



# MONENTI

## Executive Summary

### About the Business

Monenti is a financial educational services company that provides educational and instructional content for young people. Founded on October 1, 2019 at Westhampton Beach High School, Monenti is in its second year of business and has been rapidly expanding in the VE financial industry. Monenti has built a loyal customer following and beneficial relationships with VE businesses around Long Island. Monenti accumulates a healthy profit through our aggressive sales and initial funding through equity financing.

Identifying as a B Corporation, Monenti is dedicated to giving back to our community through a philanthropic partnership with Junior Achievement USA. Monenti will be donating 2% of our earnings to this organization which works to help students prepare for their professional futures. As a B Corporation, Monenti also strives to demonstrate the utmost in public transparency, legal accountability and social performance, balancing the needs of both profits and purpose.

Additionally, Monenti is focused on creating a collaborative and productive work environment. With this in mind, Monenti uses a team-based functional organizational structure that centers around teamwork and its necessity for an efficient workplace. To promote further collaboration Monenti utilizes cross-functional teams which allows different departments to work together. Monenti's organizational structure allows for the highest degree of production and communication, ensuring that responsibilities are established and work is consistent and organized.

### Mission Statement

**Cultivating financial literacy and prosperity through  
engaging educational resources**

### Business Rationale

#### Problem Statement

Many Americans struggle with making ends meet, especially during the current COVID-19 pandemic. It is a challenge for many people to manage their finances in what seems to be a never ending cycle of financial stresses. As millennials breathe the first air of financial responsibility it can be tough to feel secure, especially when you are uneducated in the realm of economics. Being ready to face tough budgetary situations is the first step to having a successful financial future. The cost of college education is one of the largest monetary obligations faced by young adults. Colleges and universities are requiring more and more tuition money from hard working students. "From 2008 to 2018, the average tuition at four-year public colleges increased in all 50 states". According to a 2019 report from the Center on Budget and Policy Priorities, "on average, tuition at these schools has increased by 37%, and net costs (including factors like scholarships and grants) have increased by 24%." The last thing a student needs is a load of debt on their backs. Thankfully, Monenti is here to take action. Here at Monenti, we realize the devastating effect college tuition can have on a student's economic future. Monenti realizes the scary notion that credit card debt is yet another monetary burden that may haunt one's financial



stability. The National Association of Colleges and Employers (NACE) found that the average starting salary for the Class of 2018 stood at \$50,944. Adding on to this, the average student comes out of college with \$35,000 of debt on their back. This is clearly not the ratio that hard working students deserve. This was the beginning of Monenti's foundation.

### **Solution Statement**

Monenti provides an educational opportunity for people, especially younger generations, to discover the benefits of having a financial education. The value of having the knowledge and understanding of effective personal finance and budgeting skills at a young age is key to a successful adulthood. Student debt has reached \$1.68 trillion, according to a report in April of 2020 by EducationData, leaving younger generations with uncertainty and restrictions. Monenti aims to relieve both students and young adults of their financial worries by providing a personal financial education through customizable webinars, tutoring sessions, YouTube videos, and college financial aid services. Understanding personal credit, 401k plans, student debt relief, and college funding are just a few of the educational topics that Monenti offers.

Our educational products are priced based on our primary target market, young adults and college students with a medium to high disposable income. However, Monenti offers free educational services with our YouTube videos and social media for all students. Within our various services, such as our YouTube videos, we offer sponsorship opportunities for advertisers. Our sponsors allow us to keep the cost of our educational products at a competitive and reasonable price for our target market. Monenti is proud to offer our social media videos free to the public. The pricing for the advertising products is based on our secondary market, other Virtual Enterprise businesses who are looking to expand their sales and increase exposure. These promotions are also tailored to out of network sales with real world businesses.

As a financial education firm and a B-corporation, Monenti provides numerous services to educate and inform young adults on the financial aspects of life. It is Monenti's duty to give back and make a difference. As we ourselves approach the brink of adulthood, the Monenti team is dedicated to helping others. Knowledge is powerful and Monenti is committed to delivering that knowledge to its customers so they can achieve the financial skills they'll need later in life.

