

MYNET



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(661) 324-9841

1601 H St Bakersfield, California

Mynetve.com

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BUSINESS RATIONALE

PROBLEM STATEMENT

As Generation Z enters the workforce, saves to buy a home, or begins to pay for college, an increasing number of young adults are facing troubling financial environments. Members of Gen Z are twice as likely to not feel confident about financial management; 82% of Gen Z say they are “not where they want to be financially” according to a 2023 survey conducted by *Intuit* (1). As of June 2023, *Experian* reported that 66% of Gen Z, specifically ages 18-26, are “heavily financially dependent on parents” (2). Additionally, only 27% of high school students receive personal finance education (Department of Education) (3), which is different from an economics class.



27%

U.S. high school students receive **personal** finance education (3)

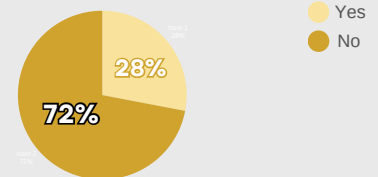
These troubling reports point to two key issues: lack of financial literacy and financial capability. Financial literacy comes from knowledge about personal and global finance, and topics like budgeting and tracking money are fundamental (4). Financial capability is built through being financially literate enough to make sound financial decisions as one grows. As the national economy becomes more complex, it is essential to understand the monetary world.

CUSTOMER EMPATHY

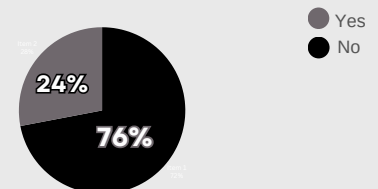
Mynet empathizes with its potential customers and has developed an app to directly meet their needs. Mynet employees went into several high school civics classes to poll students' thoughts, or concerns, about their financial futures. Students were asked three broad questions to facilitate open discussion. These questions were:

What about your financial future concerns you? What would you like to know more about in regards to money? Why do you believe that you know enough of, or not know enough, about budgeting to be fiscally responsible after high school? These questions led to honest conversations where employees documented several key topics that were of concern to the students. Students were most concerned about topics such as paying for college, establishing a budget, everyday expenses, and fiscal independence.

ARE YOU READY TO HANDLE COLLEGE PAYMENT OPTIONS?



DO YOU HAVE AN ACTIVE BANK ACCOUNT



SOLUTION STATEMENT

Mynet offers a comprehensive solution to Generation Z's financial challenges. Based on the classroom discussions, Mynet addressed the topics of college budgeting and day-to-day expenses, providing customers with courses encompassing budgeting, credit scores, loans, and other essential financial concepts. Each lesson uses adaptive learning software to monitor growth and adjust lessons based on the user's understanding to maximize learning efficiency.

Additional features such as Mynet Money and Mynet Times move beyond traditional curriculum by immersing the user in relevant personal simulations and relating current events to their financial futures. This holistic approach empowers users to apply skills learned in the Mynet app to the real world and be prepared to handle financial issues. By providing knowledge and practical technique, Mynet strives to create a generation of financially confident individuals, better preparing them for major life decisions and achieving lifelong financial stability.



GOALS

SHORT TERM



Goal #1: Increase Users by 15% Monthly

Mynet will utilize trade shows, contracts, and directed marketing to generate a greater user pool.

Goal #2: Expand Mynet by One Course a Month

The Mynet education team will consistently expand course offerings. These will include lessons that relate to current events, new financial guidance, and technological advancements.

Goal #3: Link to VE Banking Network by April 2024.

Creating a partnership with Virtual Enterprise, to link consumers' debit accounts to the Mynet app will allow users to track expenses, directly implement Mynet recommendations, and allow the app to make personalized recommendations to suit individual financial needs.



LONG TERM



Goal #4: Connect Checking, Savings, and Investment Accounts to Mynet **2024**

Mynet will negotiate with large national banking chains to incorporate their online banking portals within the Mynet App. Users will be able to utilize the educational foundation gained from the Mynet app to make real-time changes within their bank accounts.



Goal #5: Obtain National Financial Educators Council Certification by **2025**.

Expand the Financial Education program to encompass the official Financial Education Council certification standards.



Goal #6: Become a Vendor for Two Educational Institutions by **2026**.

The sales and marketing teams will establish professional relationships with school districts and local educational providers, such as the Kern Economic Development Corporation and Next Gen Personal Finance. Sales materials and demo copies will be given to encourage purchases.

ABOUT THE BUSINESS

MISSION STATEMENT

“Empower individuals to take control of their financial futures with interactive, minute-by-minute financial education.”

COMPANY OVERVIEW

Mynet prides itself on providing customers with high quality, applicable, and actionable financial education. The company began operations on October 1st, 2023, and is headquartered at 1601 H Street, in Bakersfield California. The Mynet website and app allows customers to make purchases at convenient times, in any location. Mynet has filed as an S-Corporation, in order to avoid double taxation and assume limited liability. As Mynet grows, other corporate structures may be considered.



ORGANIZATIONAL CHART



Mynet uses a hierarchical organizational chart that clearly delineates the chain of command. Mynet has a small staff of sixteen employees, each falling into one of five departments: marketing, sales, finance, human resources, and technology. The org chart's structure promotes both unity and communication, encouraging employees to collaborate and succeed.

The Human Resources department, led by Mynet's Human Resources Director, is outside the direct chain of command. This allows Human Resources' to remain neutral on company matters, allowing them to handle situations in an unbiased manner.

S.W.O.T. ANALYSIS

STRENGTHS

Mynet's primary strength is its personalized content and individualized coursework. Mynet provides a diverse and unmatched course offering as compared to direct competitors such as Zogo, RoosterMoney, and World of Money. Using proprietary adaptive learning software, Mynet is able to select courses for the user based on their prior knowledge and assign courses based on the user's performance in previous lessons.

For example, a Mynet user may have a substantial amount of comprehension when it comes to credit, but lack knowledge of retirement plans and 401ks. The Mynet app will push the retirement lessons to the user. This allows the app to be flexible to anyone interested in learning about finance whether they are beginning or building on their financial literacy.



Mynet Money allows users to apply educational concepts in engaging ways. Subscribers immerse themselves in practical exercises related to savings, investing, and net worth calculations, all within the confines of the user-friendly app. This feature provides a practical, risk free tool for users seeking to enhance their financial acumen, ultimately helping them confidently achieve their financial goals.

INITIAL PLACEMENT SURVEY



ADJUSTS TO EACH USER'S KNOWLEDGE



PERSONALIZED SUGGESTIONS



ENGAGING LEARNING



Mynet content creators are certified by Next Gen Personal Finance's (NGPF), to ensure the quality of materials put into the app. This certification is the same program for California State Employees, and requires 10 hours of course materials (5). These certifications are a core part of the company's peer review process, to maintain strict quality in the app.



WEAKNESSES

Mynet faces several internal weaknesses. Prime among them is the company's current dependence on off site servers and app hosting. The company has no control over server crashes, maintenance, or unscheduled interruptions. To mitigate this, Mynet hosts with Amazon Web Services, one of the most robust server providers available. With Amazon Web Services' emphasis on security and reliability, Mynet is protected from data strikes and interruptions.



Another weakness is the possibility that Mynet users may discontinue use of the app if they subscribed to only focus on specific subject areas. Once the user feels comfortable with their proficiency, they could cancel their subscriptions. Mynet engages two main strategies to defend against this. First is the company's AI based adaptive reskilling program. Users wishing to work on one specific issue will be continually pushed further into a subject, as competence grows. Secondly, Mynet Times also engages users with new economic news, as it relates to studied topics, and courses completed. This feature is another advantage of a Mynet subscription, that entices users to continue using Mynet.



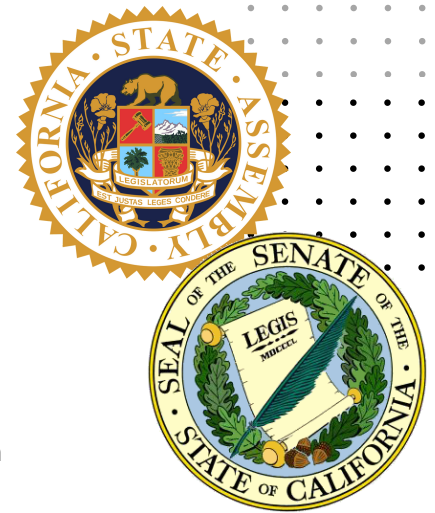
Finally, Mynet faces a potential lack in user trust. Mynet subscribers may not fully embrace the accuracy of Mynet content and advice. To combat this, Mynet links citations in each lesson and



section of the app. Mynet displays employee financial instructor certifications from Next Gen Personal Finance on the company website. All employees currently hold this certification. This is to ensure accuracy in content development and peer review. Since Mynet has a small employee base, having several stages of review by certified staff contributes to the trustworthiness of the business.

