

# The Mercier Group

*a professional corporation*

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## INDEPENDENT AUDITOR'S COMMUNICATION OF CONTROL DEFICIENCIES AND OTHER MATTERS

To the Members of the Board of Selectmen  
Town of Fremont, New Hampshire  
Fremont, New Hampshire

In planning and performing our audit of the financial statements of Town of Fremont as of and for the year ended December 31, 2008, in accordance with auditing standards generally accepted in the United States of America, we considered the Town's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of Town of Fremont's internal control.

A **control deficiency** exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A **significant deficiency** is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. A **material weakness** is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control. Our consideration of internal control was for the limited purpose described in the first paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses.

In connection with our consideration of Town of Fremont's internal control as described above, we are pleased to report that we did not identify any deficiencies in internal control that we considered to be material weaknesses, as defined above. Other considerations coming to our attention were generally procedural in nature which we reviewed with responsible personnel during the course of our fieldwork. Areas of opportunity for further consideration include:

- Continued development of accounting records
- Technical support for the new Tax Collector

This communication is intended solely for the information and use of management and those charged with governance. It is not intended and should not be used by anyone other than these specified parties.

*Paul J. Mercier Jr., CPA*

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**The Mercier Group**, *a professional corporation*

September 14, 2009

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## *INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS*

To the Members of the Board of Selectmen  
Town of Fremont, New Hampshire  
Fremont, New Hampshire

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Fremont, New Hampshire as of and for the year ended December 31, 2008, which collectively comprise the Town's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of management. Our responsibility is to express opinions on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards that are generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic 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. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Fremont, New Hampshire, as of December 31, 2008, and the respective changes in financial position there of for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management discussion and analysis is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and therefore express no opinion on it.

Our audit was performed for the purpose of forming opinions on the basic financial statements taken as a whole. The accompanying schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

*Paul J. Mercier Jr., CPA*

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September 14, 2009