171,839
Polytechnics	-	3,146,773
Total amount recovered	7,584,669	16,954,344

Notes to the Financial Statements

For the financial year ended 31 March 2020

8. 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. The Edusave Grant balances are also recovered from schools which have been merged and closed. In FY 2019, \$1,136,326 **excess** Edusave Grant reserves were recovered from schools as follows:

	FY 2019 S\$	FY 2018 S\$
Primary Schools	582,874	668,298
Special Education Schools	69,392	82,233
Secondary Schools	249,038	749,223
Independent and Specialised Schools	1,158	24,697
Junior Colleges/Centralised Institute	-	293,546
Independent Junior Colleges/ Institution	9,027	6,900
Institute of Technical Education	224,837	-
Total amount recovered	1,136,326	1,824,897

9. 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 has been increased to \$230 for primary level students and \$290 for secondary level students since January 2019. In addition, all Singapore Citizen children eligible for Edusave Contribution in 2019 were given a one-off Bicentennial Bonus Top-up of \$150 each in June 2019. During the financial year, contributions were paid into the Edusave accounts of 379,271 children (FY 2018: 379,817).

EDUSAVE ENDOWMENT FUND

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

Notes to the Financial Statements

For the financial year ended 31 March 2020

10. Edusave Scholarships

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

	FY 2019	FY 2018
	S\$	S\$
Primary Schools	2,420,250	2,221,450
Secondary Schools	6,567,000	5,999,000
Specialised Schools	144,000	137,500
Independent Schools	20,872,642	5,125,285
	<u>30,003,892</u>	<u>13,483,235</u>
Less:		
Refund of unclaimed scholarships	(24,600)	(14,450)
Total	29,979,292	13,468,785

EDUSAVE ENDOWMENT FUND

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

Notes to the Financial Statements

For the financial year ended 31 March 2020

11. Edusave Merit Bursaries

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

	FY 2019	FY 2018
	S\$	S\$
Primary Schools	2,882,650	2,422,500
Secondary Schools	3,259,050	3,325,700
Junior Colleges/Centralised Institute	555,000	625,600
Specialised Schools	158,900	164,500
Institute of Technical Education	2,109,700	1,990,500
Polytechnics	4,654,900	4,718,500
Community Education Award Scheme	962,514	832,915
Edusave Merit Bursaries [late cases]	59,900	101,850
	14,642,614	14,182,065
Less:		
Payment/(Refund) of unclaimed bursaries	(23,000)	(27,950)
Total	14,619,614	14,154,115

EDUSAVE ENDOWMENT FUND

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

Notes to the Financial Statements

For the financial year ended 31 March 2020

12. Edusave Good Progress Awards

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

	FY 2019	FY 2018
	S\$	S\$
Primary Schools	2,043,000	1,991,600
Secondary Schools	2,017,250	2,078,200
Junior Colleges/Centralised Institute	421,300	454,250
Specialised Schools	67,400	64,800
Institute of Technical Education	752,500	736,800
Polytechnics	1,222,800	1,214,400
	6,524,250	6,540,050
Less:		
Co-Funding by Peoples' Association	-	(538,015)
Refund of unclaimed awards	(80,100)	(81,400)
Total	6,444,150	5,920,635

EDUSAVE ENDOWMENT FUND

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

Notes to the Financial Statements

For the financial year ended 31 March 2020

13. 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:

	FY 2019	FY 2018
	S\$	S\$
Primary Schools	2,493,250	2,488,000
Secondary Schools	4,753,150	4,777,500
Junior Colleges/Centralised Institute	1,000,000	1,039,200
Specialised Schools	129,000	109,000
Institute of Technical Education	1,299,500	1,333,500
	9,674,900	9,747,200
Less:		
Refund of unclaimed awards	(154,800)	(47,950)
Total	9,520,100	9,699,250

14. Edusave Character Awards

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

	FY 2019	FY 2018
	S\$	S\$
Primary Schools	1,237,150	1,209,050
Secondary Schools	1,374,000	1,403,000
Junior Colleges/Centralised Institute	246,000	252,000
Specialised Schools	26,500	25,500
Institute of Technical Education	259,000	264,000
	3,142,650	3,153,550
Less:		
Refund of unclaimed awards	(45,650)	(12,600)
Total	3,097,000	3,140,950