OPPORTUNITIES

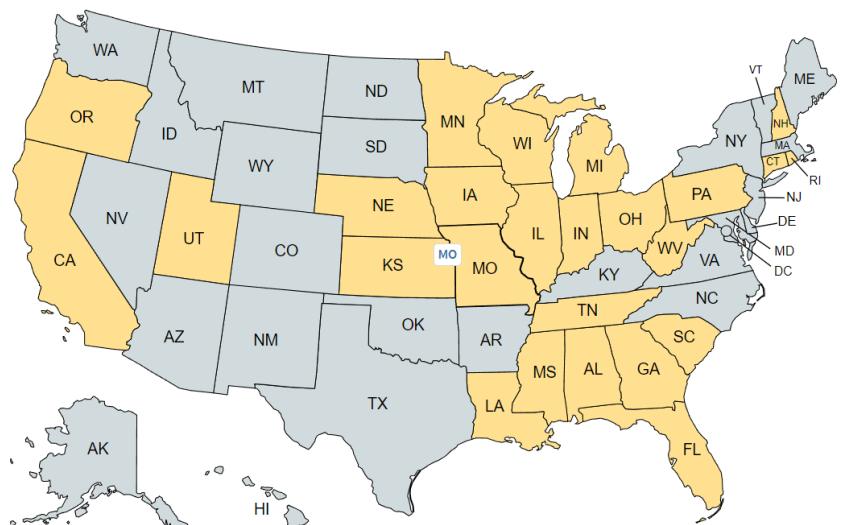
Mynet has several opportunities. First, the growing trend of states and local governments championing financial education creates space for Mynet to grow. In California, Assembly Bill AB-185 authorizes a block grant to be used to educate California teens on personal finance (6). Mynet has a unique opportunity to capitalize on government funding to reach broader audiences. Becoming a state vendor and authorized resource underneath AB-185 would provide Mynet with recurring revenue, greater visibility in the education space, and added protection against economic downturns.



Government funding for fiscal comprehension does not end in California. Alabama, Mississippi, Missouri, North Carolina, Tennessee, Utah, Virginia, and more, are all currently enforcing, or will shortly enforce personal finance education graduation requirements (7).

Different from an economics course, Mynet's diverse app features will provide a valuable resource for school districts and classrooms who will look to establish a financial education curriculum.

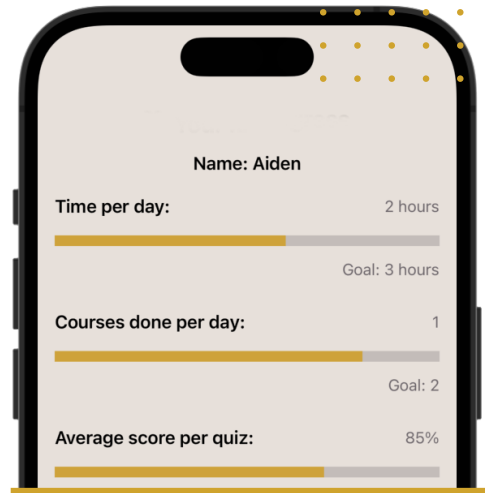
STATES WITH PERSONAL FINANCE GRADUATION REQUIREMENTS



Secondly, Mynet benefits from the growing philanthropic efforts of several non-profit organizations. Private foundations, such as The Gates Foundation, Financial Literacy Foundation, and The Wonderful Company all provide funds to bolster financial education in the Kern County Area (8). However, these foundations depend on outside contractors to develop and implement programs. As an official contractor/vendor for a private entity, Mynet would gain the needed capital to expand coursework and features for users.

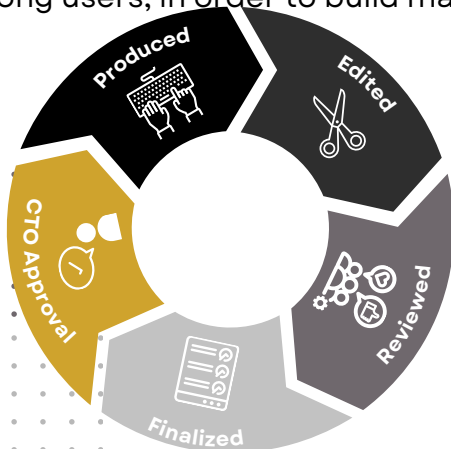


Finally, Mynet benefits from growing demand among parents. As new generations of users mature, it is essential that Mynet grows with them, and gains parental support. To best incentivize and engage parents, the app includes parental tools. Progress monitoring, collaborative learning, and allowances are key features for parents that will allow them to engage with Mynet content. Today, only 24% of young adults are financially independent by age 22 (*Pew Research*) (9). As households sacrifice retirement savings and college funds, Mynet will capitalize on the growing need for a financially literate household.



THREATS

Mynet does face some external threats. First, personal finance and financial literacy applications fall into a saturated real-world market, the EdTech industry, which is expected to grow by over 70% in 2024 (10). Due to this saturation, Mynet must establish trust and credibility among users, in order to build market share.



To establish trust with Mynet users, all content is peer reviewed before publication on the app. Course materials are produced, edited, reviewed, and finalized before publication. All material must have final approval from the CTO before publication. This process is strictly observed, and detailed in Mynet Standard Operating Procedures (SOP).



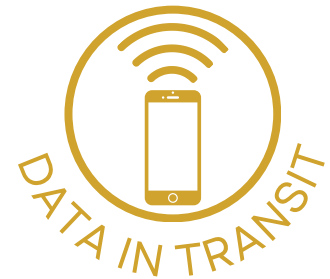
90%

IOS APPS
BREACHED

-BERNSTEIN C.M.

Mynet faces the threat of growing cyber security vulnerabilities. According to *Bernstein Crisis Management (CM)*, over 90% of phone apps have been breached in some way (11). Data breaches damage the app's reputation, and ultimately deter prospective users from joining, or returning users from renewing subscriptions. Mynet accounts may be optionally connected to personal information such as emails, passwords, and, in the future, credit card information.

Mynet prides itself on its constant updates, protection, encryption, data minimization, authentication, and incidence response. Mynet protects data in transit (moving from server to personal device) using DarkTrace to track and encrypt information. Mynet maximizes data at rest (data solely on a personal device) to protect user data, since it is most vulnerable in transit. Mynet has high levels of multi-step authentication for the user to complete before logging in or accessing sensitive personal data. In the potential event that a breach occurs, the company will notify all users and conduct a comprehensive security audit to minimize any chance a similar breach could occur.



An additional threat is the unstable outlook of the economy. Though recent macroeconomic variables such as unemployment and inflation rates have shown that the U.S. economy may not have as significant a downturn as initially predicted, *Goldman Sachs Analyst* estimates there is still a 20% chance of a national recession by the end of 2024 (12). As Mynet may be seen as a non-essential application, a recession or economic downturn could cause users to cancel subscriptions or not initially purchase, leading to a decline in revenue. Additionally, during a recession or economic downturn, school funding decreases dramatically. In the 2007-2009 financial crisis, public school spending declined by over \$223 billion across the United States (13). Mynet strives to obtain as many school bulk purchases as possible, so decreased funding could slow key revenue streams.

Mynet content creators will focus lessons and engagement modules on the importance of sound financial strategies during economic downturns. This will give the user tools during tough economic times while boosting long-term confidence in the need for the app.

EXTERNAL ENVIRONMENT

ECONOMIC CONDITIONS

In order to plan for the future, Mynet has analyzed current economic conditions. The 2023 4th quarter GDP saw 3.3% growth, the national unemployment rate is still strong at 3.9%, and inflation is beginning to level out at 3% which is better than the previous two years (14). Additionally, the consumer confidence index reached two year highs at the end of 2023, which indicates that Americans are more comfortable to spend their disposable income (15).

INFLATION RATE: 3.2%

INCREASING PRIME RATE: 8.5%

UNEMPLOYMENT RATE: 3.9%

Locally, California's GDP is among the highest in the world. The California unemployment rate is 5.2%, and the Kern County unemployment rate is 9.5% (15). These are both above the national averages, with California's overall rate improving and Kern County's remaining relatively consistent (16). Finally, The Federal Reserve is projected to cut interest rates in 2024, which may encourage national spending habits (17).

These macroeconomic variables serve as strong indicators for Mynet: purchasing power has increased, and the company also has the unique opportunity to educate its consumer base about how these conditions can impact them. Mynet Times will be constantly updated to present an unbiased, politically neutral, economic forecast in real-time. Finally, In the event either the local or national economy experiences a negative fluctuation, the company is prepared to reevaluate retail pricing and make necessary adjustments, or even eliminations, to future company expenses.

COMPETITIVE ANALYSIS

Virtually, Mynet faces competition from Life VE and Prometheus. While these companies do have financial literacy components, they only focus on narrow sections of fiscal capability. Life VE only focuses on retirement plans, and targets older age groups with printed, audio, or lecture style materials. Prometheus offers a variety of coursework, but does not focus on personal finance.

In the real world, Mynet is one among many personal finance apps. While most have some sort of educational aspect, the majority are focused on actual banking operations, and assume some level of understanding and competence from the user.



Yzer, a finance education app similar to Mynet, only focuses on bitcoin and crypto currency. Whereas Mynet offers a large variety of course topics. Yzer utilizes a read and test format and implements real-world news into the app to provide further depth in the lessons but does not directly tie it into their lessons. Though it is similarly structured to Mynet, Yzer lacks personalization and modernity.

	Yzer	WORLD OF MONEY	zogo	L.I.F.E	
ON THE GO	✓		✓	✓	✓
SIMULATOR			✓		✓
NEWS	✓				✓
PERSONAL		✓			✓
	REAL			VIRTUAL	

World of Money provides financial education through in person training, school partnerships, and an app. Lessons are only taught through videos and do not provide interactive content.

