



BDO Dunwoody LLP
Chartered Accountants
and Consultants

Suite 300
301 First Avenue South
Kenora Ontario Canada P9N 4E9
Telephone: (807) 468-5531
Telefax: (807) 468-9774

Auditors' Comments on Supplementary Financial Information

**To the Chief and Council
Naoakamegwaning First Nation**

We have audited, in accordance with Canadian generally accepted auditing standards, the consolidated financial statements of the Naoakamegwaning First Nation. The audited consolidated financial statements of the organization as at March 31, 2002 and our report thereon dated July 31, 2002, are presented in the preceding section of this annual report.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements for Naoakamegwaning First Nation taken as a whole. The financial information presented hereinafter was derived from the accounting records and is presented for purposes of additional analysis in accordance with the Indian and Northern Affairs Canada Year End Reporting Handbook (January 2001 release) and is not a required part of the basic financial statements. Such information tested by us as part of the auditing procedures followed in our examination of the financial statements, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

This information is intended solely for the information of Council, management, and others who have previously received the consolidated financial statements of Naoakamegwaning First Nation as at, and for the year ended March 31, 2002, and our qualified opinion thereon, for use in evaluating those consolidated financial statements and should not be used for any other purpose.

Chartered Accountants

Kenora, Ontario
July 31, 2002

Naotkamegwanning First Nation
Schedule of Federal Government Funding

For the year ended March 31	2002		2001				
	Federally Funded Programs and Services Directly Funded by the Government of Canada	Federal Funding Received	Unexpended Funding Start of Year	Adjustments	Total Funding Available	Funding Expended	Unexpended Funding End of Year
INAC							
Elementary/Secondary Education	\$ 2,069,300	\$ -	\$ -	\$ -	\$ 2,069,300	\$ 2,069,300	\$ -
Post Secondary Education	554,700	-	-	-	554,700	540,062	14,638
Economic Development	23,000	-	-	-	23,000	23,000	-
Indian Government Support	723,674	-	-	-	723,674	723,674	-
Lands and Trusts	26,300	-	-	-	26,300	9,640	16,660
Community Infrastructure	871,811	-	-	-	871,811	871,811	-
Housing	374,400	-	-	-	374,400	374,400	-
Social Assistance	150,900	-	-	-	150,900	150,900	-
Social Support Services	358,600	-	-	-	358,600	358,600	-
Health Canada							
Community Health Services	908,250	-	-	-	908,250	908,250	-
Non-Insured Health Benefits	139,026	-	-	-	139,026	139,026	-
CMHC							
Non-Profit On-Reserve Housing	199,840	-	-	-	199,840	199,840	-
Justice							
	35,207	-	-	-	35,207	35,207	-
Total	\$ 6,435,008	\$ -	\$ -	\$ -	\$ 6,435,008	\$ 6,403,710	\$ 31,298