

**ONE HUNDRED MILES, INC.**  
FINANCIAL STATEMENTS  
DECEMBER 31, 2018 AND 2017

**ONE HUNDRED MILES, INC.**  
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**DECEMBER 31, 2018 AND 2017**

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## NICHOLS, CAULEY & ASSOCIATES, LLC

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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 December 31, 2018, 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 December 31, 2018, 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.

***Other Matter***

The financial statements of One Hundred Miles, Inc. for the year ended December 31, 2017, were audited by another auditor who expressed an unmodified opinion on those statements on January 10, 2019.

*Richels, Cauley + Associates, LLC*

Dublin, Georgia  
August 29, 2019

**ONE HUNDRED MILES, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2018 AND 2017**

	2018	2017
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 412,560	\$ 437,780
Certificates of deposit	150,000	200,000
Pledges receivable, current portion	143,557	126,447
Prepaid items and other current assets	3,000	35,215
Total current assets	709,117	799,442
Non-current assets		
Pledges receivable, long-term portion	1,750	4,000
Property and equipment, net	25,614	27,810
Total non-current assets	27,364	31,810
Total assets	\$ 736,481	\$ 831,252
<b>Liabilities and Net Assets</b>		
Current liabilities		
Accounts payable	\$ 2,721	\$ 10,505
Accrued leave	10,221	10,230
Total current liabilities	12,942	20,735
Net assets without donor restrictions	723,539	810,517
Total liabilities and net assets	\$ 736,481	\$ 831,252

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

**ONE HUNDRED MILES, INC.**  
**STATEMENTS OF ACTIVITIES**  
**YEARS ENDED DECEMBER 31, 2018 AND 2017**

	2018	2017
<b>Net Assets Without Donor Restrictions</b>		
Operating Activities		
Support and revenues		
Grants	\$ 645,653	\$ 498,589
Contributions	310,237	190,109
Memberships	55,323	52,657
Events	16,811	20,989
Other income	2,687	878
Total support and revenues	1,030,711	763,222
Expenses		
Program services		
Advocacy	468,744	343,357
Education	436,165	427,994
	904,908	771,350
Support services		
Fundraising	104,318	94,889
Management and general	111,823	72,017
	216,141	166,906
Total expenses	1,121,049	938,256
Change in net assets from operating activities	(90,338)	(175,034)
Non-operating activities		
Investment income	3,360	499
Change in net assets	(86,978)	(174,535)
Net assets at beginning of year	810,517	985,052
Net assets at end of year	\$ 723,539	\$ 810,517

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

**ONE HUNDRED MILES, INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**YEARS ENDED DECEMBER 31, 2018 AND 2017**

	2018				
	Program Services		Support Services		Total
	Advocacy	Education	Fundraising	Management and General	
Advertising	\$ 11,394	\$ 11,394	\$ 17	\$ -	\$ 22,804
Depreciation	1,862	1,862	429	460	4,613
Dues and subscriptions	685	1,384	2,550	338	4,957
Events	6,854	49,511	1,410	15	57,790
Information technology	423	13,302	4,460	213	18,398
Office Expenses	1,423	6,323	4,218	5,395	17,359
Outreach	12,210	3,810	2,100	277	18,396
Professional services	94,435	13,435	187	482	108,538
Rent	18,340	18,340	5,061	4,126	45,867
Salaries and benefits	296,990	296,990	81,142	96,409	771,531
Travel	18,625	14,311	1,245	2,001	36,182
Utilities	4,174	4,174	1,133	1,550	11,030
Insurance	1,331	1,331	366	557	3,584
Total expenses	<u>\$ 468,744</u>	<u>\$ 436,165</u>	<u>\$ 104,318</u>	<u>\$ 111,823</u>	<u>\$ 1,121,049</u>

	2017				
	Program Services		Support Services		Total
	Advocacy	Education	Fundraising	Management and General	
Advertising	\$ 3,481	\$ 3,481	\$ 1,649	\$ -	\$ 8,611
Bad debt expense	-	3,829	-	-	3,829
Depreciation	1,518	1,517	341	272	3,648
Dues and subscriptions	1,699	1,262	995	0	3,956
Events	1,790	41,765	302	95	43,952
Information technology	2,011	9,367	6,279	307	17,964
Office Expenses	7,227	9,995	1,120	3,459	21,801
Outreach	9,681	18,597	3,431	621	32,330
Professional services	7,570	27,989	990	1,434	37,983
Rent	17,710	17,710	4,104	3,576	43,100
Salaries and benefits	270,158	270,158	73,982	60,550	674,848
Travel	16,479	18,291	593	506	35,869
Utilities	2,336	2,336	636	1,060	6,367
Insurance	1,697	1,697	467	137	3,998
Total expenses	<u>\$ 343,357</u>	<u>\$ 427,994</u>	<u>\$ 94,889</u>	<u>\$ 72,017</u>	<u>\$ 938,256</u>

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

**ONE HUNDRED MILES, INC.**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2018 AND 2017**

	2018	2017
<b>Cash Flows From Operating Activities</b>		
Change in net assets	\$ (86,978)	\$ (174,535)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	4,613	3,648
In-kind donations of investments	(101,598)	(110,562)
Bad debt expense	-	3,829
Changes in operating assets and liabilities:		
Pledges receivable	(14,860)	331,724
Prepaid items and other current assets	32,215	(27,378)
Accounts payable	(7,784)	1,350
Accrued leave	(9)	4,690
Net cash provided (used) by operating activities	<u>(174,401)</u>	<u>32,766</u>
<b>Cash Flows From Investing Activities</b>		
Redemptions of certificates of deposit	200,000	-
Purchases of certificates of deposit	(150,000)	(200,000)
Proceeds from sale of investments	101,598	111,706
Acquisition of fixed assets	<u>(2,417)</u>	<u>(15,941)</u>
Net cash provided (used) by investing activities	<u>149,181</u>	<u>(104,235)</u>
Net change in cash and cash equivalents	(25,220)	(71,469)
Cash and cash equivalents - beginning of year	<u>437,780</u>	<u>509,249</u>
Cash and cash equivalents - end of year	<u><u>\$ 412,560</u></u>	<u><u>\$ 437,780</u></u>

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



**ONE HUNDRED MILES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018 AND 2017**

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**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.

