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## Derivative Report by the Auditor

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### To the Members Batchewana First Nation of Ojibways

We have audited the consolidated financial statements of the Batchewana First Nation of Ojibways as at March 31, 2003 and the consolidated statements of operations and changes in financial position for the year then ended and reported on under date of June 12, 2003.

Pursuant to the requirements of the Department of Indian Affairs Year-end Reporting Handbook dated March, 2002, the Schedules of Federal Government Funding and of Salaries, Honoraria, Travel Expenses and Other Remuneration have been compiled by the management of the Batchewana First Nation of Ojibways from their records. For the purposes of understanding our involvement with these schedules, please note that:

- . We have audited and separately reported on the consolidated financial statements;
- . The audit was conducted for the purposes of forming an opinion on the consolidated financial statements as a whole;
- . The attached schedules are presented for the purposes of additional information to the Members and the Department of Indian Affairs and do not form part of the consolidated financial statements; and
- . These schedules have been subjected to the auditing procedures applied to the audit of the consolidated financial statements taken as a whole.

However, no procedures have been carried out on these schedules of Federal Government Funding and of Salaries, Honoraria, Travel Expenses and Other Remuneration in addition to those necessary to form an opinion on the consolidated financial statements.

This report is to be used solely to satisfy Department of Indian Affairs funding requirements and should not be referred to or used for any other purposes.

Chartered Accountants and Consultants

Sault Ste. Marie, Ontario  
June 12, 2003

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# Batchewana First Nation of Ojibways Schedule of Federal Government Funding

For the year ended March 31, 2003

	Federal Government Contribution	Deferred Revenue (Expense) Apr 1/02	Other Contributions	Total Contributions	Total Expenditures	Ending Deferred Revenue (Expense)	Excess (Deficiency) Revenue / expenses	Due to (from) Federal Government
<b>Indian Affairs</b>								
<b>Elementary/Secondary Education</b>								
Education - Batchewana Band students	\$ 1,460,350	\$ 2,134	-	\$ 1,462,484	\$ 1,453,621	\$ 1,432	\$ 39,866	\$ (32,435)
- Other programs	198,000	24,619	-	222,619	106,510	-	116,109	-
Cultural education	13,700	-	-	13,700	13,700	-	-	-
Other DIA subsidized - Summer careers	10,800	-	-	10,800	9,767	1,033	-	-
<b>Post-Secondary Education</b>								
Education - Batchewana Band students	1,721,300	-	-	1,721,300	1,702,886	-	18,414	-
- Other programs	-	9,663	25,565	35,228	17,740	17,567	(79)	-
<b>Economic Development</b>								
Other DIA Subsidized								
Economic development officer	50,200	23,396	-	73,596	55,213	18,383	-	-
Eastern Yew project	25,000	-	-	25,000	14,688	10,312	-	-
Economic development shares	-	250,000	-	250,000	-	250,000	-	-
O.N.B.P.A.	32,500	-	-	32,500	32,500	-	-	-
<b>Indian Government Support</b>								
BFN government & administration operating budget	527,569	21,228	-	548,797	452,420	20,604	75,773	-
Other DIA subsidized Organizational development	-	33,000	-	33,000	29,469	3,531	-	-
<b>Lands and Trust Services</b>								
Lands, Memberships & Estates	43,900	-	1,510	45,410	35,388	10,022	-	-
<b>Community Infrastructure</b>								
Capital								
Goulais building	116,400	78,600	5,000	200,000	1,901	198,099	-	-
Roads	20,000	5,358	18,020	43,378	40,637	2,741	-	-
Equipment / recreation	-	2,753	-	2,753	-	2,753	-	-
Day Care construction	-	16,870	-	16,870	16,870	-	-	-
CMHC elders complex	19,900	5,000	-	24,900	-	24,900	-	-
Water / sewage facilities survey	283,850	6,260	100,000	390,110	-	390,110	-	-
Municipal servicing	-	23,591	-	23,591	22,308	-	1,283	-
Discretionary	51,200	5,492	-	56,692	45,660	11,032	-	-
Community Services								