Zogo is a learn and test style financial literacy app, targeted towards teens and young adults. It has an education and calculator section, where users can calculate car loans and more. Zogo partners with Valley Strong Credit Union, and doesn't require any payment. It expects no previous knowledge from users, but presents information in an overwhelming format that doesn't support user retention. This is similar to Mynet's Educate section, but has less content and inconsistent organization.

While these companies are similar to Mynet in mission, they do not offer the same level of personalization, interaction, or applicability found in the Mynet app.

INDUSTRY ANALYSIS

REAL

Mynet is positioned in the Educational Technology industry (EDTech), which is valued at \$142.37 billion with a growth rate of 13.6%. By 2030, it is forecasted to achieve \$348.1 billion in revenue, according to *Grand View Research* (18).

While COVID-19 accelerated the need for effective and efficient online tools, independent online education programs have grown in popularity. In 2021, *LinkedIn* reported that 86% of Mynet's target market, Generation Z, had personally enrolled in online courses (19). These courses are separate from school-mandated material, and are designed to build "hard and soft skills".

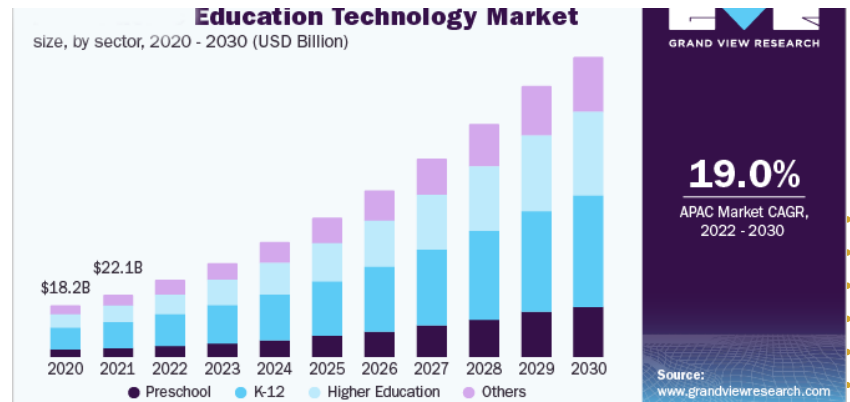


Languages, cooking, and investing are examples of skills being learned by Generation Z. Of the top twenty revenue generating firms in the industry, all offer some sort of Business-to-Business or Business-to-Academia component (20).



One of the largest and most notable EdTech companies is *Courseera*. As of July 2023, the company reported \$153.7 million in revenue (21). *Courseera* offers a variety of services to the consumer. Including online courses and professional certifications, *Courseera* is a serious competitor in the EdTech environment. Companies like Udemy, who offer 20,000+ free online courses with professionals, are also prominent EdTech competitors. However, these courses primarily focus on computer science and are taught in a video format.

One of the largest concerns for new educational technology companies is security. Data leaks, the sale of customer data, and digital piracy are all pressing issues facing the EdTech industry (22). On average, banks and technology companies spend 6-14% of their IT budget on cyber security, with security audits every quarter (23).



Mynet does have several opportunities in the EdTech marketplace. Foremost, is the company's app-based platform. Most market competitors are accessed through websites, video shows, or hardware. Mynet maintains a distinct position over these companies, as an app leads itself to allow for mobile interaction at the convenience of the user. Compounded with the company's use of artificial intelligence modulation, where AI interprets user performance and understanding, and changes coursework as necessary, Mynet has established a strong niche in the EdTech market.

VIRTUAL

Mynet can be categorized into both the VEI Software and Finance and Insurance categories. VEI Finance and Insurance industries generated \$9,939,591 while the Software industry had a gross revenue of \$28,088,064 (October 2023-March 2024) (24).

Mynet does face some competition, with 464 companies classified under the Finance and Insurance category and 338 companies classified under the Software category. The average net pay of VEI students is just over \$1,300 (25). While this number is quite low, Mynet's modestly priced app will attract cost conscious students.

As a financial literacy company, Mynet sits in a relatively untouched market, as there are currently no other financial literacy apps in Virtual Enterprise. As VE students prepare for life outside of High School, Mynet will be there to meet consumer demand.



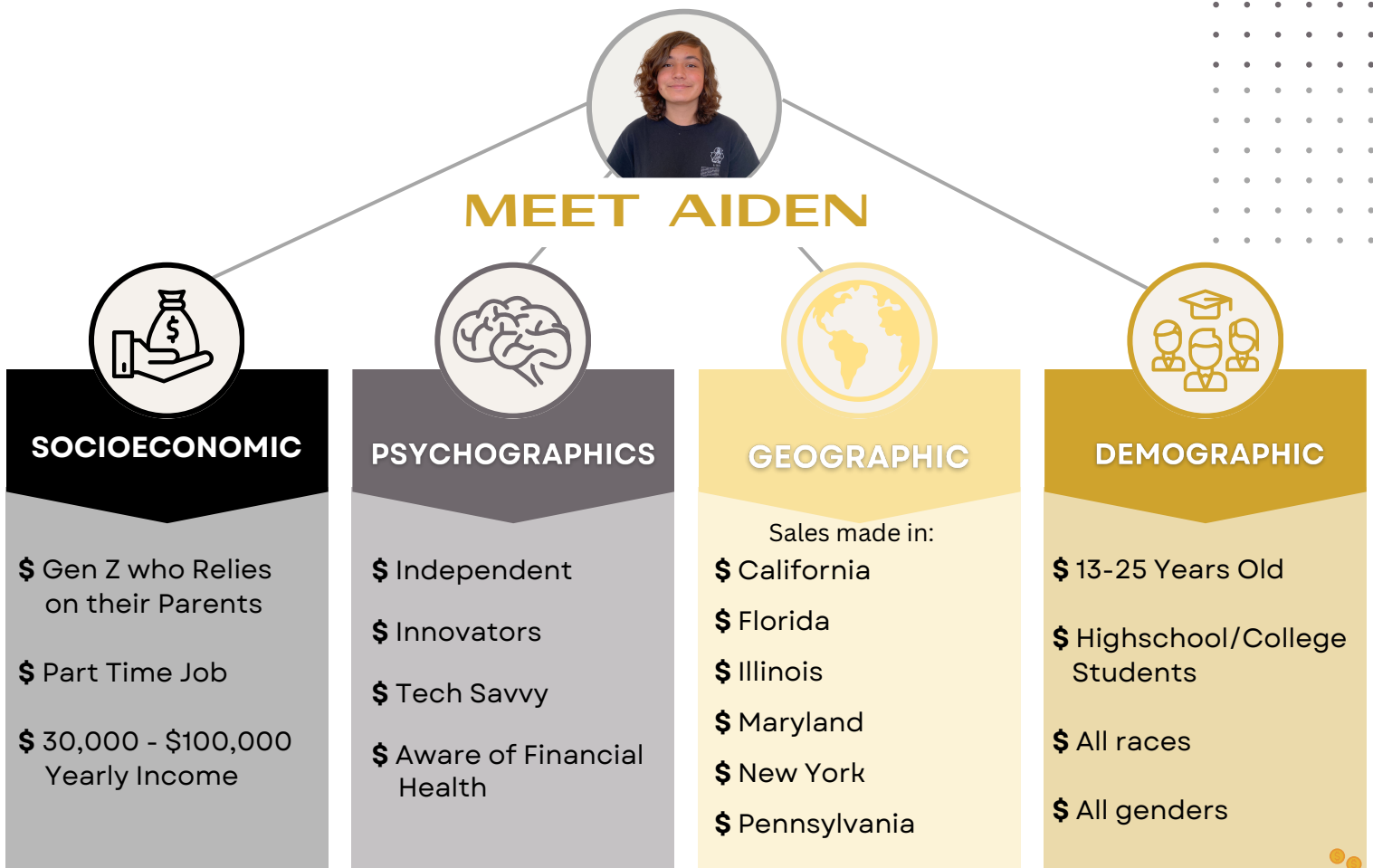
MARKETING PLAN

TARGET MARKET

Mynet's primary target market is Generation Z (ages 13 to 26). More than 50% of Generation Z claimed they feel they do not have enough money to meet their basic needs according to *Forbes* (26). Mynet is an accessible tool that offers relevant financial information. Mynet reaches its target market through social media ad campaigns and app demonstrations at local schools.

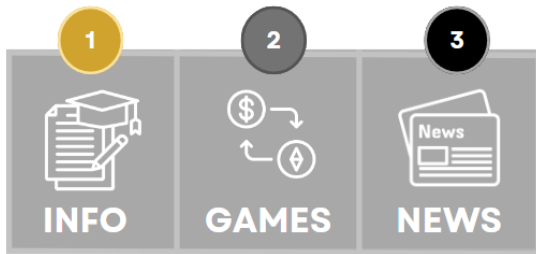
Mynet's secondary market is school districts. Mynet currently partners with the Kern High School District (KHSD) to provide the Mynet app to all students enrolled. For \$358,545.00, the KHSD purchased 21,000 units, which will service the entire school district. This long-term working relationship with the district not only ensures a consistent revenue stream, but also raises awareness among students and parents. Finally, these educational institutions will serve as a pilot to help the company make curriculum and overall modifications to earn the trust and brand recognition among academia.