The Organization had no net assets with donor restrictions at December 31, 2018 and 2017.

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.

Availability and Liquidity

Financial assets available to meet general operating needs over the next twelve months are those presented as current assets on the Statements of Financial Position.

**ONE HUNDRED MILES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018 AND 2017**

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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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.

Pledges Receivable

Contributions are recognized when a donor makes a substantially unconditional promise to give to the Organization. Conditional promises to give are recognized when the conditions upon which they were given are substantially met. Pledges are reviewed and reserves are established for estimated uncollectible accounts. For the years ended December 31, 2018 and 2017, pledges receivable are deemed to be fully collectible.

Property and Equipment

Property and equipment are stated at cost at the date of purchase or, for donated assets, at fair value at the date of donation, less accumulated depreciation. Depreciation is calculated using the straight-line method over the lesser of the estimated useful lives of the assets or the lease term. The Organization's policy is to capitalize acquisitions in excess of \$1,000, and a useful life of greater than one year, and expense normal repairs and maintenance as incurred. The estimated useful lives of property and equipment are as follows:

<u>Property Type</u>	<u>Estimated Useful Life</u>
Furniture and equipment	3-10 years
Leasehold improvements	5-15 years

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.

Contributions

Contributions received are 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. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

**ONE HUNDRED MILES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018 AND 2017**

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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Contributions

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

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. Based upon trade date accounting, there were no investment securities held as of December 31, 2018 and 2017.

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 fixed assets, 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 FINANCIAL STATEMENTS**  
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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

New Accounting Pronouncement

On August 18, 2016, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958), Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 addressed the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Organization has adjusted the presentation of these statements accordingly.

Reclassifications

Certain reclassifications have been made to amounts presented for 2017, to conform with current year presentation. These reclassifications had no effect on the previously reported net assets or change in net assets.

**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 Company to be of high credit quality. These balances, at times, may not be subject to or may exceed the 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 December 31, 2018, there were four donors who individually contributed approximately 10% or more of the Organization's total support. Collectively, OHM derived approximately 48% of its total support and revenues from these donors; and \$100,000 from these contributions was included in pledges receivable as of December 31, 2018.

For the year ended December 31, 2017, the Organization received approximately 56% of total support and revenue from three donors; and no amounts related to those contributions were included in pledges receivable as December 31, 2017.

**NOTE 4 – CERTIFICATES OF DEPOSIT**

OHM places certain funds into certificates of deposit at FDIC insured financial institutions in an effort to obtain a higher rate of return than available on other types of accounts. Certificates of deposit are carried at cost as management's intent is to hold them until expiration at which time they will be redeemed at the notional value. Certificates of deposit held as of December 31, 2018 had interest rates ranging from 1.95% to 2.45%, and all mature within one year. Certificates of deposit held as of December 31, 2017 had interest rates ranging between 1.20% and 1.45%, and all matured during 2018.

**ONE HUNDRED MILES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018 AND 2017**

**NOTE 5 – PLEDGES RECEIVABLE**

Pledges receivable outstanding as of December 31, 2018 and 2017 are expected to be collected as follows:

	<u>2018</u>	<u>2017</u>
Within one year	\$ 143,557	\$ 126,447
One to five years	1,750	4,000
Total pledges receivable	<u>\$ 145,307</u>	<u>\$ 130,447</u>

**NOTE 6 – PROPERTY AND EQUIPMENT**

At December 31, 2018 and 2017 the cost and related accumulated depreciation of property and equipment consisted of the following:

	<u>2018</u>	<u>2017</u>
Furniture and equipment	\$ 33,194	\$ 30,777
Leasehold improvements	8,127	8,127
Total cost	41,321	38,904
Less accumulated depreciation	(15,707)	(11,094)
Property and equipment, net	<u>\$ 25,614</u>	<u>\$ 27,810</u>

Depreciation expense for the years ended December 31, 2018 and 2017 totaled \$4,613 and \$3,648, respectively.

**NOTE 7 – LEASES**

OHM leases office space in Brunswick, Georgia and Savannah, Georgia. The Brunswick office lease expires in July 2020 and includes renewal options; whereas the Savannah office space is leased on a month-to-month basis. The monthly rent payment for the Savannah office was \$2,350 per month as of December 31, 2018. The organization also leases office equipment at each location with expiration dates extending to August 2023. Future minimum lease payments under these leases are as follows:

<u>Year Ending December 31,</u>	
2019	\$ 29,685
2020	18,885
2021	2,444
2022	1,421
2023	947
	<u>\$ 53,382</u>

Payments under leases during the years ended December 31, 2018 and 2017 totaled \$45,538 and \$43,100, respectively.

**ONE HUNDRED MILES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018 AND 2017**

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**NOTE 8 – 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 \$12,500 in 2018. 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 years ending December 31, 2018 and 2017 were \$14,995 and \$7,520, respectively.

**NOTE 9 – SUBSEQUENT EVENTS**

Management has evaluated subsequent events occurring through August 29, 2019, the date that these financial statements were available to be issued, and determined that no subsequent events occurred that would require recognition or additional disclosure in these financial statements.