



BDO Dunwoody LLP
Chartered Accountants
and Consultants

747 Queen Street East
P.O. Box 1109
Sault Ste. Marie Ontario Canada P6A 5N7
Telephone: (705) 945-0990
Toll Free: 1-800-520-3005
Telefax: (705) 942-7979

Derivative Report by the Auditor

To the Members
Michipicoten First Nation

We have audited the consolidated financial statements of the Michipicoten First Nation as at March 31, 2002 and for the year then ended and reported thereon under date of June 19, 2002.

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 Michipicoten First Nation 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 has been prepared in accordance with the applicable Assurance and Related Services Guideline issued by the Canadian Institute of Chartered Accountants, and 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 19, 2002

Michipicoten First Nation
Schedule of Federal Government Funding

For the year ended March 31, 2002

	Federal Funding Received	Unexpended Funding Beginning of Year	Adjustments	Total Federal Funding Available	Total Expenditures from all Sources	Unexpended Funding End of Year
INAC						
Elementary/secondary education	\$ 242,600	-	\$ -	\$ 242,600	\$ 255,053	\$ -
Post-secondary education	404,500	-	-	404,500	342,602	-
Economic development	17,300	-	-	17,300	48,216	-
Indian government support	179,744	-	-	179,744	279,616	-
Community infrastructure	93,212	63,035	14,326	170,573	267,699	-
Housing	156,300	86,800	(14,326)	228,774	228,815	-
Summer employment	7,600	-	-	7,600	29,396	-
Resource access negotiations	-	22,370	-	22,370	13,517	8,853
Other	-	261,667	-	261,667	6,009	255,658
Health Canada						
Children	1,783	2,381	-	4,164	4,164	-
Chronic diseases	5,860	-	-	5,860	5,860	-
Community health services	65,188	105,216	-	170,404	124,523	45,881
Environmental health	24,000	-	-	24,000	-	24,000
Non-insured health benefits	25,340	-	-	25,340	25,310	-
CMHC						
Non-profit on-reserve housing	1,341,495	-	-	1,341,495	785,798	755,697
RRAP - homeowner & disabled programs	3,195	-	-	3,195	3,195	-
Industry Canada						
	86,140	-	-	86,140	103,908	-
Total	\$ 2,654,257	\$ 541,469	\$ -	\$ 3,195,726	\$ 2,523,681	\$ 1,090,089