

ONE HUNDRED MILES, INC.
FINANCIAL STATEMENTS
JUNE 30, 2021

ONE HUNDRED MILES, INC.
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INDEPENDENT AUDITOR'S REPORT

Board of Directors
One Hundred Miles, Inc.
Brunswick, Georgia

We have audited the accompanying financial statements of One Hundred Miles, Inc., which comprise the statement of financial position as of June 30, 2021 and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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 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 from 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of One Hundred Miles, Inc. as of June 30, 2021, 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.

Richels, Cauley + Associates, LLC

Dublin, Georgia

March 9, 2022

ONE HUNDRED MILES, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2021

Assets

Cash and cash equivalents	\$ 666,052
Investments	200,003
Pledges receivable	146,000
Other current assets	1,000
Property and equipment, net	<u>523,604</u>
 Total assets	 <u><u>\$ 1,536,659</u></u>

Liabilities and Net Assets

Liabilities

Accounts payable	\$ 4,950
Accrued leave	51,002
PPP Loan	153,591
Notes payable	<u>273,447</u>
Total liabilities	<u>482,990</u>

Net Assets

Without donor restrictions	1,053,669
With donor restrictions	<u>-</u>
Total net assets	<u>1,053,669</u>
 Total liabilities and net assets	 <u><u>\$ 1,536,659</u></u>

See independent auditor's report and accompanying notes to financial statements.

ONE HUNDRED MILES, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Support and Gains			
Grants	\$ 795,930	\$ -	\$ 795,930
Contributions	479,130	-	479,130
Memberships	83,134	-	83,134
Events	11,388	-	11,388
Investment income	763	-	763
Other revenues	186,347	-	186,347
Net assets released from restrictions	18,925	(18,925)	-
Total revenues, support and gains	<u>1,575,617</u>	<u>(18,925)</u>	<u>1,556,692</u>
Expenses			
Program services			
Advocacy	453,308	-	453,308
Education	314,131	-	314,131
Total program services	<u>767,439</u>	<u>-</u>	<u>767,439</u>
Support services			
Fundraising	74,713	-	74,713
Management and general	103,559	-	103,559
Total support services	<u>178,272</u>	<u>-</u>	<u>178,272</u>
Total expenses	<u>945,711</u>	<u>-</u>	<u>945,711</u>
Change in net assets	629,906	(18,925)	610,981
Net assets - beginning	<u>423,763</u>	<u>18,925</u>	<u>442,688</u>
Net assets - ending	<u>\$ 1,053,669</u>	<u>\$ -</u>	<u>\$ 1,053,669</u>

See independent auditor's report and accompanying notes to financial statements.

ONE HUNDRED MILES, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021

	2021				
	Program Services		Support Services		
	Advocacy	Education	Fundraising	Management and General	Total
Depreciation	\$ -	\$ -	\$ -	\$ 6,169	\$ 6,169
Dues and subscriptions	569	189	10	35	803
Events	527	3,329	-	-	3,856
Information technology	6,930	6,992	1,108	1,056	16,086
Miscellaneous	-	4	-	-	4
Office expenses	4,156	3,731	3,065	1,008	11,960
Outreach	16,352	9,620	908	762	27,642
Professional services	63,407	11,740	4,990	9,029	89,166
Rent	10,680	10,680	2,937	2,403	26,700
Salaries and benefits	343,577	261,418	59,752	82,159	746,906
Travel	1,716	706	460	126	3,008
Utilities	1,935	2,263	532	32	4,762
Insurance	2,074	2,074	570	467	5,185
Interest	1,385	1,385	381	313	3,464
Total expenses	\$ 453,308	\$ 314,131	\$ 74,713	\$ 103,559	\$ 945,711

See independent auditor's report and accompanying notes to financial statements.

ONE HUNDRED MILES, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

Cash Flows From Operating Activities

Change in net assets	\$	610,981
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation		6,169
Donated investments		(124,257)
PPP loan forgiveness		(171,686)
Loss on sale of investments		381
Changes in operating assets and liabilities:		
Pledges receivable		(145,000)
Accounts payable		3,324
Accrued leave		(108)
Net cash provided by operating activities		179,804

Cash Flows From Investing Activities

Purchases of investments		(200,000)
Proceeds from sale of investments		174,257
Purchases of property and equipment		(236,052)
Net cash used by investing activities		(261,795)

Cash Flows From Financing Activities

Proceeds from issuance of long-term debt		153,591
Principal payments on notes payable		(1,553)
Net cash provided by financing activities		152,038

Net change in cash and cash equivalents 70,047

Cash and cash equivalents - beginning 596,005

Cash and cash equivalents - ending \$ 666,052

Supplemental Disclosure of Cash Flow Information

Cash paid during the year for		
Interest	\$	1,733

Supplemental Disclosure of Non-cash Investing and Financing Activity

Equipment financed through note payable		\$ 275,000
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See independent auditor's report and accompanying notes to financial statements.

