

QUTEKCAK NATIVE TRIBE

Seward, Alaska

Letter to the Council Members

September 30, 2010



NEWHOUSE & VOGLER
Certified Public Accountants



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Certified Public Accountants

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March 8, 2011

Council Members
Qutekcak Native Tribe
Seward, Alaska

Ladies and Gentlemen:

We have audited the financial statements of Qutekcak Native Tribe as of September 30, 2010 and 2009, and have issued our report thereon dated March 8, 2011. Under professional standards require that we provide you with the following information related to our audit.

Our Responsibility under Professional Standards

We have a responsibility to conduct our audit in accordance with professional standards. In carrying out this responsibility, we planned and performed the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements, whether caused by error or fraud. Because of the nature of audit evidence and the characteristics of fraud, we are to obtain reasonable, not absolute, assurance that material misstatements are detected. We have no responsibility to plan and perform the audit to obtain reasonable assurance that misstatements, whether caused by error or fraud, that are not material to the financial statements are detected.

In addition, in planning and performing our audit, we considered internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements. An audit does not include examining the effectiveness of internal control and does not provide assurance on internal control.

Accounting Policies

Significant Accounting Policies

The significant accounting policies used by the Tribe are described in note 1 to the financial statements. There were no changes in accounting policies during the year.

Unusual Transactions

We noted no transactions entered into by the Tribe during the year ended that were both significant and unusual, and of which, under professional standards, we are required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

Management Judgments and Accounting Estimates

The preparation of the financial statements requires management of the Tribe to make a number of estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as the date of the financial statements and reported amounts of revenues and expenses during the period.

We reviewed management's estimate of the depreciable lives of furniture, equipment, and leasehold improvements determined that amounts recorded were reasonable in relation to the financial statements of the Tribe taken as a whole.

Council Members
Qutekcak Native Tribe

Audit Adjustments and Uncorrected Misstatements

Audit adjustments

Proposed audit adjustments and uncorrected misstatements were immaterial to the financial statements.

Disagreements with Management

There were no disagreements with management on financials, accounting and reporting matters that, if not satisfactorily resolved, would have caused a modification of our report on the Tribe's financial statements.

Consultation with Other Accountants

To the best of our knowledge, management has not consulted with or obtained opinions, written or oral from other independent accountants during the past year that were subject to the requirements of Statements on Auditing Standards No. 50, *Reports on the Application of Accounting Principles*.

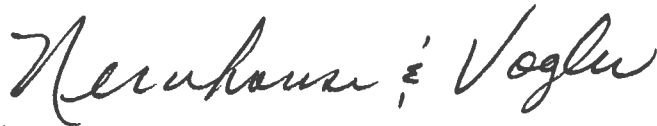
Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing our audit.

Material Written Communication

Copies of both the Engagement Letter and the Management Representation Letter have been provided to management.

This information is presented solely for the use of the Council Members and management and is not intended to be and should not be used by anyone other than these specified parties.



March 8, 2011