

finlit

a **JA** Company

Junior Achievement of North Central Ohio - North Canton, Ohio - Hoover High School

Teacher: Mr. Grady | Volunteer: Mrs. Pilati

2020-2021 Annual Report



Executive Summary

Finlit's mission is to instill financial literacy in every child and empower them with the skills they need for a successful future. Finlit's product is "Budget or Bust", a fun interactive and engaging board game designed to teach kids financial literacy. For years, kids have learned through textbooks and lectures. Finlit aims to re-imagine the way kids learn financial literacy.

Performance Snapshot

Total Units Sold: **179**

Break Even Point: **96 Units**

Total Revenue: **\$13,630**

Gross Profit/Unit: **\$18.18**

Total Profit: **\$6,697.35**

ROI: **930.19%**

Table Of Contents

Financial Performance **2**

Leadership **3**

Innovation **4**

Marketing **6**

Learning Experiences **8**

Future Goals **8**

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Financial Performance

Overview

The retail price for each unit is \$35. The net profit is \$18.18 per game. A total of 170 units were sold resulting in a net profit of \$6,697.35 resulting in a return of investment of 930.19%.

Capital

Each board member purchased 8 shares of stocks at \$10 per share, resulting in a starting capital of \$720. Finlit is owned entirely by the board. Starting capital was used for product development and purchasing inventory.

Return on Investment

Finlit received \$720 in capital stock from its employees. We currently have a net profit of \$6,697.35 resulting in a return on investment of 930.19%

Product Price Breakdown

Retail Price: \$35.00

Sales Tax: \$2.28

Donations: \$3.50

Production Cost: \$7.54

Commission: \$3.50

Net Profit: \$18.18

Balance Sheet

Assets	
Cash	\$4,144.31
Supplies	\$209.35
Inventory	\$1,681.09
Total Assets:	\$9,315.50
Owner's Equity + Liabilities	
Capital Stock	\$720.00
Net Profit	\$6,932.65
Total Liabilities	\$1,662.85
Total Liabilities and Capital:	\$9,315.50

Statement Of Activities

(Profit or Loss)

Total Revenue:	\$13,630
Sales	\$6,190
Ad Sales	\$2,940
Prize Money	\$4,500
Expenses	
Total Sales Tax	\$402.35
Cost of Goods Sold	\$5239.80
Wages, Salaries, & Commissions	\$641.50
Donations: Junior Achievement	\$619
Loan Principal	\$30.00
Total Expenses:	\$6,932.65
Net Profit:	\$6,697.35

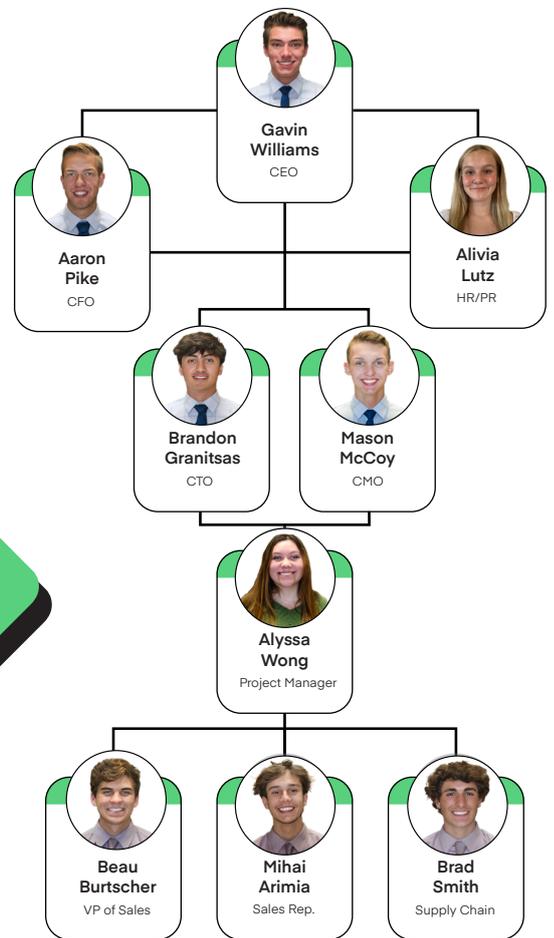
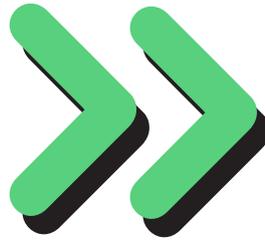
Book Value Of Stock