EDUSAVE ENDOWMENT FUND

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

Notes to the Financial Statements

For the financial year ended 31 March 2020

15. Edusave Skills Awards

These awards are given to up to 10% Singapore Citizen graduating students in specialised schools, the Institute of Technical Education and Polytechnics who have demonstrated excellent application of course-specific skills, and soft skills in the course of their studies and were disbursed as follows:

	FY 2019	FY 2018
	S\$	S\$
Specialised Schools	32,500	36,500
Institute of Technical Education	566,000	600,500
Polytechnics	916,000	914,000
	<u>1,514,500</u>	<u>1,551,000</u>
Less:		
Refund of unclaimed awards	(7,500)	(2,150)
Total	1,507,000	1,548,850

Notes to the Financial Statements

For the financial year ended 31 March 2020

16. Achievement Awards for Special Education Students

The grants are 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.

	FY 2019	FY 2018
	S\$	S\$
Grants disbursed	584,200	550,300
Less:		
Refund of unspent grants	(32,201)	(26,481)
Total	551,999	523,819

EDUSAVE ENDOWMENT FUND

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

Notes to the Financial Statements

For the financial year ended 31 March 2020

17. 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. The amounts disbursed during the financial year were as follows:

	FY 2019	FY 2018
	S\$	S\$
Primary Schools	11,699,400	11,571,475
Special Education Schools	356,025	336,870
Secondary Schools	12,807,810	12,949,695
Independent and Specialised Schools	1,573,750	1,567,765
Junior Colleges/Centralised Institute	2,433,840	2,449,320
Independent Junior Colleges/Institution	836,460	846,720
Institute of Technical Education	2,750,600	2,826,650
Total	32,457,885	32,548,495

Notes to the Financial Statements

For the financial year ended 31 March 2020

18. Opportunity Fund Grants

Opportunity Fund 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; the Institute of Technical Education (ITE); and the Polytechnics to be used to level up co-curricular development opportunities for Singapore Citizen students from low income households. From 2019, the grants are disbursed annually at 100% to the schools based on enrolment, and adjustments are made within the year to take into account fluctuations in enrolment. From FY 2020, the disbursement period for the ITE and Polytechnics will change from calendar year to financial year to align with their academic year. Hence, the funds will be disbursed annually in May. FY 2019 had only included the disbursement from Jan to Mar 2020 as a transition. The grants paid / (refunded) were as follows:

	FY 2019	FY 2018
	S\$	S\$
Primary Schools	5,394,989	5,466,818
Special Education Schools	235,295	206,928
Secondary Schools	6,226,580	6,442,684
Independent and Specialised Schools	471,500	393,846
Junior Colleges/Centralised Institute	388,129	395,316
Independent Junior Colleges/Institution	134,266	170,326
Institute of Technical Education	835,993	3,193,620
Polytechnics	1,471,802	5,887,210
Total	15,158,554	22,156,748

Notes to the Financial Statements

For the financial year ended 31 March 2020

19. Development & Operating Expenditure

	FY 2019 S\$	FY 2018 S\$
a) Development Expenditure:		
- Edusave Awards Selection and Administration System	157,737	523,682
Total development expenditure	157,737	523,682
b) Operating Expenditure:		
- System maintenance cost	573,787	568,552
- Edusave Unit's manpower cost	399,081	404,755
- Printing and stationery	282,213	239,857
- Auditors' remuneration	12,025	12,025
- General expenses	220,279	94,572
Total operating expenditure	1,487,385	1,319,761
Total	1,645,122	1,843,443

The general expenses for FY 2019 are higher mainly due to an increased in postage cost for the 2019 Edusave top-up letters issued to members in June 2019.

FINANCIAL STATEMENTS

For the financial year ended
31 March 2020

EDUSAVE PUPILS FUND

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



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 2020

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- 54** **Notes to the Financial Statements**

Statement by Management

For the financial year ended 31 March 2020

In the opinion of Management, the accompanying financial statements 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 2020, and the income and expenditure and movement in members' accounts for the financial year ended 31 March 2020.

