

Financial Overview

2023-2024

LEARNIFI

Learn To Earn



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Company Overview

How do you learn? You learn with Learnifi!

Founded in October 2023, Learnifi, Inc. (“Learnifi” or “Company”) is a C corporation located within Edward R. Murrow High School in Brooklyn, NY. Learnifi is an educational technology company that develops entertaining games embedded with short-form videos, providing Gen Z with the opportunity to learn the skills necessary for a successful future. Players download the games onto their phones, learn from videos, and then navigate through real-life scenarios that enrich their knowledge of financial literacy, career building, and life skills. Learnifi allows players to experience the life of an adult, all through the safety of a game.

Mission Statement

The standard education system fails to prioritize business education and does not capture the attention of Gen Z, which is why Learnifi’s mission is:

“Bringing the classroom to students and the fun to learning.”

Financial Highlights

After receiving initial seed funding of \$50,000, Learnifi was awarded a bonus of \$100,000 for winning first place at the VE Lightning Pitch Competition. Learnifi obtained \$741,758.24 from a direct contract sale and had a successful November Tradeshow, after which we reevaluated our prices to help increase sale moving forward. Learnifi generated a total profit of \$952,855.42, from October 31, 2023 to December 31, 2023, through trade shows, competitions, direct contract and online sales, and having no outstanding debt. The Company’s fixed expenses for the year equate to \$959,003.34, consisting of payroll, rent, insurance, utilities, and payroll tax. Learnifi’s total operating expenses for our fiscal year total \$979,413.48. With an average selling price of \$48,000 and an average cost of goods sold of \$5,100 per unit, the Company has an average profit rate of 89.38%. The projected gross profit margin for the year is 93.76%, proving that Learnifi is a strong company with a bright financial future.

Break-Even Analysis

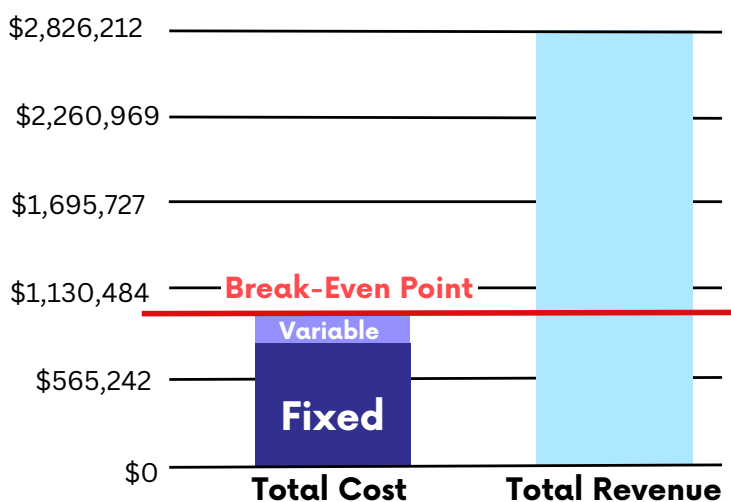
A break-even analysis helps a company determine its profitability and enables them to set appropriate future goals. The average selling price for a Learnifi package is \$48,000. This number was determined by projecting that Learnifi's Prodigy Ad Package would be the most popular seller. This package provides Learnifi's customers with three video ads, one in-game billboard, in-game messaging, and monthly ad analytics. The average costs of goods sold (COGS) per unit is \$5,100 and the fixed costs are \$979,413.48, which includes

the following items: payroll, utilities, rent, payroll tax, insurance, and supplies. This results in a strong profit margin of 89.38%. Based on these figures, Learnifi projects to break even in December 2023, at 23 units or, \$1,096,713.48 in sales.