(Upon Liquidation)

Net Profit	\$6,697.35
Capital Stock	\$720.00
Total Owner's Equity:	\$7,652.65
Shares of Stock Sold:	9
Book Value Per Share:	\$850.29
Percent Return Per Share:	930.19%

Leadership & Organization

Our Team



Structure & Organization

Finlit follows a line organizational structure. This structure increases delegation and decreases the direct need of the CEO within each department. Different departments report directly to their respective managers, who in turn report to the CEO. This allows information to flow smoothly to the CEO, and in turn make the company run more efficiently.

Finlit holds weekly meetings in which company members discuss upcoming tasks. With a combined project calendar and task list, we assign different tasks for company members to focus on for the week. This helps each department clearly know what is expected of them for the week.

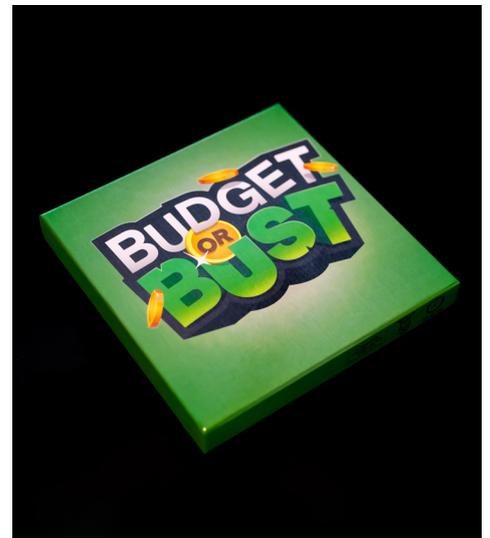
Motivation & Improvement

To promote motivation and improvement within Finlit, Finlit completes monthly employee evaluations as well as provide each employee an area of improvement for the upcoming month. Finlit follows a rubric that scores employees on attendance, quality of work, productivity, dedication, sales, and job knowledge. Employees are encouraged to improve on these skills, as they are a contributing factor to end-of-sales bonuses. In addition to performance analysis, employees are motivated through a 10% commission they receive on their sales.

