

FIRST CALL FOR HELP OF BROWARD, INC.

Financial Statements

June 30, 2009

(With Independent Auditors' Report Thereon)

First Call For Help of Broward, Inc.

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Independent Auditor's Report

The Board of Directors
First Call For Help of Broward, Inc.:

We have audited the accompanying statement of financial position of First Call For Help of Broward, Inc. (the "Agency"), a non-profit organization, as of June 30, 2009, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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 opinion.

In our opinion, the financial statements referred to above presents fairly, in all material respects, the financial position of the Agency as of June 30, 2009, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of the Agency taken as a whole. The schedule of functional expenses is presented for purposes of additional analysis and is 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 stated, in all material respects, in relation to the basic financial statements taken as a whole. The accompanying schedule of state earnings, cost center expenses schedule, and cost center funding source and revenue schedule are also presented for purposes of additional analysis, as required by the State of Florida Department of Children and Families, and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Sanson, Kline, Jacomino & Company LLP

August 18, 2009

First Call For Help of Broward, Inc.

STATEMENT OF FINANCIAL POSITION

June 30, 2009

Assets

Current assets:

Cash and cash equivalents	\$ 329,437
Grants and contracts receivable	119,622
Promises to give, temporarily restricted	204,600
Other	<u>16,542</u>
Total current assets	670,201

Property and equipment, net of accumulated depreciation	<u>6,937</u>
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Total assets	<u>\$ 677,138</u>
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Liabilities and Net Assets

Liabilities:

Accounts payable and accrued expenses	\$ 89,247
Deferred revenue	<u>175,000</u>
Total liabilities	<u>264,247</u>

Net assets:

Unrestricted	208,291
Temporarily restricted	<u>204,600</u>
Total net assets	<u>412,891</u>

Total liabilities and net assets	<u>\$ 677,138</u>
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See accompanying notes to the basic financial statements.

First Call For Help of Broward, Inc.

STATEMENT OF ACTIVITIES

For the year ended June 30, 2009

Changes in unrestricted net assets

Public support and revenue:	
Grants and contracts	\$ 1,081,474
Contributions	79,944
Products and service fees	17,346
Endowment income	11,676
Interest	<u>2,942</u>
Total unrestricted public support and revenue	1,193,382
Net assets released from restriction:	
Satisfaction of time restriction	<u>204,600</u>
Total unrestricted public support and revenue and net assets released from restriction	<u>1,397,982</u>
Expenses:	
Program services:	
Helpline services	<u>1,210,688</u>
Total program services	<u>1,210,688</u>
Supporting services:	
Management and general	81,076
Fundraising	<u>86,776</u>
Total supporting services	<u>167,852</u>
Total expenses	<u>1,378,540</u>
Change in unrestricted net assets	<u>19,442</u>

Changes in temporarily restricted net assets

Increase in temporarily restricted net assets	204,600
Net assets released from restrictions	<u>(204,600)</u>
Change in temporarily restricted net assets	<u>-</u>

Change in net assets 19,442

Net assets - beginning of year 393,449

Net assets - end of year \$ 412,891

See accompanying notes to the basic financial statements.

First Call For Help of Broward, Inc.

STATEMENT OF CASH FLOWS

For the year ended June 30, 2009

Cash flows from operating activities	
Change in net assets	\$ 19,442
Adjustments to reconcile change in net assets to net cash flows provided by operating activities:	
Depreciation and amortization	6,654
Changes in operating assets and liabilities:	
Increase in grant and contracts receivable	(32,537)
Increase in other	(12,958)
Increase in accounts payable and accrued expenses	26,759
Increase in deferred revenue	<u>175,000</u>
Net cash provided by operating activities	<u>182,360</u>
Cash flows from investing activities	
Acquisition of property plant and equipment	<u>(995)</u>
Net cash used in investing activities	<u>(995)</u>
Net increase in cash and cash equivalents	181,365
Cash and cash equivalents - beginning of year	<u>148,072</u>
Cash and cash equivalents - end of year	<u>\$ 329,437</u>

See accompanying notes to the basic financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2009

NOTE A – NATURE OF OPERATIONS

The Agency is a private, not-for-profit organization incorporated in June 1995, which commenced operations in July 1995. The Agency's mission is to provide 24 hour comprehensive Helpline and support services for individuals in the community seeking crisis intervention assistance and/or information and referrals to health and human services in Broward County, Florida. The Agency's services include the following:

