

**CRANE MOUNTAIN ENHANCEMENT INC.**

(Incorporated under the laws of New Brunswick)

**FINANCIAL STATEMENTS**  
(Unaudited)

**OCTOBER 31, 2008**

# CRANE MOUNTAIN ENHANCEMENT INC.

OCTOBER 31, 2008

## CONTENTS

	<b>Page</b>
<b>REVIEW ENGAGEMENT REPORT</b>	2
<b>FINANCIAL STATEMENTS</b>	
Statement of Financial Position	3
Statement of Operations and Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6

39 Canterbury Street  
P.O. Box 6668  
Saint John  
New Brunswick  
E2L 4S1  
  
Tel (506) 636-9220  
Fax (506) 634-8208  
E-mail [tsdsj@teedsaundersdoyle.com](mailto:tsdsj@teedsaundersdoyle.com)

**TEED  
SAUNDERS  
DOYLE & CO.**  
**Chartered Accountants**

An Independent Member of  
DFK Canada Inc. 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, 2008 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.

The 2007 figures, used for comparative purposes, were compiled by another accounting firm. They were not subject to a review.



CHARTERED ACCOUNTANTS

Saint John, NB  
December 23, 2008

Saint John Partners  
John H. Teed      Andrew P. Logan  
Peter L. Logan



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

# CRANE MOUNTAIN ENHANCEMENT INC.

## STATEMENT OF FINANCIAL POSITION (Unaudited)

AS AT OCTOBER 31, 2008

	<u>2008</u>	<u>2007</u>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash (Note 2)	\$ 44,442	\$ 26,697
HST rebate recoverable (Note 2)	1,686	1,021
Prepaid expenses	<u>-</u>	<u>1,150</u>
	<u>\$ 46,128</u>	<u>\$ 28,868</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities (Note 2)	\$ <u>10,800</u>	\$ <u>1,220</u>
<b>NET ASSETS</b>		
<b>NET ASSETS</b>	<u>35,328</u>	<u>27,648</u>
	<u>\$ 46,128</u>	<u>\$ 28,868</u>

# CRANE MOUNTAIN ENHANCEMENT INC.

## STATEMENT OF OPERATIONS AND NET ASSETS (Unaudited)

FOR THE YEAR ENDED OCTOBER 31, 2008

	<u>2008</u>	<u>2007</u> (11 months)
<b>REVENUE (Note 1)</b>		
Operating grant	\$ 22,411	\$ 22,222
Interest income	570	354
HST rebate	<u>-</u>	<u>2,661</u>
	<u>22,981</u>	<u>25,237</u>
<b>EXPENSES</b>		
Monitoring consulting fees	7,561	3,920
Administration	1,300	1,650
Office	333	119
Receptions and meetings	919	1,071
Insurance	1,150	1,150
Interest and bank charges	61	39
Professional fees	1,934	1,220
Travel	1,000	2,459
Advertising and promotion	<u>1,043</u>	<u>3,134</u>
	<u>15,301</u>	<u>14,762</u>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	7,680	10,475
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<u>27,648</u>	<u>17,173</u>
<b>NET ASSETS AT END OF YEAR</b>	<u>\$ 35,328</u>	<u>\$ 27,648</u>

# CRANE MOUNTAIN ENHANCEMENT INC.

## STATEMENT OF CASH FLOWS (Unaudited)

FOR THE YEAR ENDED OCTOBER 31, 2008

	<u>2008</u>	<u>2007</u> (11 months)
<b>CASH PROVIDED BY (USED IN)</b>		
Operating activities		
Net income	\$ 7,680	\$ 10,475
Changes in non-cash working capital balances		
HST rebate recoverable	(665)	(1,021)
Prepaid expenses	1,150	(1,150)
Accounts payable and accrued liabilities	<u>9,580</u>	<u>(85)</u>
<b>INCREASE IN CASH</b>	17,745	8,219
<b>CASH AT BEGINNING OF YEAR</b>	<u>26,697</u>	<u>18,478</u>
<b>CASH AT END OF YEAR</b>	<u>\$ 44,442</u>	<u>\$ 26,697</u>

# CRANE MOUNTAIN ENHANCEMENT INC.

## NOTES TO FINANCIAL STATEMENTS

(Unaudited)

OCTOBER 31, 2008

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 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.

#### Revenue Recognition

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

#### Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in earnings in the period in which they become known.

### 2. FINANCIAL INSTRUMENTS

The company's financial instruments consist of cash, HST rebate recoverable and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the company is not exposed to significant interest, currency or credit risk arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

### 3. ECONOMIC DEPENDENCE

During the year, the company received an operating grant of \$22,411 (2007 - \$22,222) from Fundy Region Solid Waste Commission, representing 97.5% (2007 - 88.1%) of revenue.