MARKET SEGEMENTATION



PRODUCT

Mynet utilizes three unique features to ensure comprehension amongst its users. Mynet Education is the core curriculum center, where all pure instructional content is published. Mynet Money allows users to simulate several main functions of personal finance. Including budgeting, investing, saving, and more. Mynet Times couples these two features with news affecting the user on local, regional, national, and global levels. Mynet Times compiles news from multiple sources to provide accurate and informative information. Mynet utilizes adaptive learning software to

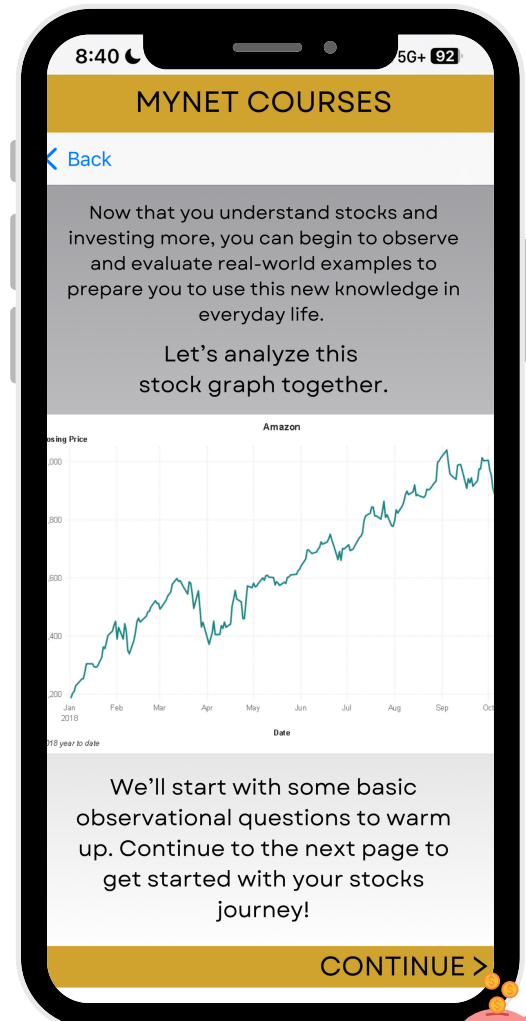


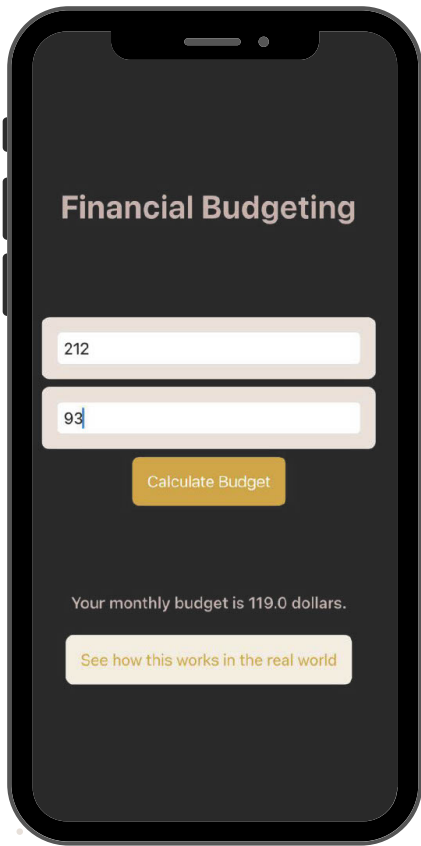
analyze user performance. This process changes the curriculum fed to each user based on performance in Mynet Money and small quizzes. This software adjusts to their learning style and pace of the user, to tailor individual experiences.

MYNET EDUCATION

The Mynet Education section allows users to explore several personal finance subjects. The national banking system, types of accounts, credit, taxes, retirement, and financial planning are the core subjects covered within this section. Each core topic has several components that expand on original knowledge. Compared to other educational apps, Mynet users interact with content that reinforces the topics covered in each lesson. After a lesson is completed, users will complete a check for understanding. This will change depending on the specific subject covered. For example, a lesson on the Federal Reserve may end in a matching exercise, while lessons on debt may end with a simulated amount of debt that users must work to get rid of.

Mynet utilizes adaptive software to analyze user performance. This process changes the curriculum fed to each user based on performance in Mynet Money and small quizzes. This software adjusts to their learning style and pace of the user, to tailor individual experiences.



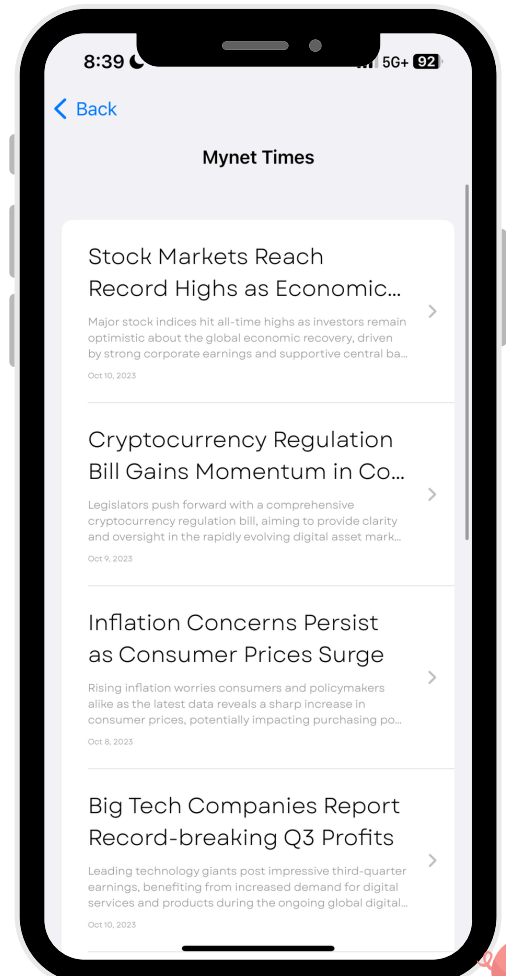


Subscribers have the opportunity to simulate savings, investing, and net worth calculations within the app. This allows users to practice the information provided in the education section. Users are able to use a feature titled “accelerate” which models the future performance of their account. Users can experiment with real numbers and see how their actions affect their bank account; providing a space to simulate different saving and spending strategies without risking real-world money.



The Mynet Times section allows users to analyze real-world events as it relates to the material discussed in the Education courses. Utilizing current news, Mynet staff consolidate relevant information as it relates to the user. Consumers are able to see the content covered in the education section in the real world. Particular headlines and details that have been covered in each lesson are highlighted. Once users click on the highlighted section, a callout to a specific portion of the education module will be displayed. This snapshot shows the real world applications of Mynet Education.

When used in combination, these features allow consumers to gain a holistic understanding of personal finance, and prepare themselves for a future of fiscal success.



PRICE

Mynet has created a competition-based pricing model that aligns with industry averages while maintaining a reasonable price for a Gen Z consumer. According to *US News*, quality financial apps lie within the range of \$8-\$14.99 (27). Therefore, Mynet plans include \$9.99 (one month), \$8.99 (3 months), \$8.49 (6 months), and \$7.99 (12 months). While the user is charged for the entirety of the plan upfront, the three, six, and twelve-month prices allow the user to qualify for long term discounts at 10%, 15%, and 20% respectively. Even though Mynet offers market-affordable pricing options, the app yields a strong profit margin.

Finally, Mynet provides the opportunity for Virtual Enterprise firms to advertise on the Mynet app. Firms can choose to advertise for 30-days on both the app and website for \$10,000, a website-only 30-day plan for \$5,000, or a 15 day website plan for \$2,500.

\$9.99

/ Per Month

\$26.99

/ 3 Months

\$50.99

/ 9 Months

\$95.99

/ Annual

Note: User pays total cost up front.

PROMOTION

Mynet allocates \$10,000 monthly to strategic marketing campaigns. The company implements comprehensive marketing efforts to bolster targeted revenue streams. These efforts include direct marketing, media advertising, personal selling, public relations, and sales promotions. Combined, these tactics culminate in a customer acquisition cost of \$2.86 for users outside of the business contract. Additionally, the company currently has an impressive churn rate of 6%.

Direct sales are made through the Mynet app, website, social media platforms, and trade show attendance. With the help of Google Analytics, Mynet employees strategically send emails, or social media messages. Additionally, trade shows allow for hands-on consumer engagement.

Mynet uses more traditional advertising methods, like print, email, radio, and commercials. These campaigns target Mynets secondary market, the parents of Gen Z consumers. Mynet purchases space in local neighborhood magazines, like *HighGate*, and *The Bakersfield Californian*.

Mynet representatives interact with the local community to develop a client base. These sales representatives host interactive games, programs, and seminars to showcase the Mynet app to Generation Z in Bakersfield. Elementary, junior, high school, and college campus visits are a core piece of Mynet's personal sales strategy.



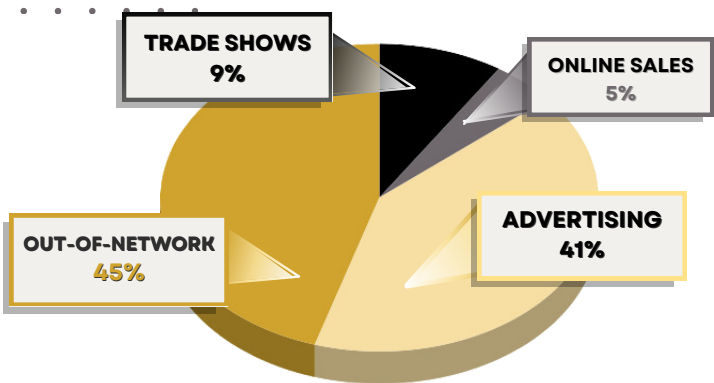
Through the company's business-to-business contract with The Kern High School District (see A1), Mynet increases public exposure through product demonstrations. Mynet also utilizes app based competitions, where users are ranked against, and compete with each other.