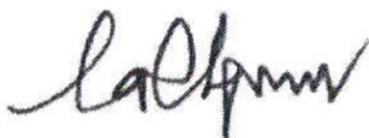


MS GOH WAN LEE

Director/Financial Schemes, Systems & Services

MINISTRY OF EDUCATION

DATE: 18 JUN 2020



MR LAI CHUNG HAN

Permanent Secretary/Education

MINISTRY OF EDUCATION

DATE: 18 JUN 2020

Opinion

We have audited the accompanying financial statements of the Edusave Pupils Fund (the "Fund"), which comprise the balance sheet as at 31 March 2020, and the income and expenditure statement and movement of members' accounts, for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Education Endowment and Savings Schemes Act, Chapter 87A (the "Act"), so as to give a true and fair view of the financial position of the Fund as at 31 March 2020 and of the financial performance and changes in accumulated fund of the Fund for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Fund in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Our opinion on the financial statements does not cover any other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management 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 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 financial statements and to maintain accountability of assets.

The Edusave Pupil 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.

The Management's responsibilities include overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Fund to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.



Independent Auditor's Report to the Management of Edusave Pupils Fund

For the financial year ended 31 March 2020

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

We communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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, 18 JUN 2020

EDUSAVE PUPILS FUND

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

Balance Sheet

As at 31 March 2020

	31 March 2020 S\$	31 March 2019 S\$
Members' Account	348,730,045	280,141,277
Accumulated surplus	15,402,815	16,340,133
Total Fund and Surplus	364,132,860	296,481,410
Represented By:		
Deposits placed with the Monetary Authority of Singapore	284,000,000	287,782,190
Balance held by Accountant-General	80,132,860	8,699,220
Total Assets	364,132,860	296,481,410

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

Income and Expenditure Statement

For the financial year ended 31 March 2020

	Note	FY 2019 S\$	FY 2018 S\$
INCOME			
Interest income:			
- Deposits placed with the Monetary Authority of Singapore	4	5,665,395	6,365,002
EXPENDITURE			
Interest credited to members' accounts	5	6,602,713	5,813,884
(Deficit) / Surplus for the year		(937,318)	551,118
Accumulated surplus brought forward		16,340,133	15,789,015
Accumulated surplus carried forward		15,402,815	16,340,133

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

Movement of Members' Accounts

For the financial year ended 31 March 2020

	Note	FY 2019 S\$	FY 2018 S\$
RECEIPTS			
Interest credited to members' accounts	5	6,602,713	5,813,884
Contributions from the Edusave Endowment Fund	6	153,340,334	95,258,156
		159,943,047	101,072,040
PAYMENTS			
Withdrawals of deceased members' balances		33,554	48,326
Withdrawals for approved fees and programme charges	7	61,280,581	69,444,888
Transfer to Post-Secondary Education Accounts	8	30,040,144	28,919,146
		91,354,279	98,412,360
Net increase in members' accounts for the year		68,588,768	2,659,680
Members' Accounts at beginning of the year		280,141,277	277,481,597
Members' Accounts at 31 March 2020		348,730,045	280,141,277

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

Notes to the Financial Statements

For the financial year ended 31 March 2020

1. Principal Activities

The Edusave Pupils Fund was established on 1 January 1993 under the Education Endowment and Savings Schemes Act, Chapter 87A. The Edusave Pupils Fund is administered by the Edusave Scheme Administrator who is appointed by the Minister for Education. The Monetary Authority of Singapore (MAS) has been tasked to manage the investment of the Edusave Pupils Fund.

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 children. The Edusave Pupils Fund earns an interest rate pegged to the Central Provident Fund Ordinary Account rate. The monies can be withdrawn for use on enrichment programmes organised by schools or education providers, payment of second-tier miscellaneous fees, autonomous school 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 2019 relates to the financial year from 1 April 2019 to 31 March 2020. Correspondingly, FY 2018 relates to the financial year from 1 April 2018 to 31 March 2019.

Notes to the Financial Statements

For the financial year ended 31 March 2020

4. Interest Income

This represents interest income earned from the balance placed with the Monetary Authority of Singapore (MAS). Interest rate for FY 2019 was 2.5 % (FY 2018: 2.5 %) per annum. The 6-monthly interest income is usually received in the month of January and July. In November 2019, MAS converted the amount held to Special Singapore Government Securities (SSGS). Arising from the conversion, the 6-monthly interest income will only be received in the month of May and November starting from November 2019. Therefore, in FY 2019, only 10 months interest income was credited to the fund instead of 12 months interest income.