Road maintenance	71,300	-	25,787	97,087	121,581	-	(24,494)	-
Water & sanitation	24,400	-	5,000	29,400	32,953	6,348	(9,901)	-
Fire protection	72,100	25,644	-	97,744	65,073	32,671	-	-
Community buildings - administration	26,000	-	2,400	28,400	46,157	-	(17,757)	-
- arena	4,500	-	-	4,500	4,500	-	-	-
- Goulais office	6,500	-	-	6,500	9,206	-	(2,706)	-
Education	-	-	-	-	-	-	-	-
Other programs	-	-	9,184	9,184	52,290	-	(43,106)	-
<b>Housing</b>								
Capital	-	856,233	497,687	1,353,920	713,214	640,706	-	-
New housing project #1	100,000	-	-	100,000	85,903	14,097	-	-
Housing 2002/03	-	-	-	-	(47,128)	47,128	-	-
Renovations 2002/03	-	67,893	26,655	94,548	25,178	69,370	-	-
Housing	-	63,563	20,024	83,587	9,476	74,111	-	-
Renovations	-	-	-	9,500	-	9,500	-	-
Well & septic	9,500	-	-	-	-	-	-	-
<b>Self Government</b>								
Other DIA subsidized	5,000	-	-	5,000	5,000	-	-	-
First Nation Governance	-	-	-	-	-	-	-	-
<b>Social Assistance</b>	127,500	-	706,102	833,602	842,736	-	14,277	(23,411)
<b>Social Support Services</b>								
Social assistance	13,500	-	44,763	58,263	54,604	-	48	3,611
Child day care	64,300	-	356,064	420,364	403,364	17,000	-	-
Other DIA subsidized	-	-	-	-	-	-	-	-
Band rep	6,322	-	-	6,322	6,322	-	-	-
Family crisis shelter	177,600	29,072	16,437	223,109	208,539	14,570	-	-
<b>Health Canada</b>								
<b>Additions</b>								
Other subsidized	45,225	-	-	45,225	45,225	-	-	-
Addiction and community program	-	-	-	-	-	-	-	-
<b>Capital construction</b>	60,000	-	-	60,000	60,000	-	-	-
Goulais building	-	-	-	-	-	-	-	-
<b>Children</b>								
Other subsidized	11,199	-	-	11,199	11,199	-	-	-
Pre-natal	-	-	-	-	-	-	-	-
<b>Community Health Services</b>								
Other Subsidized	54,850	596	-	55,446	54,850	596	-	-
Health centre	55,626	-	2,076	57,702	55,626	2,076	-	-
Community health worker	44,582	-	-	44,582	44,582	-	-	-
Mental health	-	-	-	-	-	-	-	-

Health director	56,203	-	2,000	58,203	56,203	2,000	-
Referral / clinical	32,550	-	-	32,550	32,550	-	-
Brighter futures	83,860	-	-	83,860	83,860	-	-
Medical services nurse	102,211	-	-	102,211	102,211	-	-
Health care community	94,261	1,487	-	95,748	95,748	-	-
Medical transportation	66,587	-	-	66,587	66,587	-	-
Goulais & Obadijwan travel	18,060	24,227	-	42,287	8,443	33,844	-
Medical van operations	50,918	-	-	50,918	45,897	-	5,021
Over the counter medications	5,833	-	-	5,833	5,833	-	-
Green plan summer student	12,200	-	-	12,200	12,200	-	-
<b>Environmental Health</b>							
Other subsidized	22,000	-	-	22,000	10,330	11,670	-
Environmental contaminant							
<b>Justice</b>							
Other subsidized	50,000	-	-	50,000	-	50,000	-
Transitional support worker							
<b>CMHC</b>							
<b>Housing Internship Initiative</b>							
Other subsidized	10,000	-	-	10,000	10,000	-	-
Student Interns							
<b>Non-Profit On-Reserve Housing Program</b>							
Capital							
CMHC elders complex	20,625	-	-	20,625	12,364	8,261	-
Rankin Reserve Community Services Incorporated	106,568	-	213,225	319,793	350,474	-	(30,681)
<b>Shelter Enhancement Program</b>							
Other subsidized	56,000	-	-	56,000	49,799	6,201	-
Crisis Shelter renovations							
	<b>\$ 6,342,549</b>	<b>\$ 1,576,679</b>	<b>\$ 2,077,499</b>	<b>\$ 9,996,727</b>	<b>\$ 7,904,227</b>	<b>\$ 2,002,668</b>	<b>\$ 142,067</b>
							<b>\$ (52,235)</b>