



Photo: Lee Narraway



AUDITORS' REPORT TO THE TRUSTEES

We have audited the balance sheet of Nunavut Trust as at December 31, 2001 and the statements of revenue and expenditure, capital and cash flows for the year then ended. These financial statements are the responsibility of the Trust'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 financial statements present fairly, in all material respects, the financial position of the Trust as at December 31, 2001 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP

Chartered Accountants

Ottawa, Canada

March 9, 2002

Balance Sheet

December 31, 2001, with comparative figures for December 31, 2000

	2001	2000
Assets		
Invested assets:		
Cash and treasury bills (note 2)	\$ 32,522,681	\$ 60,868,123
Investments (note 3)	677,494,329	620,999,566
	710,017,010	681,867,689
Accrued investment income	3,589,119	4,499,898
Amounts receivable (note 4)	191,349	90,930
Fixed assets (note 5)	131,816	150,537
	\$ 713,929,294	\$ 686,609,054
Liabilities and Capital		
Current liabilities:		
Accrued liabilities	\$ 863,774	\$ 619,458
Due to beneficiaries (note 6)	19,034,207	44,414,356
	19,897,981	45,033,814
Capital (note 7)	694,031,313	641,575,240
Commitments (note 9)		
	\$ 713,929,294	\$ 686,609,054

See accompanying notes to financial statements.

Statement of Revenue and Expenditure

Year ended December 31, 2001, with comparative figures for 2000

	2001	2000
Revenue		
Interest	\$ 17,871,843	\$ 20,227,299
Dividends	9,889,720	5,628,987
Gain on sale of investments	-	88,823,574
Royalty	1,123,387	1,289,717
Other	21,303	639
	28,906,253	115,970,216
Expenditure		
Loss on sale of investments	29,321,003	-
Professional fees	3,037,306	2,735,744
Foreign exchange losses	505,503	2,196,976
Salaries and benefits	450,452	431,471
Travel and accommodations	313,307	401,470
Communications	3,334	20,313
Printing	38,073	37,970
Trustee fees	130,460	159,900
Rent	73,261	72,671
Translation	7,975	7,517
Foreign taxes	643,203	279,566
Office	45,632	42,552
Advertising and promotion	3,783	6,199
Professional development	1,621	2,171
Depreciation	29,189	31,380
Bank charges	3,257	42
	34,607,359	6,425,942
Excess of (expenditure over revenue) revenue over expenditure	\$ (5,701,106)	\$ 109,544,274

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