5. Interest Credited to Members' Accounts

This represents interest paid to members' accounts for unutilised credit balances calculated at interest rate of 2.5% (FY 2018: 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 has been increased to \$230 for primary level students and \$290 for secondary level students since January 2019. In addition, all Singapore Citizen children eligible for Edusave Contribution in 2019 were given a one-off Bicentennial Bonus Top-up of \$150 each in June 2019. During the financial year, contributions were paid into the Edusave accounts of 379,271 children (FY 2018: 379,817).

Notes to the Financial Statements

For the financial year ended 31 March 2020

7. Withdrawals for Approved Fees and Programme Charges

	FY 2019	FY 2018
	S\$	S\$
Enrichment programme charges	30,204,948	38,486,971
Approved fees	31,075,633	30,957,917
Net Total Withdrawals	61,280,581	69,444,888

8. Transfer to Post-Secondary Education Accounts

Under Section 16A of the Act, Edusave balances of members would 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 42,288 (FY 2018: 42,879) members were transferred to their Post-Secondary Education Accounts.

FINANCIAL STATEMENTS

For the financial year ended
31 March 2020

POST-SECONDARY EDUCATION FUND

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



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 2020

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Statement by Management

For the financial year ended 31 March 2020

In the opinion of Management, the accompanying financial statements 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 2020, and the income and expenditure and movement in members' accounts for the financial year ended 31 March 2020.

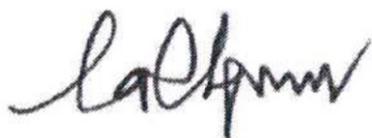


MS GOH WAN LEE

Director/Financial Schemes, Systems & Services

MINISTRY OF EDUCATION

DATE: 18 JUN 2020



MR LAI CHUNG HAN

Permanent Secretary/Education

MINISTRY OF EDUCATION

DATE: 18 JUN 2020

**Independent Auditor's Report to the
Management of Post-Secondary Education Fund**

For the financial year ended 31 March 2020

Opinion

We have audited the accompanying financial statements of the Post-Secondary Education Fund (the "Fund"), which comprise the balance sheet as at 31 March 2020, and the income and expenditure statement and movement of members' accounts, for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Education Endowment and Savings Schemes Act, Chapter 87A (the "Act"), so as to give a true and fair view of the financial position of the Fund as at 31 March 2020 and of the financial performance and changes in accumulated fund of the Fund for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Fund in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Independent Auditor's Report to the
Management of Post-Secondary Education Fund**

For the financial year ended 31 March 2020

Other Information

Our opinion on the financial statements does not cover any other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management 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 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 financial statements and to maintain accountability of assets.

The Post-Secondary Education 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.

The Management's responsibilities include overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Fund to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

We communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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, 18 JUN 2020

POST-SECONDARY EDUCATION FUND

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

Balance Sheet

As at 31 March 2020

	31 March 2020 S\$	31 March 2019 S\$
Members' Accounts	1,666,836,011	1,620,593,591
Accumulated (deficit) / surplus	(4,732,846)	1,787,058
Total Fund and Surplus	1,662,103,165	1,622,380,649
Represented By:		
Deposits placed with the Monetary Authority of Singapore	1,615,000,000	1,606,945,661
Balance held by Accountant-General	47,103,165	15,434,988
Total Assets	1,662,103,165	1,622,380,649

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

POST-SECONDARY EDUCATION FUND

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

Income and Expenditure Statement

For the financial year ended 31 March 2020

	Note	FY 2019 S\$	FY 2018 S\$
INCOME			
Interest income	4	33,387,110	38,827,318
EXPENDITURE			
Interest credited to members' accounts	5	39,907,014	38,685,995
(Deficit) / Surplus for the year		(6,519,904)	141,323
Accumulated surplus brought forward		1,787,058	1,645,735
Accumulated (deficit) / surplus carried forward		(4,732,846)	1,787,058

