THE JOEL FUND
Wake Forest, North Carolina

Audited Financial Statements
For the Year Ended December 31, 2024

The Joel Fund™

The Joel Fund

For the Year Ended December 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
The Joel Fund

Opinion

We have audited the accompanying financial statements of The Joel Fund (a North Carolina nonprofit organization) (the "Organization"), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Joel Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Norton Collar Lund Lilley, PLLC

August 28, 2025

The Joel Fund
Statement of Financial Position
December 31, 2024

EXHIBIT A

ASSETS

Current Assets		
Cash and cash equivalents	$	231,853
Grants receivable		80,000
Utility deposit		1,170
		313,023
Fixed Assets		
Land		443,101
Capital projects in progress		594,565
		1,037,666
	$	1,350,689

LIABILITIES AND NET ASSETS

Current Liabilities		
Accrued expenses	$	12,620
Accrued interest		13,659
Current portion related party note payable		17,863
		44,142
Long-Term Liability		
Related party note payable, net of current portion		949,437
Total liabilities		993,579
Net Assets		
Net assets without donor restrictions		357,110
Net assets with donor restrictions		-
		357,110
	$	1,350,689

See accompanying notes to financial statements.

The Joel Fund
Statement of Activities
Year Ended December 31, 2024

EXHIBIT B

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue			
Contributions and grants	$ 415,579	$ -	$ 415,579
Reimbursable county grant	77,700	-	77,700
Fundraising			
Gala	132,762	-	132,762
Program events	17,748	-	17,748
In-kind income	26,453	-	26,453
Interest income	70	-	70
	670,312	-	670,312
Expenses			
Program services	375,485	-	375,485
Management and general	26,439	-	26,439
Fundraising	65,083	-	65,083
	467,007	-	467,007
Change in net assets	203,305	-	203,305
Net Assets at Beginning of Year	153,805	-	153,805
Net Assets at End of Year	$ 357,110	$ -	$ 357,110

The Joel Fund
Statement of Cash Flows
Year ended December 31, 2024

EXHIBIT C

Cash Flows From Operating Activities	
Reconciliation of Change in Net Assets to Net	
Cash Provided by Operating Activities	
Change in net assets	$ 203,305
Adjustments to reconcile change in net assets to	
net cash used in operating activities:	
In-kind donated services	(21,163)
(Increase) Decrease in:	
Grants receivable	(45,000)
Utility deposit	(670)
Prepaid expenses	10,600
Increase (Decrease) in:	
Accrued payroll expenses	(3,800)
Accrued expenses	12,620
Accrued interest	13,659
Net Cash Provided by Operating Activities	169,551
Cash Flows from Investing Activities	
Purchase of land	(421,938)
Purchase of capital projects in progress	(594,565)
Proceeds from sale of donated vehicle	5,000
Proceeds from related party note	1,000,000
Payment on related party note	(32,700)
Net Cash Used in Investing Activities	(44,203)
Net increase in cash and cash equivalents	125,348
Cash and cash equivalents at beginning of year	106,505
Cash and cash equivalents at end of year	$ 231,853

Supplemental Cash Flow Disclosures

In-kind contribution	
Fixed assets	$ 21,163
Interest paid during year	$ 45,000

See accompanying notes to financial statements.

The Joel Fund
Statement of Functional Expenses
Year Ended December 31, 2024

EXHIBIT D

	Program Service Expenses	Management and General	Fundraising	Total
Salaries	$ 178,412	$ 5,123	$ 9,800	$ 193,335
Program expenses	78,427	-	-	78,427
Interest and penalties	58,695	299	-	58,994
Fundraising events	-	-	54,500	54,500
Rent	23,534	1,241	-	24,775
Payroll taxes	14,999	392	783	16,174
Office supplies	3,671	6,767	-	10,438
Advertising and marketing	6,982	-	-	6,982
Utilities	5,475	202	-	5,677
In-kind expenses not capitalized	5,290	-	-	5,290
Professional fees	-	5,030	-	5,030
Insurance	-	2,868	-	2,868
Support and volunteer appreciation	-	2,281	-	2,281
Board meetings	-	703	-	703
Professional development	-	450	-	450
Meals and entertainment	-	444	-	444
Taxes and licenses	-	333	-	333
Bank fees	-	210	-	210
Travel	-	96	-	96
	$ 375,485	$ 26,439	$ 65,083	$ 467,007

NOTE 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF ORGANIZATION - The Joel Fund (the "Organization") was incorporated on September 15, 2015 under the laws of the State of North Carolina. The mission of the Organization is to help reconnect veterans to life at home. The Organization builds a strong community of support to engage, educate, and encourage veterans and their families.

