

To the Members of Pikangikum First Nation:

We have audited the Schedule of Federal Government Funding of Pikangikum First Nation as at March 31, 2007 in accordance with the Department of Indian and Northern Affairs Canada Year-End Reporting Handbook. This financial information is the responsibility of the First Nation's management. Our responsibility is to express an opinion on this financial information based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial information is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial information. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation.

In our opinion, this schedule presents fairly, in all material respects, all federal government funding received by the First Nation during the year ended March 31, 2007, in accordance with the Department of Indian and Northern Affairs Canada Year-End Reporting Handbook. This financial information is solely for the information and use of the Department of Indian and Northern Affairs Canada. The financial information is not intended to be, and should not be, used by anyone other than the specified users or for any other purpose.

Mayer Norris Penny LLP

Kenora, Ontario

Chartered Accountants

October 24, 2007

Licensed Public Accountants

Pikangikum First Nation
Schedule of Federal Government Funding
For the year ended March 31, 2007

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
INAC						
Band Support	page 21	\$ 846,680.00	\$ -	\$ -	\$ 846,680.00	\$ 1,536,056.00
Indian Registry	page 22	900.00			900.00	900.00
Education - Operations	page 23	5,162,600.00			5,162,600.00	5,195,170.00
Education - Enhanced Teachers Salaries	page 24	316,800.00			316,800.00	336,682.00
Education - Special Education	page 25	360,200.00			360,200.00	360,200.00
Education - New Paths	page 26	47,815.00			47,815.00	47,815.00
Education - Direct Service	page 27	49,000.00			49,000.00	49,030.00
Education - School Transportation	page 28	30,000.00			30,000.00	30,000.00
Student Programs	page 29	29,200.00			29,200.00	27,874.00
Band Employee Benefits	page 30	301,000.00			301,000.00	301,000.00
Economic Development	page 32	728,400.00			728,400.00	1,133,719.00
National Child Benefit	page 33	791,380.00			791,380.00	795,380.00
Social Assistance - Employment and Training	page 36	586,987.00			586,987.00	586,987.00
Social Assistance - Administration	page 37	62,000.00			62,000.00	177,921.00
Social Assistance - Basic Needs	page 38	656,900.00			656,900.00	3,275,363.00
Social Assistance - Special Needs	page 39	23,400.00			23,400.00	131,506.00
Social Assistance - In-Home Care	page 40	9,300.00			9,300.00	116,688.00
Equipment	page 41	1,328,000.00			1,328,000.00	1,328,000.00
Major Renovations	page 42	512,000.00			512,000.00	512,000.00
Electricity	page 61	685,000.00			685,000.00	685,000.00
Public Works - General	page 66	1,656,699.00			1,656,699.00	1,682,607.00
Public Works - Education	page 67	1,189,100.00			1,189,100.00	1,401,562.00
Public Works - Community Buildings	page 68	150,411.00			150,411.00	217,656.00
Public Works - Water and Sewer	page 69	345,300.00			345,300.00	344,532.00
Public Works - Water	page 70	135,963.00			135,963.00	135,963.00
Public Works - Sewer	page 71	202,443.00			202,443.00	202,443.00
Capital Housing	page 80	2,798,000.00	570,700.00		3,368,700.00	566,671.00
Emergency Water and Sewer	page 81	740,000.00			740,000.00	740,005.00
Temporary Classroom	page 82	0.00	80,292.00		80,292.00	23,200.00
Total INAC funding		\$19,745,478.00	\$ 650,992.00	\$ -	\$20,396,470.00	\$21,941,930.00

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Pikangikum First Nation
Schedule of Federal Government Funding
For the year ended March 31, 2007

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
Health Canada						
Medical Programs	page 43	412,656.00		(2,570.00)	410,086.00	442,004.00
Home and Community Care	page 44	373,376.00			373,376.00	373,376.00
Patient Transportation	page 45	124,606.00			124,606.00	132,329.00
Building Healthy Communities	page 46	230,542.00			230,542.00	230,542.00
Brighter Futures	page 47	133,451.00			133,451.00	138,230.00
Early Child Development	page 48	405,700.00	160,128.00		565,828.00	110,290.00
Native Alcohol and Drug Awareness	page 49	33,807.00			33,807.00	33,821.00
Reinvestment Funding	page 50	89,494.00			89,494.00	89,494.00
New Horizons	page 51	25,000.00	0.00		25,000.00	12,380.00
Nursing Station Addition	page 75		39,072.00		39,072.00	0.00
Total Health Canada funding		1,828,632.00	199,200.00	(2,570.00)	2,025,262.00	1,562,466.00
HRDC	page 62	5,000.00			5,000.00	5,000.00
Industry Canada						
Economic Development	page 32	477,289.00			477,289.00	477,289.00
Computer Lab	page 55	182,363.00			182,363.00	197,678.00
Total Federal funding		\$22,238,762.00	\$ 850,192.00	\$ (2,570.00)	\$23,086,384.00	\$24,184,363.00