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

POST-SECONDARY EDUCATION FUND

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

Movement of Members' Accounts

For the financial year ended 31 March 2020

	Note	FY 2019 S\$	FY 2018 S\$
RECEIPTS			
Interest credited to members' accounts	5	39,907,014	38,685,995
Balances transferred from			
- Child Development Accounts	6	39,734,238	39,164,872
- Edusave Accounts	7	30,040,144	28,919,145
Contributions from members		931,743	651,802
Matching contributions from Government		921,013	621,238
Grants from Government	8	71,382,200	31,300
National Service Housing, Medical and Education Awards Grants	9	63,933,500	64,884,500
		246,849,852	172,958,852
PAYMENTS			
Withdrawals of members' balances		706,512	636,231
Loan Repayment	10	6,900,818	10,506,613
Withdrawals for approved fees and programme charges	11	99,975,597	84,976,737
Transfer to Central Provident Fund Ordinary Accounts	12	93,024,505	27,235,176
		200,607,432	123,354,757
Net increase in members' accounts for the year		46,242,420	49,604,095
Members' Accounts at beginning of the year		1,620,593,591	1,570,989,496
Members' Accounts at end of the year		1,666,836,011	1,620,593,591

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

POST-SECONDARY EDUCATION FUND

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

Notes to the Financial Statements

For the financial year ended 31 March 2020

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 2019 relates to the financial year from 1 April 2019 to 31 March 2020. Correspondingly, FY 2018 relates to the financial year from 1 April 2018 to 31 March 2019.

POST-SECONDARY EDUCATION FUND

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

Notes to the Financial Statements

For the financial year ended 31 March 2020

4. Interest Income

This represents interest income earned from the balance placed with the Monetary Authority of Singapore (MAS). Interest rate for FY 2019 was 2.5 % (FY 2018: 2.5 %) per annum. The 6-monthly interest income is usually received in the month of July and January. In November 2019, MAS converted the amount held to Special Singapore Government Securities (SSGS). Arising from the conversion, the 6-monthly interest income will only be received in the month of May and November starting from November 2019. Therefore, in FY 2019, only 10 months interest income was credited to the fund instead of 12 months interest income.

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 2018: 2.5%) per annum.

6. Transfer from Child Development Accounts (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 would 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 2019, the CDA balances of 24,961 (FY 2018: 23,796) children were transferred to their PSE Accounts.

7. Transfer from Edusave 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 would 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 2019, the Edusave balances of 42,288 (FY 2018: 42,879) members were transferred to their PSE Accounts.

POST-SECONDARY EDUCATION FUND

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

Notes to the Financial Statements

For the financial year ended 31 March 2020

8. Grants from Government

In FY 2019, government top-ups were given to 165,493 Singaporeans between the ages of 17 to 20. There were no top-up grants from Government in FY 2018. 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 2019, 20,083 (FY 2018: 20,510) eligible servicemen received the NS HOME Award in their PSE Accounts.

10. Loan Repayment

From 1 March 2018, a PSE account member can use his PSEA funds to repay the outstanding principal loan and interest charged to the Government education loans (i.e Tuition Fee Loan, Study Loan and Overseas Student Programme Loan) and/or approved financing schemes (i.e loans under the CPF Education Scheme) taken for his studies in the Autonomous Universities, Polytechnics, ITE and Art Institutions upon graduation or has left the institution. In FY 2019, 2,357 (FY 2018: 3,683) of PSE account members had used their PSEA funds to repay their loans.

POST-SECONDARY EDUCATION FUND

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

Notes to the Financial Statements

For the financial year ended 31 March 2020

11. Withdrawals for Approved Fees and Programme Charges

	FY 2019 S\$	FY 2018 S\$
Fees:		
Tertiary Institutions	73,356,726	59,226,546
Institute of Technical Education	8,443,554	7,821,522
Special Education Schools	97,207	95,924
Training Providers appointed by Public Agencies	10,797,760	9,440,755
	92,695,247	76,584,747
Enrichment Programme Charges:		
Tertiary Institutions	8,391,013	9,472,064
Institute of Technical Education	1,764,943	1,963,720
Special Education Schools	1,181	2,790
	10,157,137	11,438,574
Gross Total Withdrawals	102,852,384	88,023,321
Less: Refund of Withdrawals	(2,876,787)	(3,046,584)
Net Total Withdrawals	99,975,597	84,976,737

12. 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 in the year he turns 31 years old. In FY 2019, the balances of 44,096 (FY 2018: 26,595) members were transferred to their CPF Ordinary Accounts.