

CRANE MOUNTAIN ENHANCEMENT INC.

Financial Statements

Year Ended October 31, 2009

(Unaudited)

CRANE MOUNTAIN ENHANCEMENT INC.

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Year Ended October 31, 2009

(Unaudited)

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SAUNDERS
DOYLE & CO.**
Chartered Accountants

Member of DFK Canada and DFK International

REVIEW ENGAGEMENT REPORT

To the Directors of Crane Mountain Enhancement Inc.

We have reviewed the statement of financial position of Crane Mountain Enhancement Inc. as at October 31, 2009 and the statements of operations and net assets and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the company.

A review does not constitute an audit and, consequently, we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

Saint John, New Brunswick
February 5, 2010



CHARTERED ACCOUNTANTS

Saint John Partners
John H Teed Andrew P. Logan
Peter L. Logan James K. Whittaker



Fredericton Partners
Brian J. Saunders Ralph D Gorman
David H. Bradley John H. Landry
T.J. Smith Jeff E. Saunders

CRANE MOUNTAIN ENHANCEMENT INC.

Statement of Financial Position

October 31, 2009

(Unaudited)

	2009	2008
ASSETS		
CURRENT		
Cash (Note 3)	\$ 34,560	\$ 44,442
HST rebate recoverable	2,551	1,686
	<u>\$ 37,111</u>	<u>\$ 46,128</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable (Note 3)	\$ 2,450	\$ 10,801
NET ASSETS	<u>34,661</u>	<u>35,327</u>
	<u>\$ 37,111</u>	<u>\$ 46,128</u>

ON BEHALF OF THE BOARD

_____ Director

_____ Director

CRANE MOUNTAIN ENHANCEMENT INC.

Statement of Operations and Net Assets

Year Ended October 31, 2009

(Unaudited)

	2009	2008
REVENUE		
Operating grant (Notes 2, 4)	\$ 22,691	\$ 22,411
Interest income	186	570
	<u>22,877</u>	<u>22,981</u>
EXPENSES		
Professional fees	1,162	1,934
Advertising and promotion	684	1,043
Insurance	1,150	1,150
Interest and bank charges	54	62
Receptions and meetings	1,651	919
Office	1,095	333
Travel	-	1,000
Monitoring consulting fees	16,197	7,561
Administration	1,550	1,300
	<u>23,543</u>	<u>15,302</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(666)	7,679
NET ASSETS - BEGINNING OF YEAR	<u>35,327</u>	<u>27,648</u>
NET ASSETS - END OF YEAR	<u>\$ 34,661</u>	<u>\$ 35,327</u>

CRANE MOUNTAIN ENHANCEMENT INC.

Statement of Cash Flows

Year Ended October 31, 2009

(Unaudited)

	<u>2009</u>	<u>2008</u>
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses	\$ (666)	\$ 7,679
Changes in non-cash working capital:		
HST rebate recoverable	(865)	(665)
Prepaid expenses	-	1,150
Accounts payable	(8,351)	9,581
	<u>(9,216)</u>	<u>10,066</u>
INCREASE (DECREASE) IN CASH FLOW	(9,882)	17,745
CASH - BEGINNING OF YEAR	44,442	26,697
CASH - END OF YEAR	\$ 34,560	\$ 44,442

CRANE MOUNTAIN ENHANCEMENT INC.

Notes to Financial Statements

Year Ended October 31, 2009

(Unaudited)

1. NATURE OF OPERATIONS

The company was incorporated by Letters Patent under the provisions of the New Brunswick Companies Act on October 2, 2000. The company is a non-profit organization established to monitor the Crane Mountain Sanitary landfill in accordance with the Clean Environment Act, the thirteen conditions of the EIA approval, its Letters Patent and the agreement with Fundy Region Solid Waste Commission.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

An operating grant, provided by Fundy Region Solid Waste Commission, is recognized as revenue when received

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

3. FINANCIAL INSTRUMENTS

Fair Value

The company's cash is classified as held for trading and subsequently measured at fair value. Accounts payable is classified as other financial liabilities and subsequently measured at at amortized cost. The carrying value of cash, and accounts payable approximates there fair value due to the immediate or short term maturity of these instruments.

4. ECONOMIC DEPENDENCE

The company received an operating grant of \$22,691 (2008 \$22,411) from Fundy Region Solid Waste Commission, representing 99.2 % (2008 - 97.5%) of revenue.