- *The Helplines* – The Agency serves as Broward County's only 24 hour, 7 days per week comprehensive information, referral, and crisis intervention helpline program. Through this service, county residents in need of information about local health or social services resources or those who are experiencing personal or emotional crisis can speak with trained telephone counselors who listen, help identify or clarify the problem, explore options/alternatives for consideration, and make appropriate referrals to community programs. The Helplines are: the 2-1-1 Helpline; Special Needs Helpline; Homeless Helpline; Infoline; TeenHotline; TeenTapes; Senior Helpline; and Phone Friend. The Agency is the local provider of the national telephone number 2-1-1 serving Broward County.
- *Touchline* – a daily telephone reassurance program for homebound and frail elders living alone to ensure their health and safety.
- *Emergency Financial Assistance* – services include data-entry into the computerized Financial Assistance Clearinghouse System for agencies awarding Federal Emergency Food & Shelter Program funds. This system facilitates the tracking of client assistance and the sharing of this information among participating agencies to prevent duplication of assistance for a given client.
- *Database Support* – provides mailing labels, lists, reports, and directory publication assistance for other agencies.
- *pcPathfinder* – CD publications listing information about the community's human service agencies and organizations and the services they offer to meet client needs.
- *Disaster and Community Resources* – up to date information on available resources.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of the Agency's significant accounting policies is presented to assist the reader in interpreting the basic financial statements. The policies are considered essential and should be read in conjunction with the basic financial statements.

1. Basis of presentation

The financial statements have been prepared on the accrual basis of accounting. Classification of the Agency's net assets and its revenue and expenses are based on the existence or absence of donor imposed restrictions. Net assets can be classified in the following categories:

- (i) Unrestricted net assets consist of net assets that are neither temporarily nor permanently restricted by donor-imposed stipulations.
- (ii) Temporarily restricted net assets represent net assets with a donor-imposed restriction that is satisfied either by the passage of time or by actions of the Agency.
- (iii) Permanently restricted net assets result primarily from contributions and other inflows of assets whose use by the Agency is limited by legally imposed stipulations that neither expire by the passage of time nor can be fulfilled or otherwise removed by actions of the Agency.

NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2009

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Cash and cash equivalents

The Agency considers investments purchased with maturities of three months or less when purchased to be cash equivalents.

3. Grants and contracts receivable, revenue, and deferred revenue

Balances reflected as grants and contracts receivable represent the difference between the grant awards and contractual revenue that has been earned, and cash received related to these awards and revenue. Management believes that the entire balance of grants and contracts receivable are fully collectible, and thus no allowance for uncollectible accounts is provided.

Grants and contracts revenue is recognized to the extent that these funds are earned, that is, when the allowable costs, as defined by the individual grants or contracts, are incurred. Deferred revenue consists of grants or contributions received in advance, but not yet earned.

4. Property and equipment

Property and equipment purchased by the Agency greater than \$700 are capitalized and recorded at cost. Donated assets greater than \$700 are capitalized and recorded at fair market value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Expenses for maintenance and repairs are charged to expense when incurred.

Donations of property and equipment are reported as unrestricted support unless the donor has restricted the donated asset for a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Without donor stipulations regarding how long those donated assets must be maintained, the Agency reports expirations of donor restrictions when the donated assets are placed in service, reclassifying temporarily restricted net assets to unrestricted net assets at that time.

5. Public support and revenue

Grants and other contributions of cash and other assets are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are classified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

6. Promises to give

Promises to give are recognized as revenue or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received discounted at present value. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Uncollectible promises to give are expected to be insignificant based on historical experience and, therefore, no allowance for uncollectible promises to give is considered necessary.

7. Donated goods and services

Donated goods and services are recorded at fair market value when received and when there is an objective basis for determining such values. Accordingly, certain costs are allocated among the programs and supporting services benefited.

NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2009

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

8. Income taxes

The Agency is organized as a charitable organization and is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. As a result, no income tax provision or liability has been provided in the accompanying financial statements.

9. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management’s knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

10. Functional allocation of expenses

The cost of providing various programs and other activities are summarized on a functional basis in the statement of activities. Accordingly, certain costs are allocated among the programs and supporting services benefited.