Break Even Analysis

X	Y	Y	Y	Y
Units Sold	Revenue	Variable Cost	Fixed Cost	Total Cost
1	\$0.00	\$0.00	\$979,413.48	\$979,413.48
2	\$96,000.00	\$10,200.00	\$979,413.48	\$989,613.48
3	\$144,000.00	\$15,300.00	\$979,413.48	\$994,713.48
4	\$192,000.00	\$20,400.00	\$979,413.48	\$999,813.48
5	\$240,000.00	\$25,500.00	\$979,413.48	\$1,004,913.48
6	\$288,000.00	\$30,600.00	\$979,413.48	\$1,010,013.48
7	\$336,000.00	\$35,700.00	\$979,413.48	\$1,015,113.48
8	\$384,000.00	\$40,800.00	\$979,413.48	\$1,020,213.48
9	\$432,000.00	\$45,900.00	\$979,413.48	\$1,025,313.48
10	\$480,000.00	\$51,000.00	\$979,413.48	\$1,030,413.48
11	\$528,000.00	\$56,100.00	\$979,413.48	\$1,035,513.48
12	\$576,000.00	\$61,200.00	\$979,413.48	\$1,040,613.48
13	\$624,000.00	\$66,300.00	\$979,413.48	\$1,045,713.48
14	\$672,000.00	\$71,400.00	\$979,413.48	\$1,050,813.48
15	\$720,000.00	\$76,500.00	\$979,413.48	\$1,055,913.48
16	\$768,000.00	\$81,600.00	\$979,413.48	\$1,061,013.48
17	\$816,000.00	\$86,700.00	\$979,413.48	\$1,066,113.48
18	\$864,000.00	\$91,800.00	\$979,413.48	\$1,071,213.48
19	\$912,000.00	\$96,900.00	\$979,413.48	\$1,076,313.48
20	\$960,000.00	\$102,000.00	\$979,413.48	\$1,081,413.48
21	\$1,008,000.00	\$107,100.00	\$979,413.48	\$1,086,513.48
22	\$1,056,000.00	\$112,200.00	\$979,413.48	\$1,091,613.48
23	\$1,104,000.00	\$117,300.00	\$979,413.48	\$1,096,713.48
24	\$1,152,000.00	\$122,400.00	\$979,413.48	\$1,101,813.48

Break-Even Analysis



Average Selling Price: \$48,000
Average COGS: \$5,100
Average Profit Rate: 89.38%
Annual Fixed Costs: \$979,413.48

Fixed Cost:		\$979,413.48
Variable Cost:	+	117,300.00
Break-Even:		\$1,096,713.48
		23 units

Balance Sheet

The balance sheet showcases Learnifi's current assets and liabilities. Learnifi's balance sheet reflects a strong cash flow as a business with few liabilities. While most of the Company's current cash is from a large direct contract sale, Learnifi projects that by the end of the year, the Company will continue to generate significant revenue through online sales. As of December 31, 2023, Learnifi's total current assets is \$952,855.42.

Learnifi
Balance Sheet
As of December 31, 2023

Current Assets		Amount	Current Liabilities		Amount
Cash		\$952,855.42	Accounts payable		\$0.00
Investments (stocks)			Salaries payable		\$0.00
Accounts Receivable			Payroll tax payable		\$0.00
Supplies			Utilities payable		\$0.00
			Rent payable		\$0.00
			Insurance payable		\$0.00
Total Current Assets		\$952,855.42	Total Current Liabilities		\$0.00
Fixed Assets		Amount			
Computers		\$37,715.39			
Less: accumulated depreciation		\$1,257.18	Stockholders' Equity		
Furniture and fixtures		\$13,000.00	Common stock, \$10 par value, *		
Less: accumulated depreciation		\$433.33	10000 shares issued		
Office equipment		\$3,386.01	Additional paid-in-capital		
Less: accumulated depreciation		\$112.87	In excess of par value		
Total Fixed Assets		\$52,298.02	Retained Earning		
			\$905,153.44		
			Total Stockholders' Equity		
			\$1,005,153.44		
Total Assets		\$1,005,153.44	Total Liabilities and		
			Stockholders' Equity		\$1,005,153.44

Profit & Loss - Projected

Learnifi projects a total revenue of \$2,826,212.24 for its first fiscal year ending April 30, 2024. The Company's revenue streams are broken down into three categories: website sales, Trade show revenue, and out of contract sales. Our costs of goods sold total \$176,350.99 leaving us with \$2,649,861.25 in gross profit. Learnifi is expected to spend \$979,413.48 on total operating expenses, which includes: payroll, payroll tax, rent, and utilities. Learnifi expects to pay a total of \$350,794.03 in corporate taxes. This leaves us with a projected net income of \$1,319,653.74.