The company strives for high levels of community involvement with Bank of America's Better Money Habits program in Bakersfield. This involvement includes Mynet employees visiting classrooms and using physical copies of the Mynet Money and lessons to improve students' financial capability.



Mynet also utilizes strategic price points to encourage subscriptions. Discounts, promotional codes, and complementary features are available exclusively at trade shows, or during seasonal events. For example, in March, Mynet has a "Pot-of-Gold" promotion that gives 10% off a six month subscription to new subscribers, encouraging them to start their year with Mynet.

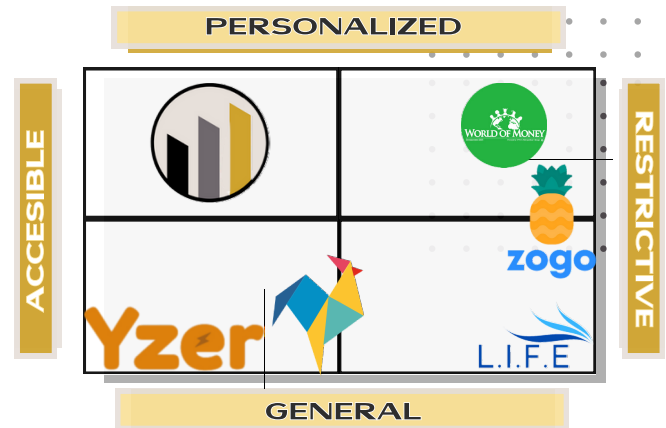
PLACEMENT



Mynet anticipates that trade show sales will account for 9% of its revenue, while online sales will account for 5%. From October 2023 through April 2024, 45% of revenue coming from its out-of-network business contract with the Kern High School District. Trade show and online sales take up a relatively low percentage of sales because of the dollar amount sold in that section. Conversely, advertising and contract sales are large volume, high dollar sales.

POSITIONING

Mynet positions itself as an accessible and engaging financial literacy app. The company provides interactive resources that target credit, loans, budgeting, college savings, taxes, and more. As Generation Z becomes more financially independent, it is essential that consumers understand the financial system and be proactive in their finances. When users subscribe to Mynet, they open themselves up to financial freedom and confidence through personalized curriculum.



BUSINESS RISKS

Mynet's total marketing budget is \$10,000. Of this, 50% is dedicated to social media advertising. Social media funds primarily go to sponsoring influencers as well as targeted advertising on various platforms. There is a potential risk of social media yielding little customer acquisition in relation to the funds spent. If this were to happen, Mynet will refocus and increase its budget, and utilize more funds towards traditional advertising. This includes sending emails, holding product demonstrations, app contests, print, and radio ads.

\$10,000
MONTHLY BUDGET

50%
SOCIAL
MEDIA

20%
PRINTS &
EVENTS

17%
GENERAL
SPONSORSHIPS

13%
RADIO

PROBLEM:

Marketing Budget
Primarily Social Media

SOLUTION:

- Customer Retention Analytics
- Other Marketing Channels

PROBLEM:

Dependent on
Customer Retention

SOLUTION:

- Regularly introduce **new** features and improvements to Mynet app.

As an educational app, Mynet runs the risk of not producing enough content for users. Customers work at different paces, and it is theoretically possible for users to complete all courses before more are added. To prevent this, Mynet content creators create new materials based on customer engagement. Additionally, Mynet Money and Mynet Times provides additional growth opportunities as new lessons are being created. These functions allow users to link what they have learned to real, current events.

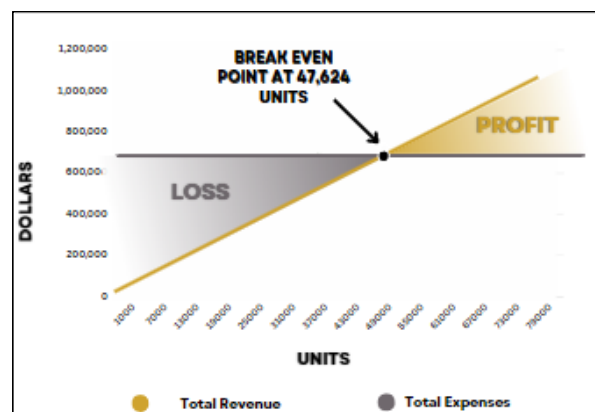
Individual and business-to-business retention poses a risk within Mynet. The company has adopted a multi-pronged approach to minimize this risk. Fostering long-term partnerships through personalized engagement strategies keeps Mynet in good standing with the Kern High School District (KHSD). Hosting in-person financial literacy workshops in KHSD schools and bank branches maintains a strong personal relationship and reinforces a positive brand image. The company also diversifies its revenue stream within the education sector with partnerships and premium features within the app for contract customers, such as the ability to integrate with school specific curriculum. Mynet is committed to a continuous improvement cycle to sustain standard user subscriptions by regularly introducing new features and improvements, such as the ability to eventually connect with actual bank accounts to give the user a real and seamless budgeting experience.



FINANCIAL PLANNING

BREAK-EVEN ANALYSIS

Mynet's break-even analysis consists of the company's projected revenue compared to its estimated accumulative cost from October 2023 to April 2024. The Mynet App's average monthly retail cost is \$8.82 and currently maintains a base 62% gross profit margin with a \$3.33 unit cost-of-goods sold. These margins fluctuate as the Mynet user base grows. The company projects total expenses to be \$698,017 (\$135,240 cost-of-goods sold + \$562,777.61 total operating). Instead of using this price to adjust a variable expense each month, the company chose to accommodate its fluctuating user base by purchasing the largest server space possible. The app can accommodate up to 500,000 users- a number Mynet does not expect to reach this fiscal year. The company combined app and advertising revenue to track where they crossed cumulative expenses to calculate its break-even point. This point, currently set at 47,576 apps sold and 48 advertisement sales to equate to a total amount of units of 47,624, is expected to be reach in April 2024.



	App	Advertising
Average retail price per sale	\$8.82	\$5,800.00
Average cost of goods sold per sale	\$3.33	-
Base Profit rate	62.00%	100.00%
Total COGS (App +Advertising)		\$19,320.00
Operating Expenses	\$562,081.61	\$562,081.61
Fixed Cost of Goods	\$135,240.00	\$135,240.00

Note: Profit margins for app and advertising differs as the company does not double count COGS. The average of both of these equates to 81% but will fluctuate as users grow.

BALANCE SHEET

Mynet Balance Sheet	
Actual for 2/29/2024	
Assets	
Current Assets	
Cash	\$276,748.50
Inventory (Server Capacity)	\$ 19,329.00
Total Current Assets	\$290,068.50
Fixed Assets	
Technology	\$ 32,100.00
Furniture	\$ 10,559.00
Less: Depreciation	\$ (3,550.00)
Total Fixed Assets	\$ 39,109.00
Sum of Assets	\$335,177.50
Liabilities+Equity	
Current Liabilities	
Deferred Revenue	\$ 69,832.61
Loan Payable Current Term	\$ 18,450.77
Payroll Tax Payable	\$ 10,324.22
Salaries Payable	\$ 44,000.00
Sales Tax Payable	\$ 9,493.99
Total Current Liabilities	\$152,101.59
Long Term Liabilities	
Notes Payable Long Term	\$113,275.40
Total Long Term Liabilities	\$113,275.40
Equity	
Common Stock @ \$10 per value, 12,000 shares issued	\$122,000.00
Retained Earnings	\$(52,199.48)
Total Equity	\$ 69,800.52
Sum of L+E	\$335,117.50

As of February 29, Mynet has a cash value of \$276,749. The company's current assets are \$290,069 while fixed assets stand at \$39,109. Depreciation is taken out every month from the fixed asset value. The company estimates a 5-year life span for fixed assets; therefore, a 20% annual depreciation is deducted. Liabilities include payroll, sales tax, loan commitments, and deferred revenue from app fulfillment obligations.

Virtual Enterprise International bought 5,000 shares of common stock at \$10 a share. In December, the company's executive board bought 7,200 shares of stock (see A2 for future stock distribution information). This equated to \$72,000 and increased the company's equity to \$122,000. The company currently has negative retained earnings. However, this is primarily due to cash from Mynet's 3, 6, and 12-month subscription plans deferred through future months. If the company adds up the gross and deferred revenue in the upcoming months, the company anticipates going from negative to positive earning in April to move closer to Mynet's break-even point.