### **Goals and Objectives**

Monenti was established to combat the prominent issue of personal financial debt in the United States. Our company was built to provide educational resources to young adults and students with an objective to increase personal budgetary awareness and responsibility. An educated student is more likely to make decisions that will result in less personal debt over their lifetime. One way Monenti addresses this is through our educational platform on YouTube. Monenti's goal is to increase our YouTube channel following by 40% by the end of the fiscal year, allowing us to reach and teach more students about being fiscally conscientious in a world dominated by money. To further fulfill this goal, Monenti will also develop one educational video a week for our company's TikTok channel. This initiative will allow Monenti to expand its audience, further fulfilling our company mission. These goals tie into our company strategy: to implement a strong social media presence that provides knowledge to potential customers. Moreover, Monenti has set a short-term goal to increase sales by 10%. Additionally, Monenti aims at achieving a 25% rise in advertising sponsorships by the end of the fiscal year. This goal breaks down an overall increase in sales into manageable increments.

In the long-term, Monenti hopes to develop an extensive personal finance educational curriculum. This would include specific chapters and lessons as well as educational material such as worksheets and interactive online exercises. We aspire to bring our knowledge and resources into schools across the United States to further combat the current lack of personal financial education.



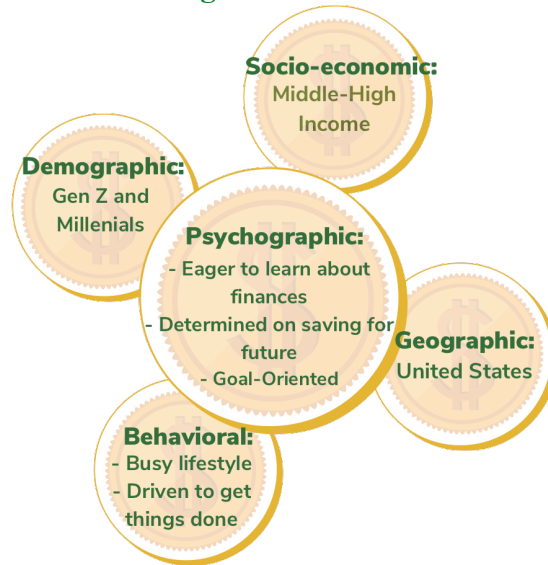


## Marketing Plan

### Target Market B2B



### Target Market B2C



## Monenti's Business Risks

Monenti is proactive in identify business risks and developing possible solutions. As evident in the business risk graphic shown below...

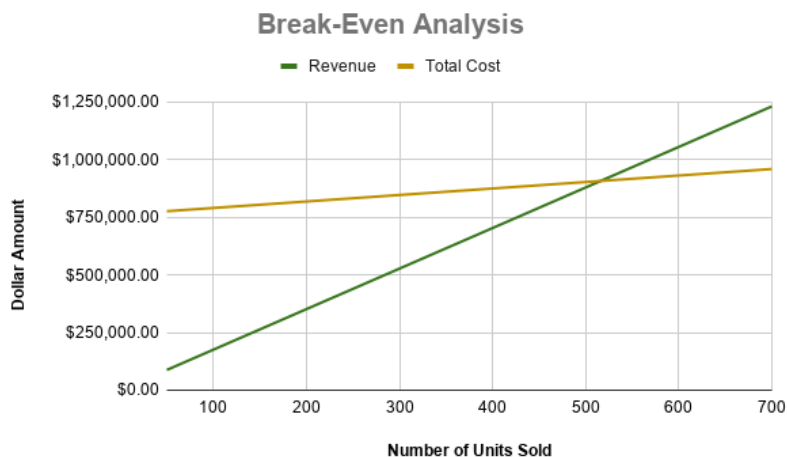
| Risks  | Solutions  |
|--|--|
| Heavily rely on ad revenue   | Maintain a strong online presence through multiple social media platforms  |
| Advertising may not be profitable (Businesses will cut advertising in times of hardship first) | We offer other services that can balance out any low sales in advertising  |
| Privacy and security concerns with the college-prep services                                   | We are invested in a strong and reliable security network  |
| COVID-19 pandemic  | We have implemented the use of online platforms such as Zoom (for employees) and social media (for sales and exposure) |

## Financial Highlights & Projections

### Break-even

Monenti's break-even analysis is purposed to determine the amount our firm needs to sell in order to match revenues to expenses. As a service business, Monenti has a relatively low cost per sale due to no physical inventory costs. As a result, the cost per unit sold is substituted with cost of service and only includes the cost of video production through technology and related salaries to render said services. On average, our price per sale is \$1758.33 while the cost of service is \$281.33, equating to a profit margin of 84%. With an annual expense of \$762,350.43 and our large profit margin of 84%, Monenti is expected to surpass its break even point this year after selling approximately 517 units.