NOTE C – UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give, which are recorded as temporarily restricted net assets in the accompanying financial statements, are comprised of amounts pledged less related pledged amounts received and expended at June 30, 2009. At June 30, 2009, unconditional promises to give, which are due in less than one year, consist of \$204,600 from the United Way of Broward County.

NOTE D – PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2009, consists of the following:

Furniture and equipment	\$ 71,776
Computer software	21,604
Total	<u>93,380</u>
Less accumulated depreciation and amortization	<u>(86,443)</u>
Property and equipment, net	<u><u>\$ 6,937</u></u>

Depreciation and amortization expense for the year ended June 30, 2009 totaled \$6,654.

NOTE E – DONATED ASSETS AND SERVICES

The Agency received in-kind services for the printing of brochures for a fundraising event from a graphic designing firm in the amount of \$2,500 and pro-bono legal services from a board member in the amount of \$12,025, as in-kind contributions. As a result, the Agency recorded a total of \$14,525 of in-kind contributions and corresponding expenses in the accompanying financial statements.

NOTE F – DEFERRED REVENUE

Deferred revenue at June 30, 2009, consists of the following:

Rothstein Family Foundation	\$ 75,000
United Way of Broward County	<u>100,000</u>
	<u><u>\$ 175,000</u></u>

NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2009

NOTE G – EMPLOYEE BENEFIT PLAN

The Agency adopted a simplified employee pension plan (the “Plan”) for employees during the year ended June 30, 1998. The Plan covers all Agency employees who meet certain age and years of service requirements. The Plan’s contributions percentage is determined and approved annually by the Board of Directors and is allocated to each employee based on their compensation. No contributions were made relative to the Plan for the year ended June 30, 2009.

NOTE H – TEMPORARILY RESTRICTED NET ASSETS

At June 30, 2009, temporarily restricted net assets consist of unconditional promises to give from the United Way of Broward County, Florida in the amount of \$204,600.

NOTE I – COMMUNITY SERVICE FUND ENDOWMENT

In June 2001, the Agency was designated as the beneficiary of a Permanent Designated Fund Agreement between the Community Foundation of Broward, Inc. and the Community Services Council of Broward County, Inc. for the purpose of providing community-wide hotline information in Broward County. The fund’s investments are held in the name of and on the records of the Community Foundation of Broward, Inc. As of June 30, 2009, the market value of the investments totaled \$167,897. The Agency receives, as endowment income, a distribution of 5% of the twelve-quarter weighted average of the fund’s market value to be used for the community-wide hotline, which, for the fiscal year ended June 30, 2009, totaled \$11,676.

NOTE J – COMMITMENTS AND CONTINGENCIES

1. Compensated absences

All full-time employees are entitled to receive paid annual leave in accordance with the following schedule:

Years of Service	Hours Earned Per Year	Carry-Over Days
0-5	80	15
5-14	120	20
15 and over	160	25

A liability for days earned as annual leave in the amount of \$26,159 has been recorded.

2. Operating leases

As of June 30, 2009, the Agency was obligated under an operating lease for its facilities. The approximate future minimum lease payments under these agreements are as follows:

Year Ending June 30,	Amount
2010	\$ 71,330
2011	73,508
2012	18,513

Lease expense for the year ended June 30, 2009 totaled \$74,990.

3. Concentration of risk

The Agency receives a significant portion of its funding from various governmental agencies and private companies. A significant reduction in the level of funding, if it were to occur, would have an adverse impact on the Agency’s ability to carry out its programs and activities.

NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2009

NOTE J – COMMITMENTS AND CONTINGENCIES (Continued)

4. Uninsured deposits

The Company maintains its cash balances in one financial institution. The Company's money market cash balance is insured by the Federal Deposit Insurance Corporation up to \$250,000 through December 31, 2013, and its checking account cash balance has unlimited deposit insurance coverage through December 31, 2009. At June 30, 2009, uninsured deposits totaled \$14,467.