As of February 2024, Mynet has a current ratio of 1.9 and a quick ratio of 1.8, which, according to Eqvista, are above industry averages at 1.50 and 1.26 respectively (28). The high current ratio is primarily caused by the boost in revenue from advertising sales. This shows that Mynet is in a safe position to continue meeting its expenses in the coming months

	MYNET	INDUSTRY AVERAGE*
Current Ratio	1.9	1.50
Quick Ratio	1.8	1.26

*(Source, Eqvista)



PROFIT AND LOSS STATEMENT

	For the Year Ending 4/30/2024							Total
	Actual October	Actual November	Actual December	Actual January	Actual February	Projected March	Projected April	
Gross revenues								
Trade show revenues	\$ -	\$ 3,314.49	\$ 6,048.72	\$ 19,138.09	\$ 10,926.54	\$ 18,345.60	\$ 21,168.00	\$ 78,941.44
Online Sales	\$ -	\$ 1,110.22	\$ 5,745.15	\$ 7,891.19	\$ 4,653.13	\$ 5,860.53	\$ 7,009.33	\$ 32,269.55
Contractual sales to non-VE entities	\$ 51,220.71	\$ 51,220.71	\$ 51,220.71	\$ 51,220.71	\$ 51,220.71	\$ 51,220.71	\$ 51,220.71	\$ 358,544.97
VEI Network Advertising	\$ 10,000.00	\$ 36,019.52	\$ 40,376.98	\$ 60,000.00	\$ 50,000.00	\$ 62,550.38	\$ 68,331.17	\$ 327,278.05
Total gross revenues	\$ 61,220.71	\$ 91,664.94	\$ 103,391.56	\$ 138,249.99	\$ 116,800.38	\$ 137,977.22	\$ 147,729.21	\$ 797,034.00
Cost of goods sold or services provided								
Trade Show Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Online Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
VEI Network Advertising	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contractual sales to non-VE entities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Cost-of-Goods Sold	\$ 19,320.00	\$ 19,320.00	\$ 19,320.00	\$ 19,320.00	\$ 19,320.00	\$ 19,320.00	\$ 19,320.00	\$ 135,240.00
Gross profit	\$ 41,900.71	\$ 72,344.94	\$ 84,071.56	\$ 118,929.99	\$ 97,480.38	\$ 118,657.22	\$ 128,409.21	\$ 661,794.00
Gross Profit Margin %	68.44	78.92	81.31	86.03	83.46	86.00	86.92	81.58
Operating expenses								
Advertising/Promotion	\$ -	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 60,000.00
Loan Interest (10.5%)	\$ 1,312.50	\$ 1,295.77	\$ 1,278.90	\$ 1,261.88	\$ 1,244.71	\$ 1,227.39	\$ 1,209.92	\$ 8,831.07
Payroll	\$ 44,000.00	\$ 44,000.00	\$ 44,000.00	\$ 44,000.00	\$ 44,000.00	\$ 44,000.00	\$ 44,000.00	\$ 308,000.00
Payroll Taxes								
Federal & State Withholding Tax	\$ 6,518.22	\$ 6,518.22	\$ 6,518.22	\$ 6,518.22	\$ 6,518.22	\$ 6,518.22	\$ 6,518.22	\$ 45,627.54
Matching Medicare Expense	\$ 638.00	\$ 638.00	\$ 638.00	\$ 638.00	\$ 638.00	\$ 638.00	\$ 638.00	\$ 4,466.00
Matching Social Security Expense	\$ 2,728.00	\$ 2,728.00	\$ 2,728.00	\$ 2,728.00	\$ 2,728.00	\$ 2,728.00	\$ 2,728.00	\$ 19,096.00
State Disability Insurance	\$ 440.00	\$ 440.00	\$ 440.00	\$ 440.00	\$ 440.00	\$ 440.00	\$ 440.00	\$ 3,080.00
Rent	\$ 4,986.00	\$ 4,986.00	\$ 4,986.00	\$ 4,986.00	\$ 4,986.00	\$ 4,986.00	\$ 4,986.00	\$ 34,902.00
Security	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 1,750.00
Technology/Furniture	\$ 42,569.00	\$ 144.00	\$ 164.00	\$ 502.00	\$ 502.00	\$ 502.00	\$ 502.00	\$ 44,885.00
Telephone/Internet	\$ 160.00	\$ 160.00	\$ 160.00	\$ 160.00	\$ 160.00	\$ 160.00	\$ 160.00	\$ 1,120.00
Total Insurance								
Business Damage Insurance	\$ 815.00	\$ 815.00	\$ 815.00	\$ 815.00	\$ 815.00	\$ 815.00	\$ 815.00	\$ 5,705.00
General Liability	\$ 1,612.00	\$ 1,612.00	\$ 1,612.00	\$ 1,612.00	\$ 1,612.00	\$ 1,612.00	\$ 1,612.00	\$ 11,284.00
Workers Comp	\$ 1,078.00	\$ 1,078.00	\$ 1,078.00	\$ 1,078.00	\$ 1,078.00	\$ 1,078.00	\$ 1,078.00	\$ 7,546.00
Utilities - Gas and Electric	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 5,250.00
Utilities - Water	\$ 77.00	\$ 77.00	\$ 77.00	\$ 77.00	\$ 77.00	\$ 77.00	\$ 77.00	\$ 539.00
Total operating expenses	\$ 107,933.72	\$ 75,491.99	\$ 75,495.12	\$ 75,816.10	\$ 75,798.93	\$ 75,781.61	\$ 75,764.14	\$ 562,081.61
Income from operations	\$ (66,033.01)	\$ (3,147.05)	\$ 8,576.44	\$ 43,113.89	\$ 21,681.45	\$ 42,875.61	\$ 52,645.07	\$ 99,712.39
Other revenues/gains and expenses/losses								
Depreciation (20% Fixed Assets Annually)	\$ (710.00)	\$ (710.00)	\$ (710.00)	\$ (710.00)	\$ (710.00)	\$ (710.00)	\$ (710.00)	\$ (4,970.00)
Net income before taxes	\$ (66,743.01)	\$ (3,857.05)	\$ 7,866.44	\$ 42,403.89	\$ 20,971.45	\$ 42,165.61	\$ 51,935.07	\$ 94,742.39
Corporate income tax								
Net income after taxes	\$ (66,743.01)	\$ (3,857.05)	\$ 7,866.44	\$ 42,403.89	\$ 20,971.45	\$ 42,165.61	\$ 51,935.07	\$ 94,742.39

As of February 29th, Mynet has grossed \$511,328. This revenue was acquired through trade show sales, out-of-network contracts, online sales, and advertising bundles. The average gross profit margin within these months was 80%. Because Mynet operates with a fixed cost-of-goods-sold, this profit margin grows monthly with the company's increasing revenue.

For October and November, Mynet experienced a net loss of \$69,890 in total, though November's loss was 94% less than October's. Aided by the first trade show in November, the company headed quickly toward positive net income. In December, a strong trade show performance resulted in Mynet's first positive net income of \$7,866.44. The company's positive results continued into January but leveled back in February due to a modest online trade show. Finally, Mynet projects a net income of \$94,742 by the end of the fiscal year.

Operating expenses were determined by both analyzing real-world expenses in the Kern County area as well as comparing averages to other VE business plans in years past. At this time, the company does not provide 401k or employee benefits to employees though the company plans to incorporate these as cash reserves allow. As an S corporation, the company is exempt from first year corporate tax expense.

DEFERRED REVENUE

Mynet's users may need to cancel a subscription paid for all at once. To meet the needs of these customers, the company recognizes all up-front payments as deferred revenue. On the Profit and Loss, the revenue for each subscription was distributed across its duration. **This money is not used for sales projections or the P&L Statement until officially provided to the consumer.** Once service is provided, that transaction will be incorporated in the revenue stream where it was originally obtained. However, cash is still collected up front and must be accurately reflected on the Cash Budget (see appendix).

DEFERRED REVENUE
3 MONTH SUBSCRIPTION

\$26.99

Initial Purchase



1ST
MONTH



2ND MONTH
(DEFERRED)



3RD MONTH
(DEFERRED)



SALES PROJECTION & SUMMARY

	<u>OCTOBER</u>		<u>NOVEMBER</u>		<u>DECEMBER</u>		<u>JANUARY</u>	
	PROJECTED	ACTUAL	PROJECTED	ACTUAL	PROJECTED	ACTUAL	PROJECTED	ACTUAL
Trade Show	\$0	\$0	\$4,132.28	\$3,314.49	\$6,359.46	\$6,048.72	\$8,286.79	\$19,138.09
Online	\$0	\$0	\$1,223.21	\$1,110.22	\$5,622.10	\$5,745.15	\$3,762.21	\$7,891.19
Out-of-Network	\$51,220.71	\$51,220.71	\$51,220.71	\$51,220.71	\$51,220.71	\$51,220.71	\$51,220.71	\$51,220.71
Advertising	\$23,200.71	\$10,000	\$32,000	\$36,019.52	\$38,000	\$40,376.98	\$50,000	\$60,000
TOTAL:	\$74,421.42	\$61,220.71	\$88,576.2	\$91,664.94	\$101,202.27	\$103,391.56	\$113,269.71	\$138,249.99

	<u>FEBRUARY</u>		<u>MARCH *</u>		<u>APRIL *</u>	
	PROJECTED	ACTUAL	PROJECTED	ACTUAL	PROJECTED	ACTUAL
Trade Show	\$5,431.20	\$10,926.54	\$9,821.29	\$18,345.60**	\$21,168.00	
Online	\$4,231.98	\$4,653.13	\$5,860.53		\$7,009.33	
Out-of-Network	\$51,220.71	\$51,220.71	\$51,220.71	\$51,220.71	\$51,220.71	\$51,220.71
Advertising	\$43,221.23	\$50,000	\$62,550.38		\$68,331.17	
TOTAL:	\$104,105.12	\$116,800.38	\$129,452.91		\$147,729.21	

*projected

** At time of submission, March trade show has completed

FINANCIAL WRITE UP

Mynet underperformed projections in October due to a lack of advertising contracts. However, Mynet exceeded November gross projections by 3.5% (\$3,088.65). The company's success in November allowed the accounting team to create more accurate projections moving forward. In December, Mynet saw a 2.2% (\$2,189.29) growth in revenue at the San Diego Trade Show as well as developing two more advertising contracts, once again exceeding sales projections. The company saw an increase of 48.6% in advertising revenue from December to January, and projects to continue to increase revenue in coming months.