### Profit and Loss

This past October, the firm was able to produce \$69,971.60 worth of sales, leaving a profit of \$57,600.62 after donating 2% of our profits to Junior Achievement USA. The month of November also proved to be successful as both in- and out-of-network sales for Monenti increased, resulting in a net income of \$121,487.86. Despite a high operating annual expense of \$762,350.43, Monenti expects a total revenue of \$1,177,048.78 by the end of the fiscal year. Resultantly, Monenti anticipates a net income of \$226,370.54 by the end of April 2021.

### Balance Sheet

Monenti's Balance Sheet allows us to further understand our financial standing. As of November 30th, 2020, Monenti acquired \$411,463.11 in assets, \$343,041.51 of which being cash. Monenti plans to use its significant cash reserves to purchase a production studio in order to limit the cost of rent and allow for future expansion. However, the firm plans on waiting until the economy has stabilized before making this large purchase. Additionally, Monenti's significant cash reserves provide the firm with the financial security it needs to respond to any potential swings in the market, which is especially likely due to the pandemic's effect on the US economy. On the other hand, Monenti has \$130,583.58 worth of total liabilities and \$280,879.53 in stockholder equity.

### Sales Projection

This past month, Monenti has exceeded its quarterly sales projection, indicating a substantial profit for the fiscal year. As Monenti continues to grow as a business, we project our in-network sales to grow at a higher rate than out-of-network sales as we develop our website and social media presence. Additionally, during months with Trade Shows, Monenti expects a higher amount of sales as we widen our customer base. Financial learning services will be in highest demand during the school year, thus sales are projected to fall towards the summer months. Taking this into account, Monenti expects to exceed 1% growth for out-of-network sales, 5% growth for in-network sales, and 10% growth for trade show sales each month.

Throughout the remainder of the fiscal year, Monenti projects to have an increase of approximately 9% in total sales each month. The majority of our sales come from the online trade shows and, with our performance at the trade shows projected to improve by 10% each month, we can expect a large climb in cash flow for the rest of the fiscal year.

Overall, Monenti's large amount of expenses is complemented by its high profit margin and revenue streams. The firm's sizable amount of equity allows for a significant net income in its second year of business, resulting in a lucrative investment for Monenti's business partners and shareholders.

**Balance Sheet as of 11/30/20**

#### Assets

| Current Assets                 |                     |
|--------------------------------|---------------------|
| Cash                           | \$343,041.51        |
| Accounts Receivable            | \$58,761.60         |
| Supplies                       | \$518.20            |
| <b>Total Current Assets</b>    | <b>\$402,321.31</b> |
| Fixed Assets                   |                     |
| Uniforms                       | \$2,500.00          |
| Less: accumulated depreciation | \$87.50             |
| Computers                      | \$3,880.00          |
| Less: accumulated depreciation | \$120.00            |
| Furniture and Fixtures         | \$2,111.82          |
| Less: accumulated depreciation | \$63.36             |
| Office Equipment               | \$649.98            |
| Less: accumulated depreciation | \$19.50             |
| Video Cameras and Microphone   | \$189.98            |
| Less: accumulated depreciation | \$5.70              |
| <b>Total Fixed Assets</b>      | <b>\$9,141.80</b>   |
| <b>Total Assets</b>            | <b>\$411,463.11</b> |

#### Liabilities

| Current Liabilities      |                     |
|--------------------------|---------------------|
| Salaries payable         | \$75,907.06         |
| Payroll tax payable      | \$33,303.10         |
| 401(k) payable           | \$3,841.67          |
| 401(k) employer match    | \$3,841.67          |
| Office Rent              | \$1,800.00          |
| Production Studio Rent   | \$3,750.00          |
| Advertising Expense      | \$1,666.67          |
| Utilities Expense        | \$360.00            |
| Insurance Expense        | \$3,500.00          |
| Charitable Expense       | \$2,613.41          |
| <b>Total Liabilities</b> | <b>\$130,583.58</b> |

#### Stockholders' Equity

| Paid-in capital                                   |                     |
|---|---------------------|
| Preferred Stock                                   |                     |
| Common Stock                                      |                     |
| Common stock, \$10 par value, * # shares issued   | \$170,000.00        |
| Additional paid-in-capital                        |                     |
| In excess of par value                            |                     |
| Retained earnings                                 | \$110,879.53        |
| <b>Total Stockholder's Equity</b>                 | <b>\$280,879.53</b> |
| <b>Total Liabilities and Stockholders' Equity</b> | <b>\$411,463.11</b> |