Learnifi
Profit & Loss
FY 2023-2024

	Nov Proj	Dec Proj	Jan Proj	Feb Proj	March Proj	April Proj	Total Proj
Sales Revenue							
Online Sales	\$ 276,629.00	\$ 276,629.00	\$ 276,629.00	\$ 276,629.00	\$ 276,629.00	\$ 276,629.00	\$ 1,659,774.00
Trade Show Sales	\$ 106,170.00	\$ 106,170.00	\$ -	\$ -	\$ 106,170.00	\$ 106,170.00	\$ 424,680.00
Direct Contracted Sales	\$ -	\$ 741,758.24	\$ -	\$ -	\$ -	\$ -	\$ 741,758.24
Total Sales Revenue	\$ 382,799.00	\$ 1,124,557.24	\$ 276,629.00	\$ 276,629.00	\$ 382,799.00	\$ 382,799.00	\$ 2,826,212.24
Cost of Goods Sold	\$ 29,391.83	\$ 29,391.83	\$ 29,391.83	\$ 29,391.83	\$ 29,391.83	\$ 29,391.83	\$ 176,350.99
Gross Profit	\$ 353,407.17	\$ 1,095,165.41	\$ 247,237.17	\$ 247,237.17	\$ 353,407.17	\$ 353,407.17	\$ 2,649,861.25
Gross Profit Margin %	92.32%	97.39%	89.37%	89.37%	92.32%	92.32%	93.76%
Operating Expenses							
Salaries	\$ 112,500.00	\$ 112,500.00	\$ 112,500.00	\$ 112,500.00	\$ 112,500.00	\$ 112,500.00	\$ 675,000.00
Payroll Tax	\$ 40,453.89	\$ 40,453.89	\$ 40,453.89	\$ 40,453.89	\$ 40,453.89	\$ 40,453.89	\$ 242,723.34
Rent	\$ 5,330.00	\$ 5,330.00	\$ 5,330.00	\$ 5,330.00	\$ 5,330.00	\$ 5,330.00	\$ 31,980.00
Utilities	\$ 550.00	\$ 550.00	\$ 550.00	\$ 550.00	\$ 550.00	\$ 550.00	\$ 3,300.00
Insurance	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 6,000.00
Depreciation	\$ 901.69	\$ 901.69	\$ 901.69	\$ 901.69	\$ 901.69	\$ 901.69	\$ 5,410.14
Supplies	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 3,000.00
Advertising	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 6,000.00
Promotion	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 6,000.00
Total Operating Expenses	\$ 163,235.58	\$ 163,235.58	\$ 163,235.58	\$ 163,235.58	\$ 163,235.58	\$ 163,235.58	\$ 979,413.48
Income from Operations	\$ 190,171.59	\$ 931,929.83	\$ 84,001.59	\$ 84,001.59	\$ 190,171.59	\$ 190,171.59	\$ 1,670,447.77
Net Income before tax	\$ 190,171.59	\$ 931,929.83	\$ 84,001.59	\$ 84,001.59	\$ 190,171.59	\$ 190,171.59	\$ 1,670,447.77
Other expenses (corporate tax)	\$ 34,279.47	\$ 34,279.47	\$ 34,279.47	\$ 34,279.47	\$ 34,279.47	\$ 34,279.47	\$ 350,794.03
Net Income after tax	\$ 155,892.12	\$ 897,650.36	\$ 49,722.12	\$ 49,722.12	\$ 155,892.12	\$ 155,892.12	\$ 1,319,653.74