ONE HUNDRED MILES, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 – NATURE OF ORGANIZATION

The mission of One Hundred Miles, Inc. (“OHM” or the “Organization”) is to preserve, protect and enhance Georgia’s 100 mile coast. The Organization was incorporated in May 2012 as a non-profit corporation under the laws of the State of Georgia. OHM is publicly supported and its primary activities are advocacy efforts for the conservation of Georgia’s coastline and environmental education programs.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Financial Statement Presentation

The financial statements have been prepared in accordance with U.S. GAAP, which require OHM to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of management and the Board of Directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of OHM or by the passage of time. Other donor restrictions may be perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Measure of Operations

The statements of activities report all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Organization's ongoing advocacy and education services. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

Contributions

Unconditional contributions are recognized when pledged and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets are reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets.

ONE HUNDRED MILES, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period as net assets without donor restriction support. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Contributions restricted for the acquisition of land, buildings, and equipment are reported as net assets without donor restrictions upon acquisition of the assets and the assets are placed in service.

Cash and Cash Equivalents

The Organization's cash consists of cash on deposit with banks. Cash equivalents represent money market funds or short-term investments with original maturities of three months or less from the date of purchase.

Investments

The Organization determines the appropriate classification of its investments in debt and equity securities at the time of purchase and reevaluates such determinations at each balance sheet date. Debt securities are classified as held to maturity when the Organization has the positive intent and ability to hold the securities to maturity. Debt securities for which the Organization does not have the intent or ability to hold to maturity are classified as available for sale. Held-to-maturity securities are recorded as either short term or long term on the Balance Sheet, based on contractual maturity date and are stated at amortized cost. Marketable securities that are bought and held principally for the purpose of selling them in the near term are classified as trading securities and are reported at fair value, with unrealized gains and losses recognized in earnings. Debt and marketable equity securities not classified as held to maturity or as trading, are classified as available for sale, and are carried at fair market value, with the unrealized gains and losses, net of tax, included in the determination of comprehensive income and reported in net assets.

The fair value of substantially all securities is determined by quoted market prices. The estimated fair value of securities for which there are no quoted market prices is based on similar types of securities that are traded in the market.

Property and Equipment

The Organization records property and equipment additions over \$1,000 at cost, or if donated, at fair value on the date of the donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 50 years. When assets are sold or otherwise disposed of, the cost and related depreciation are removed from the accounts, and any resulting gain or loss is included in the statement of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

ONE HUNDRED MILES, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accrued Leave

The Organization has a vacation policy which allows any employee which works more than 20 hours per week on a regular basis to accrue vacation for each calendar month of service. The vacation accrual rate and the total maximum accrued hours per year are based upon the employee's length of employment. Employees can transfer up to 40 hours of unused vacation to the following year. At termination of employment, unused vacation will be paid.

In-Kind Contributions

OHM periodically receives in-kind contributions of investment securities. These contributions are initially recorded at the market value of the securities contributed. It is the Organization's practice to liquidate contributed securities as soon as practical. These transactions are recorded based upon trade date accounting.

The Organization does receive services contributed by volunteers. However, no amounts have been recognized for these donated services in the Statements of Activities because the criteria for recognition under ASC 958 have not been satisfied.

Functional Expenses

The costs of providing program and other activities have been summarized on a functional basis in the Statements of Activities. Accordingly, certain costs have been allocated among program and supporting services benefited. Such allocations are determined by management on an equitable basis. Allocations to natural expense categories have been made based upon the time, effort and relationship to the underlying expense.

Federal Income Taxes

The Organization is a nonprofit organization and is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes is made in the accompanying financial statements. The Organization files informational returns in the Federal and applicable State jurisdictions. The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Organization's Federal Form 990 is subject to examination by the IRS, generally for three years after it is filed.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. These estimates include assessing the collectability of receivables, useful lives for depreciation of property and equipment, and the allocation of functional expenses. Estimates and assumptions are reviewed periodically and the effects of revisions are reflected in the period they are determined to be necessary. Accordingly, actual results could differ materially from those estimates.

ONE HUNDRED MILES, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 3 – CONCENTRATIONS

Concentrations of Credit Risk

The Organization is subject to concentrations of credit risk primarily related to its cash and cash equivalents and receivables. The credit worthiness of the parties to these transactions is subject to continuous review and evaluation.

The Organization maintains substantially all of its cash and cash equivalents at financial institutions believed by the Organization to be of high credit quality. These balances, at times, may not be subject to or may exceed the Federal Deposit Insurance Corporation (FDIC) limit of \$250,000 per institution. To date, OHM has not experienced any loss or lack of access to cash in these accounts. Management believes there is no material risk because of the financial strength of the institutions.

Support Concentration

During the year ended June 30, 2021, there were two donors who individually contributed approximately 10% or more of the Organization's total support. Collectively, OHM derived approximately 26% of its total support and revenues from these donors; and no contributions from these donors were included in pledges receivable as of June 30, 2021.