NOTE K – SUMMARY OF GRANTS/CONTRACTS FUNDING

<u>Funding Source</u>	<u>Grant/Contract Number</u>	<u>Grant/Contract Period</u>	<u>Grant/Contract Award</u>	<u>Recognized Support</u>
Broward County, Florida:				
Homeless Helpline	08-HIP-8372-1	1/1/08-9/30/08	\$ 175,500	\$ 59,508
Homeless Helpline	08-HIP-8372-1	10/1/08-9/30/09	200,000	170,640
Helpline Counseling	07-SAHCS-8337-01	10/1/07-9/30/08	107,109	28,584
Helpline Counseling	07-SAHCS-8337-01	10/1/08-9/30/09	107,109	91,555
Behavioral Health	06-CSAD-8337-01	10/1/07-9/30/08	19,200	1,104
2-1-1 Helplines	34 th Year Funding	10/1/08-9/30/09	15,000	11,379
Children's Services Council – 211 I&R Line	08-2483	10/1/07-9/30/08	282,448	91,153
Children's Services Council – 211 I&R Line	08-2483	10/1/08-9/30/09	282,448	194,426
Children's Services Council – Special Needs	08-2484	10/1/07-9/30/08	117,246	33,140
Children's Services Council – Special Needs	08-2484	10/1/08-9/30/09	117,246	82,741
City Funding:				
Coral Springs Community Chest			2,000	2,000
City of Deerfield Beach, Florida		10/1/07-9/30/08	15,000	3,750
City of Deerfield Beach, Florida		10/1/08-9/30/09	14,216	10,662
City of Fort Lauderdale, Florida		10/1/08-9/30/09	25,000	25,000
City of Hollywood, Florida		10/1/07-9/30/08	7,500	1,875
City of Hollywood, Florida		10/1/08-9/30/09	7,500	5,625
City of Hollywood, Florida (CDBG)		10/1/07-9/30/08	10,571	2,643
City of Hollywood, Florida (CDBG)		10/1/08-9/30/09	10,355	7,766
City of Lauderdale Lakes, Florida		10/1/08-9/30/09	250	250
City of Oakland Park, Florida		10/1/08-9/30/09	5,305	5,305
City of Plantation, Florida		1/1/08-12/31/08	11,462	5,720
City of Plantation, Florida		1/1/09-12/31/09	12,462	6,231
City of Pompano Beach, Florida		10/1/07-9/30/08	7,338	1,834
City of Pompano Beach, Florida		10/1/08-9/30/09	2,500	1,875
City of Tamarac, Florida		10/1/08-9/30/09	1,000	1,000
Florida Department of Children and Families	JD236	7/1/08-6/30/09	114,218	114,218
Memorial Healthcare Systems			20,000	20,000
Community Foundation of Broward			5,530	5,530
Bank of America			5,000	5,000
Amaturo Family Foundation			1,000	1,000
Robert R. McCormick Tribune Foundation			5,000	5,000
FEMA (through United Way)			4,960	4,960
United Way Project Lifeline			60,000	10,000
Mayor's Gala Proceeds			170,000	<u>70,000</u>
Total				<u>\$ 1,081,474</u>

SCHEDULE OF FUNCTIONAL EXPENSES

First Call For Help of Broward, Inc.

SCHEDULE OF FUNCTIONAL EXPENSES

For the year ended June 30, 2009

	Program Services	Supporting Services			Grand Total
	Helpline Services	Management and General	Fundraising	Total	
Personnel costs:					
Salaries	\$ 856,467	\$ 56,454	\$ 44,499	\$ 100,953	\$ 957,420
Payroll taxes	66,071	4,447	3,509	7,956	74,027
Employee benefits	<u>75,595</u>	<u>6,539</u>	<u>3,993</u>	<u>10,532</u>	<u>86,127</u>
Total personnel costs	998,133	67,440	52,001	119,441	1,117,574
Operating expenses:					
Occupancy	81,389	33	19	52	81,441
Utilities	12,748	-	-	-	12,748
Professional fees	30,985	7,647	5,949	13,596	44,581
Printing publications and promotions	5,607	257	282	539	6,146
Telephone	26,453	1,594	311	1,905	28,358
Supplies	11,725	434	293	727	12,452
Insurance	18,356	781	391	1,172	19,528
Miscellaneous	4,242	587	78	665	4,907
Equipment rental and maintenance	3,783	90	150	240	4,023
Postage	1,700	72	36	108	1,808
Conferences, conventions and meetings	2,741	496	1,161	1,657	4,398
Travel	4,622	1,345	888	2,233	6,855
Membership dues	1,550	300	1,851	2,151	3,701
Special event	-	-	23,366	23,366	23,366
Total expenses before depreciation	1,204,034	81,076	86,776	167,852	1,371,886
Depreciation	<u>6,654</u>	-	-	-	<u>6,654</u>
Total expenses	<u>\$ 1,210,688</u>	<u>\$ 81,076</u>	<u>\$ 86,776</u>	<u>\$ 167,852</u>	<u>\$ 1,378,540</u>

**REQUIRED SUPPLEMENTAL SCHEDULES FOR
THE STATE OF FLORIDA DEPARTMENT OF
CHILDREN AND FAMILIES**

First Call For Help of Broward, Inc.