Profit & Loss - Actuals & Projected

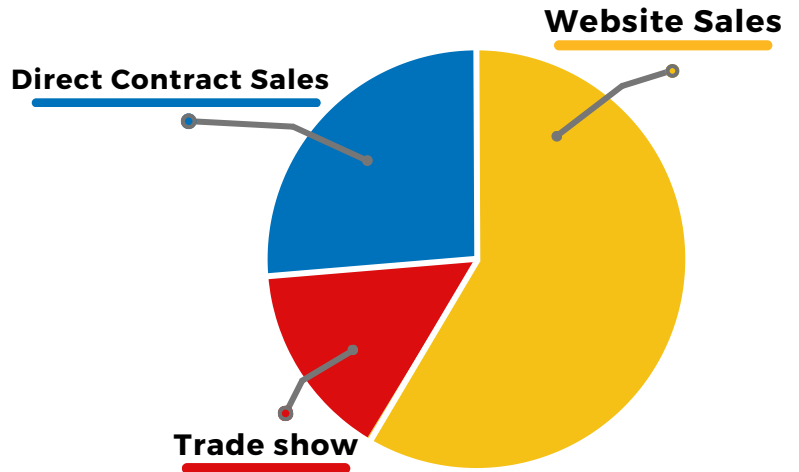
In our first month of operation, Learnifi had an ended with an actual net income of \$57,631.13 after taxes. While Learnifi did not meet our projections in the months of November and December, we were still able to maintain a high Gross Profit Margin of 89.67% in November and 96.09% in December. Learnifi still projects to break even and generates revenue for the year.

Learnifi Profit & Loss FY 2023-2024

	Nov Actual	Dec Actual	Jan Proj	Feb Proj	March Proj	April Proj	Total Proj
Sales Revenue							
Online Sales	\$ 35,380.51	\$ 10,610.10	\$ 276,629.00	\$ 276,629.00	\$ 276,629.00	\$ 276,629.00	\$ 1,152,506.61
Trade Show Sales	\$ 249,157.50	\$ -	\$ -	\$ -	\$ 106,170.00	\$ 106,170.00	\$ 461,497.50
Direct Contracted Sales	\$ -	\$ 741,758.24	\$ -	\$ -	\$ -	\$ -	\$ 741,758.24
Total Sales Revenue	\$ 284,538.01	\$ 752,368.34	\$ 276,629.00	\$ 276,629.00	\$ 382,799.00	\$ 382,799.00	\$ 2,355,762.35
Cost of Goods Sold	\$ 29,391.83	\$ 29,391.83	\$ 29,391.83	\$ 29,391.83	\$ 29,391.83	\$ 29,391.83	\$ 176,350.99
Gross Profit	\$ 255,146.18	\$ 722,976.51	\$ 247,237.17	\$ 247,237.17	\$ 353,407.17	\$ 353,407.17	\$ 2,179,411.36
Gross Profit Margin %	89.67%	96.09%	89.37%	89.37%	92.32%	92.32%	92.51%
Operating Expenses							
Salaries	\$112,500.00	\$112,500.00	\$ 112,500.00	\$ 112,500.00	\$ 112,500.00	\$ 112,500.00	\$ 675,000.00
Payroll Tax	\$40,453.89	\$40,453.89	\$ 40,453.89	\$ 40,453.89	\$ 40,453.89	\$ 40,453.89	\$ 242,723.34
Rent	\$5,330.00	\$5,330.00	\$ 5,330.00	\$ 5,330.00	\$ 5,330.00	\$ 5,330.00	\$ 31,980.00
Utilities	\$550.00	\$550.00	\$ 550.00	\$ 550.00	\$ 550.00	\$ 550.00	\$ 3,300.00
Insurance	\$1,000.00	\$1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 6,000.00
Depreciation	\$901.69	\$901.69	\$ 901.69	\$ 901.69	\$ 901.69	\$ 901.69	\$ 5,410.14
Supplies	\$500.00	\$500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 3,000.00
Advertising	\$1,000.00	\$1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 6,000.00
Promotion	\$1,000.00	\$1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 6,000.00
Total Operating Expenses	\$163,235.58	\$163,235.58	\$ 163,235.58	\$ 163,235.58	\$ 163,235.58	\$ 163,235.58	\$ 979,413.48
Income from Operations	\$91,910.60	\$559,740.93	\$ 84,001.59	\$ 84,001.59	\$ 190,171.59	\$ 190,171.59	\$ 1,199,997.88
Net Income before tax	\$91,910.60	\$559,740.93	\$ 84,001.59	\$ 84,001.59	\$ 190,171.59	\$ 190,171.59	\$ 1,199,997.88
Other expenses (corporate tax)	\$34,279.47	\$34,279.47	\$ 34,279.47	\$ 34,279.47	\$ 34,279.47	\$ 34,279.47	\$ 251,999.55
Net Income after tax	\$57,631.13	\$525,461.46	\$ 49,722.12	\$ 49,722.12	\$ 155,892.12	\$ 155,892.12	\$ 947,998.33