With January holding the state trade show (the largest event attended by Mynet), the company saw a 24.7% growth from December and exceeded projections by nearly 22.1%. While the company was encouraged by January's results, the accounting and sales departments were prepared for a modest February due to a lack of an in-person trade show. Yet, March's San Bernardino Trade Show was another boon, as the company exceed projections grossing \$18,345.60, which sets Mynet on track to meet projections for the remainder of the month where the company projects total revenue to increase by 18%.

Mynet has high hopes for the end of the fiscal year. Sales remain on pace to break even by the end of April. Furthermore, the company expects an increase in total gross revenue of 7% in the month of April. Mynet's accounting team will continue to update projections accurately using data collected from performance per month. Mynet's projected total sales revenue for October 2023 to April 2024 is \$797,034.



APPENDIX

BANK STATEMENT 2/29/24

Account:	Mynet (Budget Checking) - 631158383					
Period:	from	09/01/2023	until	02/29/2024	Show	Download account details (Excel)
Date	Name/Description/Acct#	Ref#	Amount	Balance		
Feb. 28, 2024	Ethan Young (US015693), Tustin, CA VE Checkout transaction #868780 02/28/2024 12:35 PM CT Acct #631215115	7380932	\$10.81	\$276,748.50		
Feb. 27, 2024	Patel Shaan (US015392), Irvine, CA VE Checkout transaction #865601 02/27/2024 10:44 AM CT Acct #631227016	7370379	\$10.81	\$276,737.69		

OUT-OF-NETWORK CONTRACT



MYNET

This legal document is an official agreement between Kern High School District and Mynet. The terms of this legal document will be in effect as of October 1, 2023 and will be reviewed prior to its expiration date of April 30, 2024.

Terms and Agreements:

Mynet consents to provide Kern High School District with Mynet Application School Year Subscriptions for the return price of \$358,545.00.

Description of Service/Supplies:


Item	Quantity	Unit Price(\$)	Extended Price(\$)
Access to <i>Mynet Application</i>	21,000	\$17.08	\$358,545.00
<i>School Year Subscription</i>			

Mynet consents to provide Kern High School District with a total \$358,545.00 worth of goods and services stated above. In return, Kern High School District will make a monthly payment of \$51,220.71 for the goods and services provided.

Terms of Contract

This contractual agreement may be terminated upon the provision of written notice, subject to the agreed-upon terms, with a notice period of 90 days. The duration of this contract shall commence from the effective date, unless otherwise specified in writing, and it may encompass either a one-time purchase or monthly purchases spanning a period of one year or more, as stipulated within the agreement. Title and ownership of this agreement shall remain non-transferable to any other party.


Brian Miller
Kern Regional Occupational Center Principal
Kern High School District


Cade Nahama
CTO
Mynet



SHAREHOLDERS AND DISTRIBUTION


SHAREHOLDERS NAME	NUMBER OF SHARES	PERCENTAGE
Doty, Lily	1,200	9.8%
Lopez, Alexa	1,200	9.8%
Marin, Ricardo	1,200	9.8%
Nahama, Cade	1,200	9.8%
Roy, Sydney	1,200	9.8%
Taft, Ethan	1,200	9.8%
Virtual Enterprise International	5,000	41.2%

PAYOUT DISTRIBUTION TERMS:

Shareholders receive 50% of any realized profit/loss annually. Remaining profit will be distributed when shares have been sold. Each shareholder is aware that they must pay the California Corporate Tax rate on annual dividends.

RATIONALE:


Mynet retains half of each shareholder's earnings in the event the company needs liquid capital. In turn, investors receive a portion of their potential earnings to help pay their personal corporate taxes and hopefully retain a worthwhile profit.

 I, Ethan Taft acknowledge that I currently hold 1,200 shares of stock in Mynet. As a shareholder, I am aware that I will receive 50% annually of any realized profit on my shares and understand that it is my responsibility to pay corporate tax on my earnings for the lifetime of my investment within Mynet.


[Signature] Shareholder Signature 2/9/24 Date

 I, Ricky Marin acknowledge that I currently hold 1200 shares of stock in Mynet. As a shareholder, I am aware that I will receive 50% annually of any realized profit on my shares and understand that it is my responsibility to pay corporate tax on my earnings for the lifetime of my investment within Mynet.


[Signature] Shareholder Signature 2/13/24 Date

 I, Sydney Roy acknowledge that I currently hold 1200 shares of stock in Mynet. As a shareholder, I am aware that I will receive 50% annually of any realized profit on my shares and understand that it is my responsibility to pay corporate tax on my earnings for the lifetime of my investment within Mynet.


[Signature] Shareholder Signature 2/9/24 Date

 I, Lily Doty acknowledge that I currently hold 1200 shares of stock in Mynet. As a shareholder, I am aware that I will receive 50% annually of any realized profit on my shares and understand that it is my responsibility to pay corporate tax on my earnings for the lifetime of my investment within Mynet.

[Signature] Shareholder Signature 2/9/24 Date

 I, ALEXA LOPEZ acknowledge that I currently hold 1200 shares of stock in Mynet. As a shareholder, I am aware that I will receive 50% annually of any realized profit on my shares and understand that it is my responsibility to pay corporate tax on my earnings for the lifetime of my investment within Mynet.

[Signature] Shareholder Signature 2/9/24 Date

 I, Cade Nahama acknowledge that I currently hold 1200 shares of stock in Mynet. As a shareholder, I am aware that I will receive 50% annually of any realized profit on my shares and understand that it is my responsibility to pay corporate tax on my earnings for the lifetime of my investment within Mynet.

[Signature] Shareholder Signature 2/9/24 Date



LOAN AMORTIZATION TABLE

Virtual Enterprises International Loan Amortization Table

Loan Information

Loan Amount (Principal)	150,000
Annual Interest Rate	10.50%
Term of Loan in Years	5
# of Payments per Year	12
Payment Type	end of period
Monthly Payment	(\$3,224.09)

Summary

Rate (per period)	0.8750%
Number of Payments	60
Total of Payments	193,445.10
Total Interest	43,445.10

No.	Principal	Interest for the Period	Total Balance Outstanding	Payment for the period	Principal Reduction	Revised Balance Outstanding
1	150,000	1312.50	151,312.50	3224.09	1911.59	148,088.41
2	148088.41	1295.77	149,384.19	3224.09	1928.31	146,160.10
3	146160.10	1278.90	147,439.00	3224.09	1945.18	144,214.92
4	144214.92	1261.88	145,476.80	3224.09	1962.20	142,252.71
5	142252.71	1244.71	143,497.43	3224.09	1979.37	140,273.34
6	140273.34	1227.39	141,500.73	3224.09	1996.69	138,276.65
7	138276.65	1209.92	139,486.57	3224.09	2014.16	136,262.48
8	136262.48	1192.30	137,454.78	3224.09	2031.79	134,230.70
9	134230.70	1174.52	135,405.21	3224.09	2049.57	132,181.13
10	132181.13	1156.58	133,337.71	3224.09	2067.50	130,113.63
11	130113.63	1138.49	131,252.12	3224.09	2085.59	128,028.04
12	128028.04	1120.25	129,148.28	3224.09	2103.84	125,924.20
13	125924.20	1101.84	127,026.03	3224.09	2122.25	123,801.95
14	123801.95	1083.27	124,885.22	3224.09	2140.82	121,661.13
15	121661.13	1064.53	122,725.67	3224.09	2159.55	119,501.58
16	119501.58	1045.64	120,547.22	3224.09	2178.45	117,323.14
17	117323.14	1026.58	118,349.71	3224.09	2197.51	115,125.63
18	115125.63	1007.35	116,132.98	3224.09	2216.74	112,908.89
19	112908.89	987.95	113,896.84	3224.09	2236.13	110,672.76
20	110672.76	968.39	111,641.15	3224.09	2255.70	108,417.06
21	108417.06	948.65	109,365.71	3224.09	2275.44	106,141.63
22	106141.63	928.74	107,070.36	3224.09	2295.35	103,846.28
23	103846.28	908.65	104,754.93	3224.09	2315.43	101,530.85
24	101530.85	888.39	102,419.24	3224.09	2335.69	99,195.16
25	99195.16	867.96	100,063.12	3224.09	2356.13	96,839.03
26	96839.03	847.34	97,686.37	3224.09	2376.74	94,462.29
27	94462.29	826.55	95,288.83	3224.09	2397.54	92,064.75
28	92064.75	805.57	92,870.31	3224.09	2418.52	89,646.23
29	89646.23	784.40	90,430.63	3224.09	2439.68	87,206.55
30	87206.55	763.06	87,969.61	3224.09	2461.03	84,745.52
31	84745.52	741.52	85,487.04	3224.09	2482.56	82,262.96
32	82262.96	719.80	82,982.76	3224.09	2504.28	79,758.68
33	79758.68	697.89	80,456.56	3224.09	2526.20	77,232.48
34	77232.48	675.78	77,908.26	3224.09	2548.30	74,684.18
35	74684.18	653.49	75,337.66	3224.09	2570.60	72,113.58
36	72113.58	630.99	72,744.57	3224.09	2593.09	69,520.49
37	69520.49	608.30	70,128.79	3224.09	2615.78	66,904.71
38	66904.71	585.42	67,490.12	3224.09	2638.67	64,266.04
39	64266.04	562.33	64,828.37	3224.09	2661.76	61,604.28
40	61604.28	539.04	62,143.32	3224.09	2685.05	58,919.23
41	58919.23	515.54	59,434.78	3224.09	2708.54	56,210.69
42	56210.69	491.84	56,702.54	3224.09	2732.24	53,478.45
43	53478.45	467.94	53,946.39	3224.09	2756.15	50,722.30
44	50722.30	443.82	51,166.12	3224.09	2780.26	47,942.04
45	47942.04	419.49	48,361.53	3224.09	2804.59	45,137.44
46	45137.44	394.95	45,532.40	3224.09	2829.13	42,308.31
47	42308.31	370.20	42,678.51	3224.09	2853.89	39,454.42
48	39454.42	345.23	39,799.65	3224.09	2878.86	36,575.57
49	36575.57	320.04	36,895.60	3224.09	2904.05	33,671.52
50	33671.52	294.63	33,966.14	3224.09	2929.46	30,742.06
51	30742.06	268.99	31,011.05	3224.09	2955.09	27,786.97
52	27786.97	243.14	28,030.10	3224.09	2980.95	24,806.02
53	24806.02	217.05	25,023.07	3224.09	3007.03	21,798.98
54	21798.98	190.74	21,989.73	3224.09	3033.34	18,765.64
55	18765.64	164.20	18,929.84	3224.09	3059.89	15,705.75
56	15705.75	137.43	15,843.18	3224.09	3086.66	12,619.10
57	12619.10	110.42	12,729.51	3224.09	3113.67	9,505.43



