



## **PLODZIK & SANDERSON**

*Professional Association/Accountants & Auditors*

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### ***INDEPENDENT AUDITOR'S REPORT***

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

#### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, major fund, and the aggregate remaining fund information of the Town of Fremont as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards 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 financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the Town of Fremont as of December 31, 2012, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Other Matters***

Management has omitted a Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by the missing information.

*Town of Fremont*  
*Independent Auditor's Report*

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Fremont's basic financial statements. The combining and individual fund financial schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

September 17, 2013

*Plodzik & Sanderson*  
*Professional Association*

**EXHIBIT A**  
**TOWN OF FREMONT, NEW HAMPSHIRE**  
*Statement of Net Position*  
*December 31, 2012*

	Governmental Activities
<b>ASSETS</b>	
Cash and cash equivalents	\$ 4,327,422
Investments	910,637
Receivables, net of allowances for uncollectible	647,031
Capital assets, not being depreciated:	
Land	2,554,750
Construction in progress	46,833
Capital assets, net of accumulated depreciation:	
Land improvements	224,555
Buildings and building improvements	1,983,292
Machinery, equipment, and vehicles	879,378
Infrastructure	2,467,065
Total assets	<u>14,040,963</u>
<b>LIABILITIES</b>	
Accounts payable	64,893
Accrued salaries and benefits	41,492
Accrued interest payable	21,707
Intergovernmental payable	4,523,058
Unearned revenue	25,098
Noncurrent liabilities:	
Due within one year:	
Bonds	172,000
Unamortized bond premium	1,735
Due in more than one year:	
Bonds	1,055,000
Unamortized bond premium	20,820
Total liabilities	<u>5,925,803</u>
<b>NET POSITION</b>	
Net investment in capital assets	6,928,873
Restricted for perpetual care	151,110
Unrestricted	1,035,177
Total net position	<u><u>\$ 8,115,160</u></u>

The notes to the basic financial statements are an integral part of this statement.