

*The Auditor's Communication with Those  
Charged with Governance*

**Republic of the Marshall Islands**

*Year ended September 30, 2023*



**Shape the future  
with confidence**



Shape the future  
with confidence

Ernst & Young (RMI), Inc.  
P.O. Box 1288  
Majuro, Republic of the Marshall  
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Tel: 692 625 7387  
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January 29, 2026

Management and Those Charged with Governance  
Republic of the Marshall Islands

We have performed an audit of the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the Republic of the Marshall Islands (RepMar) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise RepMar's basic financial statements, in accordance with auditing standards generally accepted in the United States of America (GAAS), and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and have issued our report thereon dated January 29, 2026.

This report summarizes our communications with those charged with governance as required by our professional standards to assist you in fulfilling your obligation to oversee the financial reporting and disclosure process.

## **REQUIRED COMMUNICATIONS**

Professional standards require the auditor to provide those charged with governance with additional information regarding the scope and results of the audit that may assist those charged with governance in overseeing the financial reporting and disclosure processes for which the management of RepMar is responsible. We summarize these required communications as follows:

### **Overview of the planned scoped and timing of the audit**

Our audit scope and timing are consistent with the plan communicated in our audit engagement agreement dated November 12, 2024 and at our audit planning meeting with management.

### **Auditors' Responsibilities under Auditing Standards Generally Accepted in the United States (US GAAS) and Generally Accepted Government Auditing Standards (GAGAS)**

The financial statements, the required supplementary information and the other supplementary information are the responsibility of RepMar's management as prepared with the oversight of those charged with governance. Our audit was designed in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, to obtain reasonable, rather than absolute, assurance that the financial statements are free of material misstatement.

An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, we express no such opinion.

An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation.

Our responsibilities are included in our audit engagement agreement.

### **Changes to the audit strategy, timing of the audit and significant risks identified**

Our audit strategy is consistent with the plan communicated during the planning meeting.

### **Matters relevant to our evaluation of the entity's ability to continue as a going concern**

We did not identify any events or conditions that led us to believe there was substantial doubt about RepMar's ability to continue as a going concern.

### **Our views about the qualitative aspects of the RepMar's significant accounting practices, including:**

- **Accounting policies**
- **Accounting estimates**

Management has not selected or changed any significant policies or changed the application of those policies in the current year other than the adoption of Government Accounting Standards Board Statement No. 96 - *Subscription-Based Information Technology Arrangements* as disclosed in Note 1 of the basic financial statements.

We have provided a discussion of significant accounting policies and our views regarding significant accounting estimates and financial statement disclosures and related matters in Note 1 of the basic financial statements.

We determined that those charged with governance are informed about management's process for formulating particularly sensitive estimates and about the basis to our conclusions regarding the reasonableness of those estimates.

Management's judgment is called upon in:

- Preparing budgets that are used to administer and monitor RepMar's operations. These budgets include determining how existing financial resources will be used in RepMar's operations.
- Determining the adequacy of the allowance for accounts receivable.
- Determining the assumptions used in measuring significant accounting estimates for financial reporting purposes.

**Related party relationships and transactions**

We noted no significant matters regarding RepMar's relationships and transactions with related parties.

**Changes to the terms of the audit with no reasonable justification for the change**

We are not aware of any matters that require communication.

**Significant unusual transactions**

We are not aware of any significant unusual transactions carried out by RepMar.

**Difficult or contentious matters subject to consultation outside of the audit team**

There were no difficult or contentious matters that required consultation outside of the audit team.

**Material corrected misstatements related to accounts and disclosures**

Refer to "Management Representations Letter" in Appendix A.

**Uncorrected misstatements related to accounts and disclosures, considered by management to be immaterial**

Refer to "Management Representations Letter" in Appendix A.

**Significant deficiencies and material weaknesses in internal control over financial reporting**

We have identified material weaknesses and significant deficiencies in the internal control during the course of our audit which have been included in our separately issued report of RepMar's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters, dated January 29, 2026.

**Fraud and noncompliance with laws and regulations (illegal acts)**

We are not aware of any matters that require communication.

**Independence matters**

We are not aware of any matters that in our professional judgment would impair our independence.

### **New accounting pronouncements**

Management is still assessing the impact of adopting the following GASB Statements:

- GASB Statement No. 99
- GASB Statement No. 100
- GASB Statement No. 101
- GASB Statement No. 102
- GASB Statement No. 103
- GASB Statement No. 104

### **Significant issues discussed with management in connection with the auditor's initial appointment or recurring retention**

We are not aware of any matters that require communication.

### **Disagreements with management and significant difficulties encountered in dealing with management when performing the audit**

There were no material disagreements with RepMar's management on financial accounting and reporting matters during the audit.

### **Managements consultations with other accountants**

We are not aware of any consultations made by management with other accountants or specialists.

### **Other material written communications with management**

None.

### **Other matters**

There are no other matters arising from the audit that are significant and relevant to those charged with governance regarding the oversight of the financial reporting process.

### **AICPA ethics ruling regarding third-party service providers**

From time to time, and depending on the circumstances, (1) we may subcontract portions of the Audit Services to other EY firms, who may deal with RepMar or its affiliates directly, although EY alone will remain responsible to you for the Audit Services and (2) personnel (including non-certified public accountants) from an affiliate of EY or another EY firm or any of their respective affiliates, or from independent third-party service providers (including independent contractors), may participate in providing the Audit Services. In addition, third-party service providers may provide services for EY in connection with the Audit Services.

**Representations from management**

We have obtained from management a representations letter related to the audit and a copy of the management representations letter is included in Appendix A.

**Engagement team’s involvement with preparation of the financial statements**

Under GAS 2018 Revisions, Chapter 3 General Standards, Paragraph 3.37 Requirements for Performing Non-audit Services explains that the audit team should make consideration of management’s ability to effectively oversee the non-audit (or non-attest) services to be performed. The engagement team should determine that the audited entity has designated an individual who possesses suitable skill, knowledge or experience and that the individual understands the services to be performed sufficiently to oversee them. The engagement team should document consideration of management’s ability to oversee non-audit services to be performed.

The engagement team believes that this significant threat is reduced to an acceptable level upon application of the following safeguards:

- An engagement quality control review was performed by a qualified Ernst & Young Partner who was not otherwise involved in the audit.
- The preparation of the financial statements is based on RepMar’s trial balance with our understanding that RepMar’s underlying books and records are maintained by RepMar’s accounting department and that the final trial balance prepared by RepMar is complete.
- All adjusting journal entries that Ernst & Young posted to the trial balance have been approved by management of RepMar.
- RepMar’s Secretary of Finance, Banking and Postal Services has the skill sets to oversee and review the completeness and accuracy of the financial statements and footnote disclosures.