CASH FLOW STATEMENT

Cash Flow							
	Actual	Actual	Actual	Actual	Actual	Projected	Projected
	October	November	December	January	February	March	April
Beginning Balance	\$ -	\$ 131,965.40	\$ 131,738.07	\$ 223,347.30	\$ 271,609.49	\$ 276,748.50	\$ 309,322.53
Cash Flows from Operating							
Total Cash Revenue	\$ 61,220.71	\$ 101,563.68	\$ 124,748.53	\$ 155,652.25	\$ 115,078.62	\$ 139,166.31	\$ 148,121.98
Outflows							
Advertising/Promotion	\$ -	\$ (10,000.00)	\$ (10,000.00)	\$ (10,000.00)	\$ (10,000.00)	\$ (10,000.00)	\$ (10,000.00)
Business Insurance (total)/Legal	\$ (3,505.00)	\$ (3,505.00)	\$ (3,505.00)	\$ (3,505.00)	\$ (3,505.00)	\$ (3,505.00)	\$ (3,505.00)
Loan Interest (10.5%)	\$ (1,312.50)	\$ (1,295.77)	\$ (1,278.90)	\$ (1,261.88)	\$ (1,244.71)	\$ (1,227.39)	\$ (1,209.92)
Payroll	\$ (44,000.00)	\$ (44,000.00)	\$ (44,000.00)	\$ (44,000.00)	\$ (44,000.00)	\$ (44,000.00)	\$ (44,000.00)
Payroll Taxes	\$ (10,324.22)	\$ (10,324.22)	\$ (10,324.22)	\$ (10,324.22)	\$ (10,324.22)	\$ (10,324.22)	\$ (10,324.22)
Rent	\$ (4,986.00)	\$ (4,986.00)	\$ (4,986.00)	\$ (4,986.00)	\$ (4,986.00)	\$ (4,986.00)	\$ (4,986.00)
Sales Tax (8.25%)	\$ -	\$ (5,050.71)	\$ (8,379.00)	\$ (10,291.75)	\$ (12,841.31)	\$ (9,493.99)	\$ (11,481.22)
Security	\$ (250.00)	\$ (250.00)	\$ (250.00)	\$ (250.00)	\$ (250.00)	\$ (250.00)	\$ (250.00)
Supplies	\$ -	\$ (144.00)	\$ (164.00)	\$ (502.00)	\$ (502.00)	\$ (502.00)	\$ (502.00)
Telephone/Internet	\$ (160.00)	\$ (160.00)	\$ (160.00)	\$ (160.00)	\$ (160.00)	\$ (160.00)	\$ (160.00)
Utilities - Gas+Electric	\$ (750.00)	\$ (750.00)	\$ (750.00)	\$ (750.00)	\$ (750.00)	\$ (750.00)	\$ (750.00)
Utilities - Water	\$ (77.00)	\$ (77.00)	\$ (77.00)	\$ (77.00)	\$ (77.00)	\$ (77.00)	\$ (77.00)
Net Cash from Operating	\$ (4,144.01)	\$ 21,020.98	\$ 40,874.41	\$ 69,544.40	\$ 26,438.38	\$ 53,890.71	\$ 60,876.62
Cash Flows From Investing							
Outflows							
Purchase of fixed assets	\$ (42,659.00)						
Purchase of Inventory (App Development)	\$ (19,320.00)	\$ (19,320.00)	\$ (19,320.00)	\$ (19,320.00)	\$ (19,320.00)	\$ (19,320.00)	\$ (19,320.00)
Net Cash from Investing	\$ (61,979.00)	\$ (19,320.00)	\$ (19,320.00)	\$ (19,320.00)	\$ (19,320.00)	\$ (19,320.00)	\$ (19,320.00)
Cash Flows from Financing							
Inflows							
Business Loan	\$ 150,000.00						
Common Stock @ 10 share	\$ 50,000.00		\$ 72,000.00				
Outflows							
Loan Principal Payment	\$ (1,911.59)	\$ (1,928.31)	\$ (1,945.18)	\$ (1,962.20)	\$ (1,979.37)	\$ (1,996.69)	\$ (2,014.16)
Net Cash from Financing	\$ 198,088.41	\$ (1,928.31)	\$ 70,054.82	\$ (1,962.20)	\$ (1,979.37)	\$ (1,996.69)	\$ (2,014.16)
Ending Cash Balance	\$ 131,965.40	\$ 131,738.07	\$ 223,347.30	\$ 271,609.49	\$ 276,748.50	\$ 309,322.53	\$ 348,864.99
Net Cash Flow Increase or Decrease	\$ 131,965.40	\$ (227.33)	\$ 91,609.23	\$ 48,262.20	\$ 5,139.01	\$ 32,574.02	\$ 39,542.46

The Cash Flow statement details Mynet's cash inflows and outflows from October to January and contains projected numbers for February to April. Due to retained cash from the loan and seed money, the firm ended October with a relatively high balance of \$131,965.40 despite failing to profit. After another loss, the total cash balance dropped slightly from October to November. December saw a swell in revenue at the San Diego trade show, while online sales more than quadrupled; leading to the firm's cash increasing by 70%, with an ending balance of \$223,347.30. After adjusting projections, the finance team looks to see an average monthly cash increase of 9.21% from February to April. At the end of April, the company's cash balance is projected to be \$348,811.85. With excess cash, Mynet plans to hire another programmer to expand the app for customers further; such features include tracking monthly/yearly spending and allowing customers to view and track their bank accounts.

Because Mynet opted to use a deferred revenue model for all subscription sales, the company knows that the revenue on the Cash Budget will not match the revenue on the Profit and Loss.



FINANCIAL LITERACY RATES AMONG TEENS

25% of Americans say they **don't have anyone they can ask** for trusted financial guidance (29).



Americans reported **losing ~\$1,389** because of a lack of financial knowledge (30).

In 2021, 86% of teens were interested in investing, but 45% said they **didn't invest because they didn't feel confident** (31).



F

Gen Z has **lagged behind** in their personal finance proficiency (32).

Gen Z understands the importance of personal finance, and **wants to improve** (33).



COURSES CURRENTLY IN THE APP:

- Intro to Personal Finance
- Account Analysis
- Credit vs. Debit
- THE Credit Course
- Budgeting is Brilliant
- Interested in Interest
- Learn the Facts About Tax
- You're Not A-Loan
- Invest, Don't Be Stressed
- Stocks Are Superb
- Don't be a Liability; Learn Your Assets
- The World in Mynets



Mynet Times

Consumer Confidence Index has Reached a Three Year High

Don't Know What This Means?

Take the Course:

THE WORLD IN MYNETS

Back to the Article:

The Conference Board Consumer Confidence Index® rose in January to 114.8 (1985=100), up from a revised 108.0 in December. The reading was the highest since December 2021, and marked the third straight monthly increase. The Present Situation Index—based on consumers' assessment of current business and labor market conditions—surged to 161.3 (1985=100) from 147.2 last month. The Expectations Index—based on consumers' short-term outlook for income, business, and labor market conditions—improved to 83.8 (1985=100) in January, up from a revised reading of 81.9 in December.

ALL COURSES LISTED ABOVE ARE INTEGRATED IN MYNET TIMES AND MYNET MONEY

Mynet Money

Based off You're Budgeting Experiment:

You seem to struggle with **Investing**, check out this course:

Budgeting Feedback:

Take the Course:

INVEST, DON'T BE STRESSED

[Try a New Budget Simulation](#)

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