Sales Projections

Our revenue will be obtained through online sales, trade shows, and direct contract sales outside of the VE network. Each month we project a steady amount of income from online sales, with a boost from trade shows in November, December, March and April.



	Nov Proj	Dec Proj	Jan Proj	Feb Proj	March Proj	April Proj	Total Proj
Sales Revenue							
Online Sales	\$276,629	\$276,629	\$276,629	\$276,629	\$276,629	\$276,629	\$ 1,659,774.00
Trade Show Sales	\$106,170.00	\$106,170.00	\$0.00	\$0.00	\$106,170.00	\$106,170.00	\$ 424,680.00
Direct Contracted Sales	\$0.00	\$741,758.24	\$0.00	\$0.00	\$0.00	\$0.00	\$ 741,758.24
Total Sales Revenue	\$382,799.00	\$1,124,557.24	\$276,629.00	\$276,629.00	\$382,799.00	\$382,799.00	\$2,826,212.24

Sales projections help our Company stay on track and remain profitable during operation. Learnifi projects a total sales revenue of \$2,826,212.24 by the end of our fiscal year in April 2024. In November 2023, Learnifi made a contract with Edward R. Murrow High School for \$741,758.24, which equals 75% of the Company’s payroll for the entire year. The Company expects Learnifi Premium to have the greatest number of units sold. Our most popular ad package is the Prodigy Ad Package, which generates the most revenue for the Company. Every year, Learnifi projects a 10% increase in sales due to the Company’s profitability in the first few months and expected growth in the first year. The Company will continue to attend trade shows and promote on its website and social media to attract more customers and maintain profitability throughout the year.

Cash Budget

In the Projected Cash Budget for the fiscal year 2023-2024, Learnifi starts with a cash balance of \$0. At the end of October, the Company's cash balance was \$50,000, which was granted by VE international as seed money. From October to November, the Company experienced an increase in revenue from website sales and trade shows. The Company predicts another increase in the months of November and December from the out of contract sale, which totals to \$741,758.24. From December to April, we project to grow at an average rate of 14% per month and approximate 15% of our revenue going towards our expenditures such as payroll, supplies, rent, insurance, and utilities. At the end of the fiscal year, our projected ending cash balance will be \$1,627,027.85. This figure demonstrates that Learnifi generates a positive influx of cash every month.