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This communication is intended solely for the information and use of those charged with governance, RepMar’s management, and the Office of the Auditor-General, and is not intended to be and should not be used by anyone other than these specified parties. However, this report is also a matter of public record.

Very truly yours,

The logo for Ernst & Young, featuring the company name in a stylized, cursive script.

## Appendix

A – Management Representations Letter

A – Management Representations Letter



*Ministry of Finance Banking & Postal Services*  
Government of the Republic of the Marshall Islands

January 29, 2026

Ernst & Young (RMI), Inc.  
NAPA Building  
P.O. Box 1288  
Majuro, MH 96960

In connection with your audit of the basic financial statements of the Republic of the Marshall Islands (RepMar) as of September 30, 2023 and for the year then ended, and the related notes to the financial statements (collectively referred to hereafter as the “financial statements”), we recognize that obtaining representations from us concerning the information contained in this letter is a significant procedure in enabling you to form an opinion whether the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of RepMar and the respective changes in financial position and cash flows, where applicable, thereof in accordance with accounting principles generally accepted in the United States of America (US GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

Accordingly, we make the following representations, which are true to the best of our knowledge and belief:

***Management’s responsibilities***

We have fulfilled our responsibilities, as set forth in the terms of the audit engagement agreement dated November 12, 2024, for the preparation and fair presentation of the financial statements (including disclosures) in accordance with US GAAP applied on a basis consistent with that of the preceding periods.



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A – Management Representations Letter, continued

***Management’s responsibilities, continued***

In preparing the basic financial statements, we evaluated whether there are conditions or events, considered in the aggregate, that raise substantial doubt about RepMar’s ability to continue as a going concern for one year after the date that the basic financial statements are issued (or available to be issued, if applicable), and to provide appropriate financial statement disclosure, when applicable, related to going concern and using the going concern basis of accounting unless we prepared the basic financial statements in accordance with the liquidation basis of accounting.

We acknowledge our responsibility for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. We have provided you with:

- Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements such as records, data, documentation and other matters. This responsibility includes identifying the use of new technologies or techniques in preparing such information (e.g., the use of generative artificial intelligence), and additional details you may require regarding the use of any such technologies and techniques to perform your audit procedures.
- Additional information that you have requested from us for the purpose of the audit.
- Unrestricted access to persons within RepMar from whom you determined it necessary to obtain evidence.

We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.

From June 4, 2025 through the date of this letter we have disclosed to you, to the extent that we are aware, any, (1) unauthorized access to our information technology systems that either occurred or is reasonably likely to have occurred, including reports submitted to us by third parties (including regulatory agencies, law enforcement agencies and security consultants), to the extent that such unauthorized access to our information technology systems is reasonably likely to have a material effect on the financial statements of any opinion unit that comprises the basic financial statements, in each case or in the aggregate, and (2) ransomware attacks when we paid or are contemplating paying a ransom, regardless of the amount.

***Corrected misstatements***

We have reviewed and approved the adjustments, summarized in the accompanying schedule, and reflected these adjustments in the financial statements. Refer to the “Schedule of Corrected Misstatements” in Appendix A.

A – Management Representations Letter, continued

***Uncorrected misstatements***

We believe that the effects of any uncorrected, summarized in the accompanying schedule, accumulated by you during the current audit and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements for each opinion unit. Refer to the “Schedule of Uncorrected Misstatements” in Appendix B.

In addition, to the extent that uncorrected misstatements have been subsequently identified in the current period that affect prior period financial statements, we have evaluated the effect of correcting prior period financial statements and believe that the effects of the uncorrected misstatements are immaterial, both individually and in the aggregate, to both the current and prior period financial statements for each opinion unit.

***Internal control***

There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.

We have communicated to you all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting. There have been no significant changes in internal control since September 30, 2023.

***Minutes, contracts and internal audit reports***

We have made available to you all minutes of the meetings of RepMar’s Cabinet or summaries of actions of recent meetings held from October 1, 2022 to the date of this letter for which minutes have not yet been prepared.

We also have made available to you all public laws and significant agreements and contracts, including amendments, and have communicated to you all significant oral agreements. We have complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance, including all covenants, conditions or other requirements of all outstanding debt.

We have also made available to you all internal audit reports (or reports from similar functions) that were issued to management during the year that address internal control over financial reporting.

***Methods, significant assumptions, and data used in making accounting estimates***

The appropriateness of the methods, the consistency in application, the accuracy and completeness of data, and the reasonableness of significant assumptions used by us in developing accounting estimates and related disclosures, including fair value measurements, are reasonable and supportable.



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A – Management Representations Letter, continued

***Ownership and pledging of assets***

Except for assets accounted for in accordance with GASB Statements No. 87, 94 and 96 - as amended, for which we were provided a right-of-use another entity's nonfinancial asset (the underlying asset), RepMar has satisfactory title to all assets appearing in the statement of net position. No security agreements have been carried out under the provisions of the Uniform Commercial Code, and there are no liens or encumbrances on assets, nor has any asset been pledged. All assets to which RepMar has satisfactory title appear in the statement of net position.

***Receivables and revenues***

Receivables have been determined in accordance with all relevant GASB Statements, including GASB Statements No. 33 and 62 - as amended.

Adequate provision has been made for losses, costs and expenses that may be incurred subsequent to the statement of net position date in respect of any sales and services rendered prior to that date and for uncollectible accounts, discounts, returns and allowances, etc., that may be incurred in the collection of receivables at that date.

Revenues and other governmental fund financial resources are recognized in the period in which they became both measurable and available to finance expenditures of the fiscal period.

***Leases***

We have identified and accounted for all contracts that meet the criteria to be accounted for as a lease under GASB Statement No. 87 - as amended. We have appropriately considered any modifications, termination or purchase options in the contract.

To measure the lease liability, we used the rate the lessor charges to us or the rate implicit in the lease. When the interest rate could not be readily determined, we then estimated our incremental borrowing rate (IBR). We believe our IBR is a reasonable estimate and represents an estimate of the interest rate that would be charged for borrowing the lease payment amounts during the lease term.

***Subscription-Based Information and Technology Arrangements (SBITA)***

We have identified and accounted for all contracts that meet the criteria to be accounted for as a SBITA under GASB Statement, 96 - as amended. We have appropriately considered any modifications or terminations in the contract.



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A – Management Representations Letter, continued

***Subscription-Based Information and Technology Arrangements (SBITA), continued***

To measure the SBITA liability, we used the rate the SBITA vendor charges to us or the rate implicit in the SBITA. When the interest rate could not be readily determined, we then estimated our incremental borrowing rate (IBR). We believe our IBR is a reasonable estimate and represents an estimate of the interest rate that would be charged for borrowing the SBITA payment amounts during the SBITA term.

***Prepayments***

We believe that all material expenditures for which recognition has been deferred to future periods are recoverable.

***Long-lived assets (asset groups) to be held and used, including amortizable intangible assets***

No events or changes in circumstances have occurred that indicate the carrying amounts of long-lived assets (asset groups) to be held and used, including intangible assets that are subject to amortization, may not be recoverable.

***Fair value measurements***

We are responsible for the estimation methods and assumptions used in measuring assets and liabilities reported or disclosed at fair value, including information obtained from brokers, pricing services or other third parties. Our valuation techniques have been consistently applied from period to period. The fair value measurements reported or disclosed represent our best estimate of fair value as of the measurement date in accordance with the requirements of GASB Statement No. 72 - as amended. In addition, our disclosures related to fair value measurements are consistent with the objectives outlined in GASB Statement No. 72 - as amended.

We have evaluated the fair value information provided to us by brokers, pricing services or other parties that has been used in the financial statements and believe this information to be reliable and consistent with the requirements of GASB Statement No. 72 - as amended.

***Related party relationships and transactions***

We have made available to you the names of all related parties and all relationships and transactions with related parties.

The substance of transactions with related parties as defined in GASB Statement No. 56 - as amended, has been considered and appropriate adjustments or disclosures are made in the basic financial statements, and information concerning these transactions and amounts have been made available to you.



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A – Management Representations Letter, continued

***Effects of adopting new accounting standards***

As discussed in Note 1 to the financial statements, we have not completed the process of evaluating the effects that will result from adopting the amendments to the codification provided in Governmental Accounting Standards Board (GASB) Statement No:

- GASB Statement No. 99
- GASB Statement No. 100
- GASB Statement No. 101
- GASB Statement No. 102
- GASB Statement No. 103
- GASB Statement No. 104

RepMar is therefore unable to disclose the effects that adopting the amendments in the aforementioned GASB Statements will have on its financial position and the changes in its financial position when such statement is adopted.

***Side agreements and other arrangements***

There have been no side agreements or other arrangements (either written or oral) that have not been disclosed to you.

***Arrangements with financial institutions***

Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances and line-of-credit or similar arrangements have been properly recorded or disclosed in the financial statements.

***Events of default under debt agreements***

No events of default have occurred with respect to any of RepMar's debt agreements.

***Contingent liabilities***

There are no unasserted claims or assessments, including those our lawyers have advised us of that are probable of assertion and must be disclosed in accordance with GASB Statement No. 62 - as amended other than those disclosed in the financial statements.

There have been no violations or possible violations of laws or regulations in any jurisdiction whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency other than those disclosed or accrued in the financial statements.

A – Management Representations Letter, continued

***Contingent liabilities, continued***

There have been no internal investigations or communications from regulatory agencies or government representatives in any jurisdiction concerning investigations or allegations of noncompliance with laws or regulations, noncompliance with or deficiencies in financial reporting practices, or other matters that could affect the financial statements other than those disclosed or accrued in the financial statements.

There are no other liabilities or gain or loss contingencies considered material, individually or in the aggregate, that are required to be accrued or disclosed by GASB Statement No. 62 - as amended other than those accrued or disclosed in the financial statements, nor are there any accruals for loss contingencies included in the statement of net position or gain contingencies reflected in earnings that are not in conformity with the provisions of GASB Statement No. 62 - as amended.

***Oral and written guarantees***

There are no oral or written guarantees, including guarantees of the debt of others.

***Purchase commitments***

At September 30, 2023, RepMar had no purchase commitments for inventories more than normal requirements or at prices that were more than market at those dates.

There were no agreements or commitments to repurchase assets previously sold. There were no material commitments outstanding at September 30, 2023, because of being a party to futures or forwards contracts, short sales or hedge transactions.

***Non-compliance with laws and regulations, including fraud***

We acknowledge that we are responsible to determine that RepMar's business activities are conducted in accordance with laws and regulations and that we are responsible for identifying and addressing any non-compliance with applicable laws or regulations, including fraud.

We acknowledge our responsibility for the design, implementation and maintenance of a system of internal control to prevent and detect fraud.

We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated because of fraud.



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A – Management Representations Letter, continued

***Non-compliance with laws and regulations, including fraud, continued***

We have disclosed to you all significant facts relating to any frauds or suspected frauds, or allegations of fraud known to us that may have affected RepMar (regardless of the source or form and including, without limitation, allegations by “whistle-blowers”), whether involving management or employees who have significant roles in internal control. Similarly, we have disclosed to you our knowledge of frauds or suspected frauds affecting the entity involving others where the fraud could have a material effect on the financial statements. We have also disclosed to you all information in relation to any allegations of fraud or suspected fraud communicated by employees, former employees, analysts, regulators or others, that could affect the financial statements.

We are not aware of any known actual or suspected noncompliance with laws and regulations whose effects should be considered when preparing the financial statements.

***Required supplementary information***

We acknowledge our responsibility for the required supplementary information on the Management’s Discussion and Analysis, and the Schedule of Budget vs. Actual Revenues and Expenditures - General Fund, which have been measured and presented in conformity with the guidelines established by the Governmental Accounting Standards Board in its applicable GASB Statement. There have been no changes in the methods of measurement or presentation of the required supplementary information from those used in the prior period.

We are responsible for the significant assumptions and interpretations underlying the measurement and presentation of the required supplementary information. We believe that the significant assumptions and interpretations used are reasonable.

There have been no changes in the methods of measurement or presentation of the required supplementary information from those used in the prior period.

There are no significant assumptions or interpretations underlying the measurement or presentation of the information.

A – Management Representations Letter, continued

***Supplementary information***

We are responsible for the preparation and fair presentation of the following schedules (the “Other Supplementary Information”) and its form and content in conformity with GASB:

- Governmental Funds - Combining Schedule of Expenditures By Account
- Governmental Funds - Combining Schedule of Revenues
- General Fund - Combining Balance Sheet
- General Fund - Combining Statement of Revenues, Expenditures by Function, and Changes in Fund Balances (Deficit)
- Grants Assistance Fund - Combining Balance Sheet
- Grants Assistance Fund - Combining Statement of Revenues, Expenditures by Function, and Changes in Fund Balances
- Nonmajor Governmental funds: Special Revenue Funds - Combining Balance Sheet
- Nonmajor Governmental funds: Special Revenue Funds - Combining Statement of Revenues, Expenditures by Function, and Changes in Fund Balances (Deficit)
- Fiduciary Funds: Private Purpose Trust Funds - Combining Statement of Fiduciary Net Position
- Fiduciary Funds: Private Purpose Trust Funds - Combining Statement of Changes in Fiduciary Net Position
- Fiduciary Funds: Custodial Funds - Combining Statement of Fiduciary Net Position
- Fiduciary Funds: Custodial Funds - Combining Statement of Changes in Fiduciary Net Position
- Nonmajor Component Units - Combining Statement of Net Position
- Nonmajor Component Units - Combining Statement of Revenues, Expenses, and Changes in Net Position
- Compact of Free Association Sector Grants - Combining Balance Sheet
- Compact of Free Association Sector Grants - Combining Statement of Revenues, Expenditures by Function, and Changes in Fund Balances

We believe the supplementary information, including its form and content, is fairly stated in all material respects in conformity with GASB.

There have been no changes in the methods of measurement or presentation of the supplementary information from those used in the prior period.

There are no significant assumptions or interpretations underlying the measurement or presentation of the information.



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A – Management Representations Letter, continued

***Independence***

We have communicated to you the names of RepMar’s affiliates, as described in the AICPA Code of Professional Conduct ET section 1.224.020 *State and Local Government Client Affiliates*, officers and directors, or individuals who serve in such capacity for the RepMar.

We are not aware of any business relationship between RepMar and Ernst & Young LLP or any other member firm of the global Ernst & Young organization (any of which, an “EY Firm”), other than one pursuant to which an EY Firm performs professional.

We are not aware of any reason that Ernst & Young LLP would not be independent for purposes of RepMar’s audit.

***Conflicts of interest***

There are no instances where any officer or employee of RepMar has an interest in a company with which RepMar does business that would be considered a “conflict of interest.”- Such an interest would be contrary to RepMar’s policy.

***Going concern***

In preparing the financial statements, we evaluated RepMar’s ability to continue as a going concern for twelve months after the date that the financial statements are issued, and provide appropriate financial statement disclosure, as necessary under GASB requirements.

***Additional representations***

- We recognize that we are responsible for RepMar’s compliance with the laws, regulations, provisions of contracts and grant agreements that are applicable to it. We have identified and disclosed to your representatives all laws, regulations, provisions of contracts and grant agreements that have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- We have identified to your representatives all previous audits, attestation engagements, and other studies related to the audit objectives and whether the related recommendations have been implemented.
- We have informed you of any investigations or legal proceedings that have been initiated or are in process with respect to the period under audit.
- We have a process to track the status of audit findings and recommendations.
- We have provided views on your reported findings, conclusions, and recommendations, as well as management’s planned corrective actions, for the report.

***Additional representations, continued***

- We have taken timely and appropriate steps to remedy noncompliance with provisions of laws, regulations, and contracts or grant agreements that you have reported.



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A – Management Representations Letter, continued

- We have identified and disclosed to you all provisions of laws and regulations that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds. We have identified and disclosed to you all instances of identified or suspected noncompliance with laws, regulations, and provisions of contracts and grant agreements where the noncompliance could have a direct and material effect on the financial statements.
- We have followed all applicable laws and regulations in adopting, approving and amending budgets, deposits and investments, including collateral requirements on depository accounts and investments.
- The financial statements include all fiduciary activities as required by GASB Statement No. 84.
- There have been no instances of abuse that have occurred or are likely to have occurred that could be quantitatively or qualitatively material to the financial statements.
- Components of net position (net investment in capital assets; restricted; and unrestricted) are properly classified and, if applicable, approved.
- Risk disclosures associated with deposits and investment securities are presented in accordance with GASB requirements.
- Investments are properly valued.
- Capital assets are properly capitalized, reported and, if applicable, depreciated.
- Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available is appropriately disclosed and net position was properly recognized under the policy.
- RepMar has obligated, expended, received and used public funds in accordance with the purpose for which such funds have been appropriated or otherwise authorized by Marshall Islands or federal law. Such obligation, expenditure, receipt or use of public funds was in accordance with any limitations, conditions or mandatory directions imposed by Marshall Islands or federal law.



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A – Management Representations Letter, continued

***Additional representations, continued***

- Money or similar assets handled by the Republic of the Marshall Islands or Federal Government have been properly and legally administered and the accounting and recordkeeping related thereto is proper, accurate and in accordance with law.
- Subsequent events have been evaluated and classified as recognized or nonrecognized through the date of this letter.

***Other matters***

We have received a draft copy of our financial statements as of and for the year ended September 30, 2023. The accuracy and completeness of the financial statements, including footnote disclosures, are our responsibility.

You have assisted in the preparation of our financial statements based on information in our trial balance and accounting records. It is our understanding that:

- Our underlying books and records are maintained by our accounting department and that the final trial balance prepared by us is complete and,
- All adjusting journal entries posted to the trial balance have been approved by us, and
- We have designated a competent representative to oversee your services and that our personnel have sufficient financial competence who are able to challenge and review the completeness and accuracy of the financial statements, including footnote disclosures.

We have reviewed the draft financial statements for accuracy and completeness.

We acknowledge that we have reviewed them and taken responsibility for them.

***Subsequent events***

Subsequent to September 30, 2023, no events or transactions have occurred or are pending that would have a material effect on the basic financial statements at that date or for the period then ended, or that are of such significance in relation to RepMar's affairs to require mention in a note to the basic financial statements in order to make them not misleading regarding the financial position, changes in financial position and, where applicable, cash flows of RepMar, except for the matters disclosed in the footnotes to the financial statements.

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A – Management Representations Letter, continued

We understand that your audit was conducted in accordance with auditing standards generally accepted in the United States of America as established by the American Institute of Certified Public Accountants and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America and was, therefore, designed primarily for the purpose of expressing an opinion on the basic financial statements of RepMar, and that your tests of the accounting records and other auditing procedures were limited to those that you considered necessary for that purpose.

Very truly yours,



\_\_\_\_\_  
Ayako Yamaguchi-Eliou  
Secretary  
Ministry of Finance



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A – Management Representations Letter, continued

Republic of the Marshall Islands  
 Letter of Representations

January 29, 2026

APPENDIX A - Schedule of Corrected Misstatements

Communication schedule for corrected misstatements

Entity: REPMAR - Govt Wide Period ended: 30-Sep-2023 Currency: USD

Corrected misstatements		Analysis of misstatements Debit/(Credit)								Income statement effect of the current period	
No.	W/P ref.	Account	Assets Current	Assets Non-current	Liabilities Current	Liabilities Non-current	Equity components	Effect on the current period OCI			
(misstatements are recorded as journal entries with a description)			Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Non taxable
AJE 1	Q.01.1	To adjust ADB loans payable for SDR currency exchange loss Amount to be provided ADB Loans Payable			(261,968)		261,968				
AJE 2	KG1	To record disposal of V7AB transmitter antennae Accumulated depreciation - Heavy equipment Heavy equipment		76,750 (76,750)							
AJE 3	KG1	To adjust depreciation expense Depreciation expense Accumulated depreciation - Buildings Accumulated depreciation - Software	(167,124) (263,143)							430,267	X
AJE 4	KG1	To record acquisition of Japan embassy building Buildings Investment in capital assets	2,841,129				(2,841,129)				
AJE 5	KG1	To record new Ministry of Finance FMIS - Bisan System Software Investment in capital assets	2,631,428				(2,631,428)				
AJE 6	LR-B.1	To record new GASB 87 lease assets and liabilities RTU assets Investment in RTU assets Lease liabilities Amount to be provided-RTU assets	1,125,339		(1,125,339)			(1,125,339)			
<b>Total of corrected misstatements before income tax</b>			6,167,629	0	(1,387,307)	0	(5,210,589)	0		430,267	
Financial statement amounts			336,480,856	0	(110,239,196)	0	(226,241,660)			(31,643,488)	
Effect of corrected misstatements on F/S amounts			1.8%	0.0%	1.3%	0.0%	2.3%			-1.4%	

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APPENDIX A - Schedule of Corrected Misstatements, Continued

Communication schedule for corrected misstatements

Entity: REPMAR - General Fund Period ended: 30-Sep-2023 Currency: USD

Corrected misstatements		Analysis of misstatements Debit/(Credit)							
No.	W/P ref.	Account	Assets Current	Assets Non-current	Liabilities Current	Liabilities Non-current	Equity components	Effect on the current period OCI	Income statement effect of the current period
(misstatements are recorded as journal entries with a description)			Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit) Non-taxable
AJE 1	FS 02b)	To correct PSS Education Fund beginning fund balance							
		Fund Balance - Undesignated					234,396		
		Encumbrances					538,742		
		A/P - Suppliers			(773,138)				
AJE 2	E1.00	To correct accrued ROC budgetary support revenue							
		A/R - ROC Grants	1,000,000						
		Foreign Operating Grants						(1,000,000)	X
AJE 3	P2.00	To recognize GASB 33 revenue (contribution from MIMRA)							
		Deferred Revenue			3,000,000				
		MIMRA Contribution						(3,000,000)	X
AJE 4	KG1	To correct prepayment and recognize expenditure for purchase of Japan embassy building							
		Building and Improvements - Capitalized						2,841,129	X
		Prepayments - Majuro	(2,841,129)						
RJE 1	UE1.00	To correct transfer in from the Compact Trust Fund D Account							
		ROC Contrib. - Trust Fund						2,000,000	
		Interfund Transfer In						(2,000,000)	
<b>Total of corrected misstatements before income tax</b>			<b>(1,841,129)</b>	<b>0</b>	<b>2,226,862</b>	<b>0</b>	<b>773,138</b>	<b>0</b>	<b>(1,158,871)</b>
Financial statement amounts			61,933,432	0	(36,224,119)	0	(25,709,313)		1,126,715
Effect of corrected misstatements on F/S amounts			-3.0%	0.0%	-6.1%	0.0%	-3.0%		-102.9%

A – Management Representations Letter, continued

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APPENDIX A – Summary of Corrected Misstatements, Continued

Communication schedule for corrected misstatements

Entity: REPMAR - Grants Assistance Fund Period ended: 30-Sep-2023 Currency: USD

Corrected misstatements		Analysis of misstatements Debit/(Credit)								
No.	W/P ref.	Account	Assets Current	Assets Non-current	Liabilities Current	Liabilities Non-current	Equity components	Effect on the current period OCI	Income statement effect of the current period	
(misstatements are recorded as journal entries with a description)			Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Non taxable
AJE 1	UE2.00	To correct US federal grants revenue and receivables							1,024,067	X
		Direct Operating Grants								
		A/R - Federal Grants	(728,829)							
		Deferred Revenue			(295,238)					
AJE 2	E2.2	To accrue World Bank project P160910 expenditure							210,200	X
		Contractual Services								
		A/P - Suppliers			(210,200)					
AJE 3	E2.2	To accrue World Bank project revenue								
		Non Fed/ Other Grants A/R	3,258,148							
		Foreign Operating Grants							(3,258,148)	X
RJE 1	JE.02	To correct beginning fund balance						232,771		
		Fund Balance - Undesignated								
		Due to/from Other Funds	(232,771)							
		Fund Balance - Undesignated						171,101		
		Due to/from Other Funds	(171,101)							
		Due to/from Other Funds	403,872							
		Fund Balance - Undesignated						(403,872)		
RJE 2	IA1b.01	To reclassify payments to the National Training Fund								
		Interfund Transfer Out							200,000	
		Transfer To Government Autonomous Agencies-Current							(200,000)	
RJE 3	IA1b.01	To reclassify payments to the Education Fund								
		Interfund Transfer Out							622,100	
		Contractual Services							(622,100)	
<b>Total of corrected misstatements before income tax</b>			2,529,319	0	(505,438)	0	0	0	(2,023,881)	
<b>Financial statement amounts</b>			49,482,188	0	(28,629,394)	0	(20,852,794)		(6,504,760)	

Communication schedule for corrected misstatements

Entity: REPMAR - Grants Assistance Fund Period ended: 30-Sep-2023 Currency: USD

Corrected misstatements		Analysis of misstatements Debit/(Credit)								
No.	W/P ref.	Account	Assets Current	Assets Non-current	Liabilities Current	Liabilities Non-current	Equity components	Effect on the current period OCI	Income statement effect of the current period	
(misstatements are recorded as journal entries with a description)			Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Non taxable
<b>Effect of corrected misstatements on F/S amounts</b>			5.1%	0.0%	1.8%	0.0%	0.0%		31.1%	

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APPENDIX A – Summary of Corrected Misstatements, Continued

Communication schedule for corrected misstatements

Entity: REPMAR - Compact Trust Fund Period ended: 30-Sep-2023 Currency: USD

Corrected misstatements			Analysis of misstatements Debit/(Credit)							
No.	WP ref.	Account	Assets Current	Assets Non-current	Liabilities Current	Liabilities Non-current	Equity components	Effect on the current period OCI	Income statement effect of the current period	
		(misstatements are recorded as journal entries with a description)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Non taxable
A/JE	HD1	To correct overstatement of Compact Trust Fund Investment balance as of 9/30/2023 due to FY2022 adjusting entries reflected in current year								
		Other Charges & Expenses							395,121	X
		Trust Fund- FHB	(395,121)							
<b>Total of corrected misstatements before income tax</b>			<b>(395,121)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>395,121</b>	
<b>Financial statement amounts</b>			<b>110,922,230</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(110,922,230)</b>		<b>(17,160,080)</b>	
<b>Effect of corrected misstatements on F/S amounts</b>			<b>-0.4%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>		<b>-2.3%</b>	

A – Management Representations Letter, continued

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APPENDIX A – Summary of Corrected Misstatements, Continued

Communication schedule for corrected misstatements

Entity: REPMAR - Remaining Fund Information

Period ended: 30-Sep-2023

Currency: USD

Corrected misstatements		Analysis of misstatements Debit/(Credit)							
No.	W/P ref.	Account	Assets Current	Assets Non-current	Liabilities Current	Liabilities Non-current	Equity components	Effect on the current period OCI	Income statement effect of the current period
(misstatements are recorded as journal entries with a description)			Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit) Non taxable
RJE 1	FS 05b	NTF - To reclassify opening fund balance							
		Owners Equity					30,530		
		Expenditures - Capital Outlays							(30,530)
RJE 2	FS 05b	NTF - To correct transfer in							
		NTC Fund Income							454,444
		Transfer In							(454,444)
RJE 3	IA1b 01	To reclassify payments to the National Training Council							
		Interfund Transfer Out							254,444
		Transfer To Government Autonomous Agencies-Current							(254,444)
<b>Total of corrected misstatements before income tax</b>			0	0	0	0	30,530	0	(30,530)
<b>Financial statement amounts</b>			129,467,557	0	(7,439,657)	0	(122,027,900)		(12,190,348)
<b>Effect of corrected misstatements on F/S amounts</b>			0.0%	0.0%	0.0%	0.0%	0.0%		0.3%

A – Management Representations Letter, continued

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APPENDIX B - Schedule of Uncorrected Misstatements

Communication schedule for uncorrected misstatements

Entity:		Period Ended:		Currency:								
REPMAR - Govt Wide		30-Sep-2023		USD								
Uncorrected misstatements			Analysis of misstatements Debit/(Credit)								Income statement effect of the prior period	
No.	WIP ref.	Account (Note 1) (misstatements are recorded as journal entries with a description )	Assets	Assets	Liabilities	Liabilities	Equity	Effect on the current period OCI	Income statement effect of the current period		Prior period Debit/(Credit)	Non taxable
			Current	Non-current	Current	Non-current	components		Debit/(Credit)	Non taxable		
			Debit/(Credit) (Note 2)	Debit/(Credit) (Note 2)	Debit/(Credit) (Note 2)	Debit/(Credit) (Note 2)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Non taxable		
<b>Factual misstatements:</b>												
SAD 01	Q.4c.1	To correct accrued annual leave										
		Accrued Leave			532,597							
		Amount to be provided for debt service						(532,597)				
SAD 05	G.04	To correct understatement of expenditures and revenues due to unrecorded embassy imprest account transactions										
		Expenditures								458,700	X	
		Revenues - Other								(458,700)	X	
SAD 05	G.02.2	To reverse stale checks not cleared as of year-end and restore cash balance accordingly. Checks were issued over 6 months prior to YE and are considered void.										
		Cash	154,675									
		Accounts Payable (or Other Liability or Expenses)			(154,675)							
SAD 04	N.01c	To recognize ADB grant revenue and correct accounts payable										
		Accounts payable			189,780							
		Grant revenue								(189,780)	X	
SAD 04	E2.03	To provide for doubtful federal grants receivable										
		Expenditures										
		Federal grants receivable	(364,069)									
										364,069	X	
SAD 04	UE2.00	To correct federal grants receivable										
		Federal grants receivable	728,829									
		Payable to grantor agency			(728,829)							
SAD 04	VE2	To correct overstatement in non-payroll expenditures improperly recorded during FY2023										
		Fund Balance - Undesignated						606,802				
		Accounts Payable			16,441							
		Subsidies to Public Nonfinancial Corporations								(471,863)	X	
		Contractual Services								(151,580)	X	

A – Management Representations Letter, continued

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APPENDIX B - Schedule of Uncorrected Misstatements, Continued

Communication schedule for uncorrected misstatements

Entity:		Period Ended:		Currency:									
REPMAR - Govt Wide		30-Sep-2023		USD									
No.	W/P ref	Account (Note 1) <small>(misstatements are recorded as journal entries with a description.)</small>	Analysis of misstatements Debit/(Credit)					Effect on the current period OCI Debit/(Credit)	Income statement effect of the current period		Income statement effect of the prior period		
			Assets Current Debit/(Credit) (Note 2)	Assets Non-current Debit/(Credit) (Note 2)	Liabilities Current Debit/(Credit) (Note 2)	Liabilities Non-current Debit/(Credit) (Note 2)	Equity components Debit/(Credit)		Debit/(Credit)	Non taxable	Prior period Debit/(Credit)	Non taxable	
SAD.04	IE2.2	To provide for potentially doubtful WB receivable balance											
GAF		Expenditures						523,825	X				
		Receivable	(523,825)										
SAD.04	FS.07	To correct overstatement in computer software expenditures not incurred during FY2023											
GAF		A/P - Suppliers			306,158								
		Computer Software - Capitalized								(306,158)	X		
SAD.02	VE4	To correct the overstatement of Four Aboll Medical Fund expenditures											
RFI		AR 177 health plan	197,360										
		Contractual services								(197,360)	X		
<b>Total of uncorrected misstatements before income tax</b>			192,970	0	221,478	0	74,305	0	(488,753)				
<b>Total of uncorrected misstatements</b>			192,970	0	221,478	0	74,305	0	(488,753)				
Financial statement amounts			338,480,858	0	(110,239,195)	0	(238,241,600)		(31,843,488)				
Effect of uncorrected misstatements on FIS amounts			0.1%	0.0%	-0.2%	0.0%	0.0%		1.5%			0.9%	
Memo: Total of non-taxable items (marked "X" above)									(488,753)				
Uncorrected misstatements before income tax								1.5%	(488,753)				
Less: Tax effect of misstatements at current year marginal rate								0%	0				
Uncorrected misstatements in income tax									0				
Cumulative effect of uncorrected misstatements after tax but before turnaround								1.5%	(488,753)				
Turnaround effect of prior period uncorrected misstatements									0				
All factual and projected misstatements:									0				
Judgmental misstatements (Note 3):									0				
Cumulative effect of uncorrected misstatements, after turnaround effect								1.5%	(488,753)				
Current year income before tax									(31,843,488)				
Current year income after tax									(31,843,488)				

A – Management Representations Letter, continued

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APPENDIX B - Schedule of Uncorrected Misstatements, Continued