NOTE 4 – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the statement of financial position, comprise the following:

Cash and cash equivalents	\$ 666,052
Trading securities	200,003
	<u>\$ 866,055</u>

The Organization's goal is generally to maintain financial assets to meet 90 days of operating expenses. As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts and certificates of deposit.

NOTE 5 – INVESTMENTS

The Organization's short-term investments comprise certificates of deposit, which are classified as trading securities and are carried at their fair value based on the quoted market prices of the securities at June 30, 2021. Net realized and unrealized gains and losses on trading securities are included in the change in net assets. For purpose of determining realized gains and losses, the cost of securities sold is based on specific identification.

ONE HUNDRED MILES, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 5 – INVESTMENTS

The composition of investments at June 30, 2021 is as follows:

	Cost	Fair Value
Certificates of Deposit	\$ 200,000	\$ 200,003
Total investments	<u>\$ 200,000</u>	<u>\$ 200,003</u>

NOTE 6 – PLEDGES RECEIVABLE

Pledges receivable outstanding as of June 30, 2021 are expected to be collected as follows:

	<u>2021</u>
Within one year	\$ 1,000
One to five years	145,000
Total pledges receivable	<u>\$ 146,000</u>

For the year ended June 30, 2021, pledges receivable are deemed to be fully collectible.

NOTE 7 – PROPERTY AND EQUIPMENT

At June 30, 2021 and 2020 the cost and related accumulated depreciation of property and equipment consisted of the following:

Land and improvements	\$ 91,800
Buildings and improvements	391,927
Furniture and equipment	<u>60,937</u>
	544,664
Less accumulated depreciation	<u>(21,060)</u>
Property and equipment, net	<u>\$ 523,604</u>

Depreciation expense for the year ended June 30, 2021 totaled \$6,169.

ONE HUNDRED MILES, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 – DEBT

OHM applied for and received a Paycheck Protection Program Loan (PPP Loan) with the Northern Trust Company on May 2, 2020 for the amount of \$171,686. The PPP Loan has a 1% interest rate with principal and interest payments due monthly. The PPP Loan has an initial deferment period of 6 months from the first disbursement of the loan. The PPP Loan is part of the paycheck protection program which provides forgiveness for the debt upon meeting certain conditions. The principal and interest was forgiven by the Small Business Administration during the current fiscal year.

OHM applied for and received a second Paycheck Protection Program Loan (PPP Loan) with the Northern Trust Company on March 20, 2021 for the amount of \$153,591. The PPP Loan has a 1% interest rate with principal and interest payments due monthly. The PPP Loan has an initial deferment period of 6 months from the first disbursement of the loan. The PPP Loan is part of the paycheck protection program which provides forgiveness for the debt upon meeting certain conditions. Subsequent to year end, OHM applied for forgiveness and received notification the principal and interest was fully forgiven by the Small Business Administration.

Notes payable consists of the following at June 30, 2021:

Mortgage note payable to South Coast Bank and Trust payable in monthly installments of \$1,642.69, including interest at 3.78%, Due on April 19, 2041, secured by an office building	\$ 273,447
Less: current portion	<u>(9,395)</u>
Notes payable, less current portion	<u>\$ 264,052</u>

Future maturities of notes payable are as follows as of June 30, 2021:

2022	\$ 9,395
2023	9,761
2024	10,116
2025	10,536
2026	10,947
Thereafter	<u>222,692</u>
	<u>\$ 273,447</u>

ONE HUNDRED MILES, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 9 – LEASES

OHM leases office space in Brunswick, Georgia. The Brunswick office lease expires in December 2021 and does not include a renewal option. The monthly rent payment was \$600 as of June 30, 2021. The monthly rent payment increased to \$900 for July through December 2021. OHM also leases office equipment with an expiration date in August, 2023. Future minimum lease payments under these leases are as follows:

<u>Year Ending December 31,</u>	
2022	\$ 6,821
2023	1,421
2021	<u>237</u>
	<u><u>\$ 8,479</u></u>

Payments under leases during the year ended June 30, 2021 totaled \$26,700.

NOTE 10 – RETIREMENT PLAN

The Organization established a Savings Incentive Match Plan for Employees Individual Retirement Account (“SIMPLE IRA”) plan for all full-time employees. The SIMPLE IRA plan allows employees to contribute, on a tax-deferred basis, to a retirement savings plan. Employees may choose to participate in the plan beginning at the employment date and could defer up to \$13,000 and \$12,500 in 2021. After one year of service the Organization will match contributions on a dollar-for-dollar basis up to 3% of the employee’s compensation. Matching contributions paid by OHM during the year ended June 30, 2021 were \$16,964.

NOTE 11 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through , which is the date the financial statements were available to be issued. Other than the forgiveness of debt described in Note 7, no events have occurred that would require adjustment to or disclosure in the financial statements which were available to be issued on March 9, 2022.