

*Report of Independent Accountants on the Schedule of
Project Expenditures*

**Republic of the Marshall Islands
Improving the Quality of Basic Education in the
North Pacific Project**

(Financed by the Asian Development Bank Grant Number
0536 RMI (SF))

Year ended September 30, 2024



Republic of the Marshall Islands
Improving the Quality of Basic Education in the North Pacific Project
(Financed by the Asian Development Bank Grant Number 0536 RMI (SF))

Schedule of Project Expenditures

Year ended September 30, 2024

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Report of Independent Accountants

Honorable Minister Gerald Zackios
Ministry of Education, Sports and Training
Republic of the Marshall Islands

We have examined the Republic of the Marshall Islands (the RMI) Ministry of Education, Sports and Training's compliance with appropriate use of Improving the Quality of Basic Education in the North Pacific Project (the Project) grant proceeds as set forth in the terms, covenants, provisions and conditions of Articles III and IV of the grant agreement dated July 7, 2017 in the accompanying schedule (Schedule of Project Expenditures) during the year ended September 30 2024. The RMI Ministry of Education, Sports and Training's management is responsible for compliance with the specified requirements. Our responsibility is to express an opinion on the RMI Ministry of Education, Sports and Training's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants ("AICPA"). Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the RMI Ministry of Education, Sports and Training complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the RMI Ministry of Education, Sports and Training complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent of the RMI Ministry of Education, Sports and Training and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our examination engagement.

Our examination does not provide a legal determination on the RMI Ministry of Education, Sports and Training's compliance with specified requirements.

Our examination was limited to compliance with the specified sections of the respective grant agreement. Because of the nature and inherent limitations, controls may not prevent, or detect and correct, all errors or fraud that may be considered relevant.

In our opinion, the RMI Ministry of Education, Sports and Training complied, in all material respects, with appropriate use of Improving the Quality of Basic Education in the North Pacific Project grant proceeds as set forth in the terms, covenants, provisions and conditions of Articles III and IV of the grant agreement requirements during year ended September 30, 2024.

This report is intended solely for the information and use of the RMI Ministry of Education, Sports and Training and the Asian Development Bank for assessing the RMI Ministry of Education, Sports and Training's compliance with appropriate use of Improving the Quality of Basic Education in the North Pacific Project grant proceeds as set forth in the terms, covenants, provisions and conditions of Articles III and IV of the grant agreement and is not intended to be and should not be used by anyone other than the specified parties.

Ernst + Young

July 18, 2025

Republic of the Marshall Islands
Improving the Quality of Basic Education in the North Pacific Project
(Financed by the Asian Development Bank's Special Fund -
Grant Number 0536 RMI (SF))

Schedule of Project Expenditures

Year ended September 30, 2024
(See accompanying Report of Independent Accountants)

Project expenditures:

Investment costs:

Training and capacity building	\$ 561,490
Consulting services	366,520
Teaching supplies and resources	<u>29,381</u>
	957,391

Recurrent costs:

Project management costs	<u>122,624</u>
Total project expenditures	<u><u>\$ 1,080,015</u></u>