Communication schedule for uncorrected misstatements

Entity: **REPMAR - General Fund**

Period Ended: **30-Sep-2023**

Currency: **USD**

Uncorrected misstatements		Analysis of misstatements Debit/(Credit)								Income statement effect of the prior period		
No.	W/P ref.	Account (Note 1)	Assets Current	Assets Non-current	Liabilities Current	Liabilities Non-current	Equity components	Effect on the current period OCI	Income statement effect of the current period	Non-taxable	Prior period Debit/(Credit)	Non-taxable
		(misstatements are recorded as journal entries with a description.)	Debit/(Credit) (Note 2)	Debit/(Credit) (Note 2)	Debit/(Credit) (Note 2)	Debit/(Credit) (Note 2)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)			
<b>Factual misstatements:</b>												
SAD01	C.04	To correct understatement of expenditures and revenues due to unrecorded embassy imprest account transactions										
		Expenditures							458,700		X	
		Revenues - Other							(458,700)		X	
SAD02	C.02.2	To reverse stale checks not cleared as of year-end and restore cash balance accordingly. Checks were issued over 6 months prior to YE and are considered void.										
		Cash	154,675									
		Accounts Payable (or Other Liability or Expenses)			(154,675)							
<b>Total of uncorrected misstatements before income tax</b>			154,675	0	(154,675)	0	0	0	0	0	0	0
<b>Total of uncorrected misstatements</b>			154,675	0	(154,675)	0	0	0	0	0	0	0
<b>Financial statement amounts</b>			61,933,432		(36,224,119)		(25,709,313)		1,126,715			
<b>Effect of uncorrected misstatements on FIS amounts</b>			0.2%	0.0%	0.4%	0.0%	0.0%		0.0%			
<b>Memo: Total of non-taxable items (marked 'X' above)</b>												
Uncorrected misstatements before income tax									0.0%	0		0
Less: Tax effect of misstatements at current year marginal rate									0%	0		0
Uncorrected misstatements in income tax										0		0
Cumulative effect of uncorrected misstatements after tax but before turnaround									0.0%	0		0
<b>Turnaround effect of prior period uncorrected misstatements</b>												
									After tax		Memo: Before tax	
All factual and projected misstatements:									0		0	
Judgmental misstatements (Note 3):									0		0	
Cumulative effect of uncorrected misstatements, after turnaround effect									0.0%	0		0
Current year income before tax										1,126,715		
Current year income after tax										1,126,715		

A – Management Representations Letter, continued

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APPENDIX B - Schedule of Uncorrected Misstatements, Continued

Communication schedule for uncorrected misstatements

Entity: REPMAR - Grants Assistance Fund Period Ended: 30-Sep-2023 Currency: USD

Uncorrected misstatements		Analysis of misstatements Debit/(Credit)								Income statement effect of the current period		Income statement effect of the prior period	
No.	W/P ref	Account (Note 1)	Assets Current	Assets Non-current	Liabilities Current	Liabilities Non-current	Equity components	Effect on the current period OCI	Debit/(Credit)	Debit/(Credit)	Non taxable	Prior period Debit/(Credit)	Non taxable
		(misstatements are recorded as journal entries with a description )	Debit/(Credit) (Note 2)	Debit/(Credit) (Note 2)	Debit/(Credit) (Note 2)	Debit/(Credit) (Note 2)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)			
<b>Factual misstatements:</b>													
SAD 1	N.01c	To recognize ADB grant revenue and correct accounts payable			189,786								
		Accounts payable											
		Grant revenue							(189,786)		X		
SAD 2	E2.03	To provide for doubtful federal grants receivable								364,069		X	
		Expenditures											
		Federal grants receivable	(364,069)										
SAD 3	UE2.00	To correct federal grants receivable		728,829		(728,829)							
		Federal grants receivable		728,829		(728,829)							
		Payable to grantor agency											
SAD 4	VE2	To correct overstatement in non-payroll expenditures improperly recorded during FY2023						606,902					
		Fund Balance - Undesignated						606,902					
		Accounts Payable			16,441								
		Subsidies to Public Nonfinancial Corporations								(471,663)		X	
		Contractual Services								(151,680)		X	
SAD 5	E2.2	To provide for potentially doubtful WB receivable balance								523,825		X	
		Expenditures								523,825		X	
		Receivable	(523,825)										
SAD 6	FS.07	To correct overstatement in computer software expenditures not incurred during FY2023			366,158								
		A/P - Suppliers			366,158								
		Computer Software - Capitalized								(366,158)		X	
<b>Total of uncorrected misstatements before income tax</b>			(159,065)	0	(156,444)	0	606,902	0	(291,393)			0	
<b>Total of uncorrected misstatements</b>			(159,065)	0	(156,444)	0	606,902	0	(291,393)			0	
<b>Financial statement amounts</b>			49,482,188		(28,829,394)		(20,852,794)		(6,504,760)			0	
<b>Effect of uncorrected misstatements on FIS amounts</b>			-0.3%	0.0%	0.5%	0.0%	-2.9%		4.5%			0.0%	

A – Management Representations Letter, continued

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APPENDIX B - Schedule of Uncorrected Misstatements, Continued

Communication schedule for uncorrected misstatements

Uncorrected misstatements			Analysis of misstatements Debit/(Credit)							Income statement effect of the prior period		
No.	W/P ref.	Account (Note 1)	Assets Current	Assets Non-current	Liabilities Current	Liabilities Non-current	Equity components	Effect on the current period OCI	Income statement effect of the current period	Non taxable	Prior period Debit/(Credit)	Non taxable
(misstatements are recorded as journal entries with a description )			Debit/(Credit) (Note 2)	Debit/(Credit) (Note 2)	Debit/(Credit) (Note 2)	Debit/(Credit) (Note 2)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)		
Memo: Total of non-taxable items (marked 'X' above)										(291,393)		0
Uncorrected misstatements before income tax								4.5%	(291,393)			0
Less: Tax effect of misstatements at current year marginal rate								0%	0			0
Uncorrected misstatements in income tax									0			0
Cumulative effect of uncorrected misstatements after tax but before turnaround								4.5%	(291,393)			0
Turnaround effect of prior period uncorrected misstatements												
All factual and projected misstatements:										After tax		Memo: Before tax
Judgmental misstatements (Note 3):										0		0
Cumulative effect of uncorrected misstatements, after turnaround effect								4.5%	(291,393)			
Current year income before tax												(6,504,760)
Current year income after tax												(6,504,760)

A – Management Representations Letter, continued

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APPENDIX B - Schedule of Uncorrected Misstatements, Continued