Description	Actual October	Actual November	Actual December	Projected January	Projected February	Projected March	Projected April
Cash balance at beginning of period:	\$ -	\$ 50,000.00	\$ 361,157.99	\$ 952,855.42	\$ 1,068,313.52	\$ 1,183,771.63	\$ 1,405,399.74
Receipts of cash:							
Website	\$ -	\$ 35,380.51	\$ 10,610.10	\$ 276,629	\$ 276,629	\$ 276,629	\$ 276,629
Tradeshow	\$ -	\$ 249,157.50				\$ 106,170.00	\$ 106,170.00
Seed Money	\$ 50,000.00	\$ 150,000.00					
Out of VE	\$ -	\$ -	\$ 741,758.24				
Total receipts	\$ 50,000.00	\$ 434,538.01	\$ 752,368.34	\$ 276,629.00	\$ 276,629.00	\$ 382,799.00	\$ 382,799.00
Beginning balance + cash receipts	\$ 50,000.00	\$ 484,538.01	\$ 1,113,526.33	\$ 1,229,484.42	\$ 1,344,942.52	\$ 1,566,570.63	\$ 1,788,198.74
Payments:							
Net Salaries		\$ 112,500.02	\$ 112,500.02	\$ 112,500.00	\$ 112,500.00	\$ 112,500.00	\$ 112,500.00
Supplies		\$ -		\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00
Rent		\$ 5,330.00	\$ 5,330.00	\$ 5,330.00	\$ 5,330.00	\$ 5,330.00	\$ 5,330.00
Advertising/ promotion		\$ -					
941 Remittance		\$ -	\$ 40,453.89	\$ 40,453.89	\$ 40,453.89	\$ 40,453.89	\$ 40,453.89
Insurance		\$ -	\$ 1,837.00	\$ 1,837.00	\$ 1,837.00	\$ 1,837.00	\$ 1,837.00
Utilities		\$ 550.00	\$ 550.00	\$ 550.00	\$ 550.00	\$ 550.00	\$ 550.00
Tradeshow booth		\$ 5,000.00					
Total payments	\$ -	\$ 123,380.02	\$ 160,670.91	\$ 161,170.89	\$ 161,170.89	\$ 161,170.89	\$ 161,170.89
Cash balance at end of period:	\$ 50,000.00	\$ 361,157.99	\$ 952,855.42	\$ 1,068,313.53	\$ 1,183,771.63	\$ 1,405,399.74	\$ 1,627,027.85
Net increase or decrease in cash	\$ 50,000.00	\$ 311,157.99	\$ 591,697.43	\$ 115,458.11	\$ 115,458.11	\$ 221,628.11	\$ 221,628.11

Learnifi's Firm Bank Account

Account details

Account: [Download account details \(Excel\)](#)

Period: from until

Date	Name/Description/Acct#	Ref#	Amount	Balance
Dec. 23, 2023	VE US Network Bank Business Contract (with Corporate Partner) Acct #630907048	7177770	\$741,758.24	\$952,855.42
Dec. 21, 2023	Andrew Fernandes (US015210), South Pasadena, CA VE Checkout transaction #838794 12/21/2023 10:53 AM CT Acct #631273948	7174689	\$14.97	\$211,097.18
Dec. 18, 2023	Sunny Bettles (US015474), Brooklyn, NY VE Checkout transaction #835727 12/18/2023 09:54 AM CT Acct #631200630	7159572	\$4,280.00	\$211,082.21
Dec. 18, 2023	Sunny Bettles (US015474), Brooklyn, NY VE Checkout transaction #835685 12/18/2023 09:18 AM CT Acct #631200630	7159488	\$2,996.00	\$206,802.21
Dec. 15, 2023	Saahil Kotwal (US015371), Cupertino, CA VE Checkout transaction #835199 12/15/2023 12:46 PM CT Acct #631168346	7155454	\$171.20	\$203,806.21
Dec. 15, 2023	Guardian Insurance VE, New York, NY Insurance: General; Work. Comp.; Cyber Acct #630706026	7151769	-\$837.00	\$203,635.01
Dec. 15, 2023	Zachary Stratton (US015474), Brooklyn, NY Payroll Acct #631200495	7151767	-\$6,666.67	\$204,472.01

As of December 31, 2023, Learnifi holds \$952,855.42 in its firm's bank account.