

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To the Board of Selectmen
Town of Newton, New Hampshire

We have compiled the accompanying balance sheet of the Town of Newton, New Hampshire's General Fund as of December 31, 2010. We have not audited or reviewed the accompanying financial statement and, accordingly, do not express an opinion or provide any assurance about whether the financial statement is in accordance with the budgetary basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. On the budgetary basis, property tax revenues are recognized when levied rather than when susceptible to accrual.

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the budgetary basis and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statement.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included with the balance sheet of the General Fund, they might influence the user's conclusions about the Town's financial position. Accordingly, this balance sheet of the General Fund is not designed for those who are not informed about such matters.

Vachon Clukay & Company PC

February 10, 2011