Communication schedule for uncorrected misstatements

Communication schedule for uncorrected misstatements												
Entity:		REPMAR - Component Units		Period Ended:		30-Sep-2023		Currency:		USD		
No.	W/P ref.	Account (Note 1) <small>(misstatements are recorded as journal entries with a description)</small>	Analysis of misstatements Debit/(Credit)					Effect on the current period OCI	Income statement effect of the current period		Income statement effect of the prior period	
			Assets Current Debit/(Credit) (Note 2)	Assets Non-current Debit/(Credit) (Note 2)	Liabilities Current Debit/(Credit) (Note 2)	Liabilities Non-current Debit/(Credit) (Note 2)	Equity components Debit/(Credit)		Debit/(Credit)	Non taxable	Prior period Debit/(Credit)	Non taxable
<b>Factual misstatements:</b>												
SAD 06 MISSA		To record the unrecorded contribution from private employees in prior year										
		Accrued Contribution Receivable										(848,354)
		Fund Balance										
<b>Judgmental misstatements:</b>												
SAD 06 MEC		To reverse excess allowance for doubtful accounts as of September 30, 2023										
		Accounts receivables, net	739,603									
		Other utility operating revenues								(739,603)	X	
SAD 06 MICB		To record additional provision for loan										
		Provision for loan losses								1,630,000	X	440,000
		Allowance for loan losses	(1,630,000)									
<b>Total of uncorrected misstatements before income tax</b>			<b>(890,397)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>890,397</b>		<b>(408,354)</b>
<b>Total of uncorrected misstatements</b>			<b>(890,397)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>890,397</b>		<b>(408,354)</b>
<b>Financial statement amounts</b>			<b>279,025,812</b>	<b>0</b>	<b>(82,086,196)</b>	<b>0</b>	<b>(212,039,018)</b>	<b>0</b>	<b>0</b>	<b>(13,224,822)</b>		<b>(921,295)</b>
<b>Effect of uncorrected misstatements on FIS amounts</b>			<b>-0.3%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>-6.7%</b>		<b>44.1%</b>
<b>Memo: Total of non-taxable items (marked 'X' above)</b>										<b>890,397</b>		<b>0</b>
<b>Uncorrected misstatements before income tax</b>									<b>-6.7%</b>	<b>890,397</b>		<b>(408,354)</b>
<b>Less: Tax effect of misstatements at current year marginal rate</b>									<b>0%</b>	<b>0</b>		<b>0</b>
<b>Uncorrected misstatements in income tax</b>										<b>0</b>		<b>0</b>
<b>Cumulative effect of uncorrected misstatements after tax but before turnaround</b>									<b>-6.7%</b>	<b>890,397</b>		<b>(408,354)</b>
<b>Turnaround effect of prior period uncorrected misstatements</b>												
<b>All factual and projected misstatements:</b>										<b>After tax</b>		<b>Memo: Before tax</b>
<b>Judgmental misstatements (Note 3):</b>										<b>848,354</b>		<b>848,354</b>
<b>Cumulative effect of uncorrected misstatements, after turnaround effect</b>									<b>-9.8%</b>	<b>1,296,751</b>		<b>0</b>
<b>Current year income before tax</b>										<b>(13,224,822)</b>		
<b>Current year income after tax</b>										<b>(73,724,820)</b>		

A – Management Representations Letter, continued

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APPENDIX B - Schedule of Uncorrected Misstatements, Continued

Communication schedule for uncorrected misstatements

Entity:		REPMAR - Remaining Fund Information		Period Ended:		30-Sep-2023		Currency:		USD		
Uncorrected misstatements			Analysis of misstatements Debit/(Credit)								Income statement effect of the prior period	
No.	WP ref.	Account (Note 1)	Assets Current	Assets Non-current	Liabilities Current	Liabilities Non-current	Equity components	Effect on the current period OCI	Income statement effect of the current period		Prior period Debit/(Credit)	Non taxable
(misstatements are recorded as journal entries with a description )			Debit/(Credit) (Note 2)	Debit/(Credit) (Note 2)	Debit/(Credit) (Note 2)	Debit/(Credit) (Note 2)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Non taxable	
<b>Factual misstatements:</b>												
SAD 01	VE4	To correct the overstatement of Four Atoll Medical Fund expenditures										
		A/R 177 health plan	197,360									
		Contractual services								(197,360)	X	
<b>Total of uncorrected misstatements before income tax</b>			197,360	0	0	0	0	0	0	(197,360)		0
<b>Total of uncorrected misstatements</b>			197,360	0	0	0	0	0	0	(197,360)		0
<b>Financial statement amounts</b>			329,467,557	(7,438,657)	(122,027,800)					(12,190,348)		0
<b>Effect of uncorrected misstatements on FIS amounts</b>			0.2%	0.0%	0.0%	0.0%	0.0%			1.6%		0.0%
<b>Memo: Total of non-taxable items (marked 'X' above)</b>										(197,360)		0
<b>Uncorrected misstatements before income tax</b>									1.6%	(197,360)		0
<b>Less: Tax effect of misstatements at current year marginal rate</b>									0%	0		0
<b>Uncorrected misstatements in income tax</b>										0		0
<b>Cumulative effect of uncorrected misstatements after tax but before turnaround</b>									1.6%	(197,360)		0
<b>Turnaround effect of prior period uncorrected misstatements</b>												0
<b>All factual and projected misstatements:</b>										0		0
<b>Judgmental misstatements (Note 3):</b>										0		0
<b>Cumulative effect of uncorrected misstatements, after turnaround effect</b>									1.6%	(197,360)		0
<b>Current year income before tax</b>										(12,190,348)		0
<b>Current year income after tax</b>										(12,190,348)		0

A – Management Representations Letter, continued

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APPENDIX B - Schedule of Uncorrected Misstatements, Continued

Schedule of misstatements in disclosures

Entity:

Period ended:

Currency:

We accumulate all misstatements in disclosures that merit the attention of those charged with governance. (Note 1)			
No.	FN reference	Description of misstatements in disclosures	Evaluation of and conclusion on effect of the uncorrected misstatements in disclosures.

Uncorrected misstatements in disclosures:

MINTA	FS Note 9	No disclosure for related party transactions for revenue	GASBS 62, paragraph 55, as amended by GASBS 63, paragraph 8	Included by engagement team as part of Management letter comments
MAWC	FS Note 2	No disclosure for leases	GASBS 87, leases	Management did not recognize GASB 87 impact as the total impact was \$28,484, which is below our threshold
OCIT	FS Note 2	No disclosure for leases	GASBS 87, leases	Management did not recognize GASB 87 impact as the total impact was below our threshold.

Corrected misstatements in disclosures:

		None noted		

(Note 1) We communicate misstatements in disclosures that merit the attention of those charged with governance based on our professional judgment. We include these items as an attachment to other misstatements communicated. An automated function to generate communications is not available on this tab as we need to consider how best to communicate each item.