PROGRAMS - The three main programs of the Organization are as follows:

Operation Art is a program to bring art classes to the veterans in the community.

Operation Vessel provides assistance to veterans who are transitioning from homelessness into a stable living situation by providing furniture, mattresses, bedding, and other household items to veterans in need. Additionally, the program provides one-time financial assistance for veterans who are facing difficulties covering rent, mortgage, utilities, and food expenses.

Operation Connect provides financial assistance to veterans in need of housing, education, transportation and other necessities. Operation connect also provides a safe space for veterans to meet and have discussions with peers and counselors, and provides information about resources available to veterans that can assist with physical or mental health issues, unemployment or other problems.

BASIS OF PRESENTATION - The financial statement presentation follows the recommendations of the Financial Standards Board in its Accounting Standards Codification 958-205, *Financial Statements of Not-for-Profit Organizations*. Under ASC 958-205, the organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor-imposed restrictions and net assets with donor-imposed restrictions.

Net assets without donor-imposed restrictions are net assets available for use in general operations and are not subject to purpose or time related restrictions imposed by the original donor or grantor.

Net assets with donor-imposed restrictions are net assets that result from the receipt of donations or grants that have been restricted by the donor or grantor. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or the occurrence of events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that the resources be maintained in perpetuity. Donor-imposed restrictions are released when the conditions are met; that is, when the specified time has elapsed or the specified purpose has been fulfilled, or both.

BASIS OF ACCOUNTING - The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

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. Accordingly, actual results could differ from those estimates.

CONTRIBUTIONS - All contributions are considered to be available for use without donor restrictions unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specified purposes are reported as support with donor restrictions that increases that net asset class. When restrictions expire, 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. Contributions received with donor-imposed restrictions that are met in the same reporting period are reported as support without donor restrictions and increase net assets without donor imposed restrictions.

NOTE 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

REVENUE RECOGNITION - The Organization recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met. At December 31, 2024, the Organization did not have any contributions that would be considered conditional.

GRANTS RECEIVABLE - Unconditional promises to give that are expected to be collected within one year are recorded as contributions receivable at net realizable value. Grants that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire or are satisfied in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Grants receivable are generally considered fully collectible; accordingly, no allowance is required.

CASH AND CASH EQUIVALENTS - For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

INCOME TAXES - The Organization is tax exempt from Federal and State income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been reflected in the Organization’s financial statements. The Organization does not believe that its financial statements include any uncertain tax positions.

DONATED SERVICES - Donated professional services and materials are recorded at their estimated fair values at date of receipt and are reflected as in-kind contributions on the accompanying financial statements.

ADVERTISING AND MARKETING - The Organization expenses advertising costs as incurred. Advertising expense for the year ended December 31, 2024, was $6,982.

FUNCTIONAL EXPENSES - Expenses are charged directly to program or management in general categories based on specific identification. Indirect expenses have been allocated based on an analysis of personnel time and space utilized for the related activity.

LEASES - The Organization assesses whether an arrangement qualifies as a lease (i.e. conveys the right to control the use of an identified asset for a period of time in exchange for consideration) at inception and only reassesses its determination if the terms and conditions of the arrangement are changed. Operating lease liabilities are calculated with a risk-free discount rate, using a comparable period with the lease term. All lease and non-lease components are combined for all leases. Lease payments for leases with a term of 12 months or less are expensed on a straight-line based over the term of the lease with no asset or liability recognized.