SCHEDULE OF STATE EARNINGS

For the year ended June 30, 2009

1. Total Expenditures	\$ 1,378,540
2. Less Other State and Federal Funds	(187,369)
3. Less Non-Match SAMH Funds	-
4. Less Unallowable Costs Per 65E-14, FAC	<u>(70,007)</u>
5. Total Allowable Expenditures (Sum of lines 1,2,3 and 4)	<u>1,121,164</u>
6. Total Amount of State Earnings (Line 5 times 75%)	840,873
7. Amount of State Funds Requiring match	<u>114,218</u>
8. Amount Due to Department (Subtract line 7 from line 6)	<u><u>\$ 726,655</u></u>

See accompanying note to the required supplemental schedules

First Call For Help of Broward, Inc.

COST CENTER EXPENSES SCHEDULE

For the year ended June 30, 2009

	<u>State Funded SAMH Cost Centers</u>	<u>Non SAMH Cost Center</u>	<u>Total</u>
Personnel expenses:			
Salaries	\$ 674,827	\$ 110,125	\$ 784,952
Fringe	<u>117,475</u>	<u>15,572</u>	<u>133,047</u>
Total personnel services	<u>792,302</u>	<u>125,697</u>	<u>917,999</u>
Other expenses:			
Building occupancy	78,236	8,382	86,618
Professional services	20,724	932	21,656
Travel	5,758	617	6,375
Equipment costs	3,379	362	3,741
Insurance	16,403	1,757	18,160
Operating supplies and expenses	31,775	3,405	35,180
Other	<u>12,980</u>	<u>3,891</u>	<u>16,871</u>
Total expenses	<u>169,255</u>	<u>19,346</u>	<u>188,601</u>
Total personnel services and expenses	<u>961,557</u>	<u>145,043</u>	<u>1,106,600</u>
Indirect costs:			
Administration	<u>206,674</u>	<u>65,266</u>	<u>271,940</u>
Total indirect expenses	<u>206,674</u>	<u>65,266</u>	<u>271,940</u>
Total operating expenses	1,168,231	210,309	1,378,540
Unallowable costs	<u>(52,505)</u>	<u>(17,502)</u>	<u>(70,007)</u>
Total allowable operating expenses	<u>\$ 1,115,726</u>	<u>\$ 192,807</u>	<u>\$ 1,308,533</u>

See accompanying note to the required supplemental schedules

First Call For Help of Broward, Inc.

COST CENTER FUNDING SOURCE AND REVENUE SCHEDULE

For the year ended June 30, 2009

	State SAMH-Funded Cost Centers	Non SAMH Cost Center	Total
State SAMH funding:			
Childrens substance abuse	\$ 30,861	\$ -	\$ 30,861
Childrens mental health	40,704	-	40,704
Adult substance abuse	<u>42,653</u>	<u>-</u>	<u>42,653</u>
Total state SAMH funding	<u>114,218</u>	<u>-</u>	<u>114,218</u>
Other government funding:			
Local government	680,480	370,158	1,050,638
Federal grants and contracts	<u>73,151</u>	<u>24,725</u>	<u>97,876</u>
Total other government funding	<u>753,631</u>	<u>394,883</u>	<u>1,148,514</u>
All other revenue:			
Contribution and Donations	-	77,095	77,095
Other	36,530	7,100	43,630
In-kind	<u>-</u>	<u>14,525</u>	<u>14,525</u>
Total all other revenue	<u>36,530</u>	<u>98,720</u>	<u>135,250</u>
Total funding	<u>\$ 904,379</u>	<u>\$ 493,603</u>	<u>\$ 1,397,982</u>

See accompanying note to the required supplemental schedules

First Call For Help of Broward, Inc.

NOTE TO REQUIRED SUPPLEMENTAL SCHEDULES

June 30, 2009

NOTE A – BASIS OF PRESENTATION

Management has prepared the accompanying schedule of state earnings, cost center expenses schedule, and the cost center funding source and revenue schedule of the Agency in the financial audit reports format required by the State of Florida Department of Children and Families. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements.