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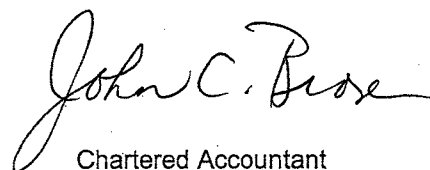
AUDITOR'S COMMENTS ON SUPPLEMENTARY FINANCIAL INFORMATION

To the Chief and Council of
Pikangikum First Nation

I have audited, in accordance with Canadian generally accepted auditing standards, the financial statements of the First Nation. The audited financial statements of the First Nation as at March 31, 2003 and my report thereon dated December 3, 2003, are presented in the preceding section of this annual report.

My audit was conducted for the purpose of forming an opinion on the financial statements for Pikangikum First Nation taken as a whole. The financial information presented thereafter 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 and is not a required part of the basic financial statements. In my opinion such information tested by me as part of the auditing procedures followed in my examination of the financial statements, is fairly presented in all material respects in relation to the financial statements taken as a whole.

Kenora, Ontario
December 3, 2003


Chartered Accountant

PIKANGIKUM FIRST NATION
Schedule of Federal Government Funding
YEAR ENDED MARCH 31, 2003

Federally funded Programs and Services Directly Funded by the Government of Canada	Federal Funding Received	Unexpended Funding Beginning of Year	Adjustments	Total Funding Available	Total Expenditure from All Sources
<u>INAC</u>					
- Elementary Education	4,680,950			4,680,950	4,059,007
- Economic Development	168,400			168,400	268,244
- Indian Government	963,835			963,835	1,579,350
- Lands and Trust Services	1,900			1,900	1,900
- Community Infrastructure	2,482,200	1,823,007		4,305,207	2,951,996
- Housing	794,600			794,600	825,564
- Social Assistance	684,800			684,800	3,774,371
- Social Support Services	283,500	165,761		449,261	302,176
- Social Assistance and Employment Training	615,995			615,995	615,995
- Other - Student Programs	55,000			55,000	44,059
<u>Health Canada</u>					
- Addictions	32,822	30,960		63,782	32,964
- Community Health Services	354,630			354,630	346,153
- Non-insured Health Benefits	317,192			317,192	272,071
- Capital Construction	351,543	207,479		559,022	463,068
<u>CMHC</u>					
<u>HRDC</u>					
<u>Fisheries and Oceans</u>					
<u>Canadian Heritage</u>					
<u>Solicitor General</u>					
<u>Industry Canada</u>					
<u>Natural Resources</u>					
<u>Justice</u>					
<u>Privy Council Office</u>					
<u>National Defence</u>					
Total	11,787,367	2,227,207		14,014,574	15,536,918