FAIR VALUE OF FINANCIAL INSTRUMENTS - Financial instruments include cash and cash equivalents, grants receivable, accrued expenses, and current portion of the related party note payable. As of December 31, 2024, none of the assets and liabilities were required to be reported at fair value on a recurring basis. The Organization approximated the carrying values of non-derivative financial instruments, including cash and cash equivalents, grants receivable, accrued expenses and the current portion of the related party note payable, due to the short-term nature of these financial instruments. There were no changes in methods or assumptions during the year ended December 31, 2024.

The Joel Fund
Notes to Financial Statements
For the Year Ended December 31, 2024

NOTE 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continuec

FIXED ASSETS - Fixed assets are stated at cost, if purchased, or at fair value at the date of gift, if donated, less accumulated depreciation. Additions with a cost or fair value of less than $5,000 are expensed.

Depreciation is computed on a straight-line basis over the estimated useful life. Maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed as incurred. No fixed assets were placed in service as of December 31, 2024, so no depreciation expense was incurred.

NOTE 2 - RELATED PARTY DEBT

In June 2024, the Organization executed a promissory note with the spouse of a board member, with aggregate borrowings of $1,000,000. The note payable bears interest at 4.5% per annum, matures in July 2029, and requires an annual payment of principal and interest until July 2029, at which time a balloon payment will be due. The note can be renegotiated in five years, if needed. The note allows for additional borrowings to be made, and the note is secured by the land.

The future scheduled maturities of the note payable are as follows:

Year ending December 31:	
2025	$ 17,863
2026	18,667
2027	19,507
2028	20,385
2029	890,878
	$ 967,300

NOTE 3 - LINE OF CREDIT

In August 2024, the Organization executed a revolving line of credit with a financial institution that allows for maximum borrowing of $35,000 with an interest rate equal to the Prime Rate, adjusted for the minimum and maximum rate limitations, as defined in the agreement (12.75% as of December 31, 2024). The revolving line of credit matures August 2026, and there were no outstanding borrowings under the revolving line of credit as of December 31, 2024.

NOTE 4 - CONCENTRATION OF CREDIT RISK

Cash is a financial instrument which potentially subjects the Organization to a concentration of credit risk. At times, cash balances may exceed federally insured limits. The Federal Deposit Insurance Corporation (“FDIC”) covers up to $250,000 for substantially all depository accounts within a single financial institution. At December 31, 2024, the Organization had no amounts in excess of the FDIC limit.

NOTE 5 - CONCENTRATIONS

As of December 31, 2024, two grantors accounted for approximately 94% of outstanding grants receivable. During the year ended December 31, 2024, two grantors accounted for approximately 34% of revenue.

NOTE 6 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization has approximately $312,000 of financial assets available within one year of the statement of financial position date to meet cash needs for operations and other expenditures. These financial assets consist of cash and cash equivalents of approximately $232,000, and grants receivable of approximately $80,000. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for grants and other expenditures within one year of the statement of financial position date. The Organization structures its financial assets to be available as expenditures, liabilities, and other obligations come due.

NOTE 7 - INCOME TAX UNCERTAINTY

The Organization's Form 990 is not currently under examination by the Internal Revenue Service. The Organization's taxable years that are open for potential examination by the Internal Revenue Service are for the fiscal years ended December 31, 2024, 2023, 2022, and 2021. At this time, management does not expect to owe any taxes, interest or penalties on uncertain tax positions.

NOTE 8 - OPERATING LEASE

The Organization leases office space in Wake Forest, North Carolina on a month-to-month basis at a rate of $2,175 per month.

NOTE 9 - IN-KIND CONTRIBUTIONS

Donated property, marketable securities, and other non-cash donations are recorded as contributions at their estimated fair value on the date of donation. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise need to be purchased by the Organization. During the year ended December 31, 2024, the Organization received in-kind legal services of approximately $21,100, which are included in land on the statement of financial position.

NOTE 10 - RELATED PARTY

The Organization made a principal and interest debt payment of approximately $78,000 to the spouse of the board member, and then received a donation of approximately $45,000 from the spouse of the board member in September 2024.

NOTE 11 - SUBSEQUENT EVENTS

The Organization has evaluated events and transactions that occurred between December 31, 2024, and August 28, 2025, which is the date the financial statements were available to be issued, for possible recognition or disclosure in the financial statements. No items were noted requiring disclosure.