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Driving growth

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Auditors' Report

To the Members Michipicoten First Nation

We have audited the consolidated balance sheet of Michipicoten First Nation as at March 31, 2007 and the consolidated statements of operations and deficit, cash flows and investment in capital assets for the year then ended. These financial statements are the responsibility of the First Nation's management. Our responsibility is to express an opinion on these financial statements 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 statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Michipicoten First Nation as at March 31, 2007 and the results of its operations, cash flows and investment in capital assets for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants, Licensed Public Accountants

Sault Ste. Marie, Ontario
May 17, 2007

Michipicoten First Nation
Schedule of Federal Government Funding

For the year ended March 31, 2007

	Federal Funding Received	Unexpended Funding Beginning of Year	Adjustments	Total Federal Funding Available	Total Expenditures from all Sources
INAC					
Elementary/secondary education	\$ 203,015	\$ 43,420	\$ -	\$ 246,435	\$ 232,634
Post-secondary education	454,250	-	-	454,250	465,952
Economic development	142,000	126,012	-	268,012	733,034
Indian government support	222,919	-	-	222,919	289,856
Community infrastructure	259,718	59,353	-	319,071	313,714
Housing and discretionary capital	58,057	-	-	58,057	68,419
	1,339,959	228,785	-	1,568,744	2,103,609
Other federal funding					
Health Canada integrated health services	111,838	-	-	111,838	123,182
Funding services for land claims	586,028	-	-	586,028	632,776
CMHC rental operations	93,521	-	-	93,521	183,265
	791,387	-	-	791,387	939,223
Total	\$ 2,131,346	\$ 228,785	\$ -	\$ 2,360,131	\$ 3,042,832