Innovation

Product Development

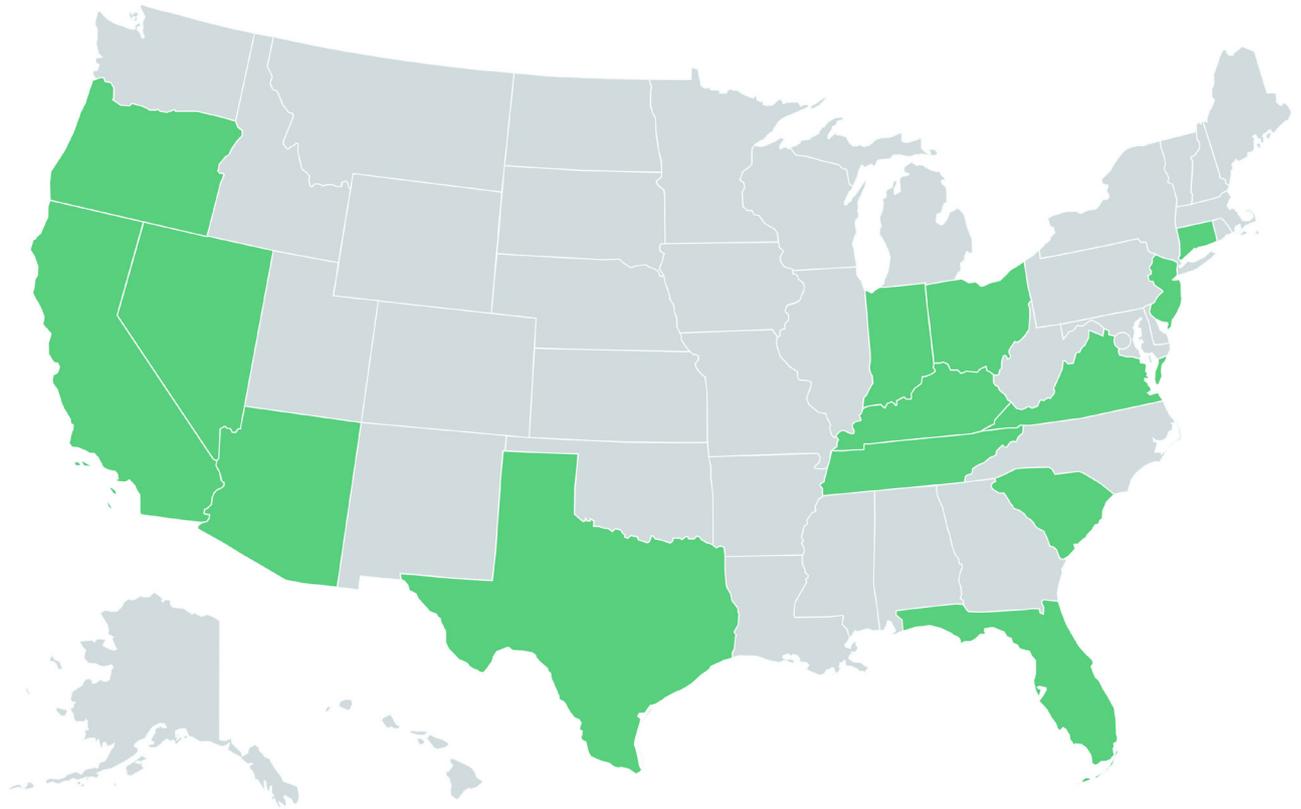
Budget or Busts includes over 80 cards, 4 game pieces, 2 dice, a board, play money, and an instruction sheet. To create a product with so many pieces required immense effort as well as a reputable, reliable supplier. Finlit works with a manufacturer overseas, where the boards, cards, and instructions are printed, pressed, and precision cut. All units are shrink-wrapped and neatly packaged for the customer. Budget or Bust was developed entirely by members of the Finlit team.



Proprietary Branding and Design

All Finlit graphics are proprietary. From the Finlit logo to Budget or Bust graphics, every graphic is meticulously designed from scratch. The design team used Adobe Illustrator to create the cards, board, and box. The product development team tested 6 iterations of the board design before settling on the final layout. Proprietary design allows Finlit to stand out in the market and ensure a strong brand integrity.

Online Sales By State



\$3,558.00

Total Online Sales

81

Number of Online Orders

\$44.38

Avg. Online Order Value

Online Sales

Finlit's online sales make up over 80% of total sales. A strong online infrastructure and social media presence resulted in a more efficient and effective sales strategy compared to selling in person or door to door. Finlit recorded \$3,139.65 in online sales alone, selling in 14 states. All social media accounts were built with the intention of funneling potential customers to the website (gofinlit.com) for potential purchases. Posting in Facebook groups and launching Facebook ad campaigns played vital roles in generating traffic to the Finlit website.



@gofinlit_JA



@gofinlit.JA

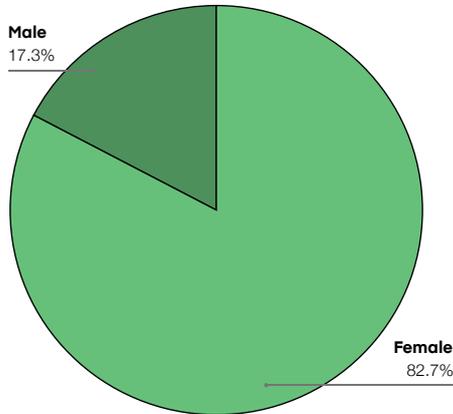


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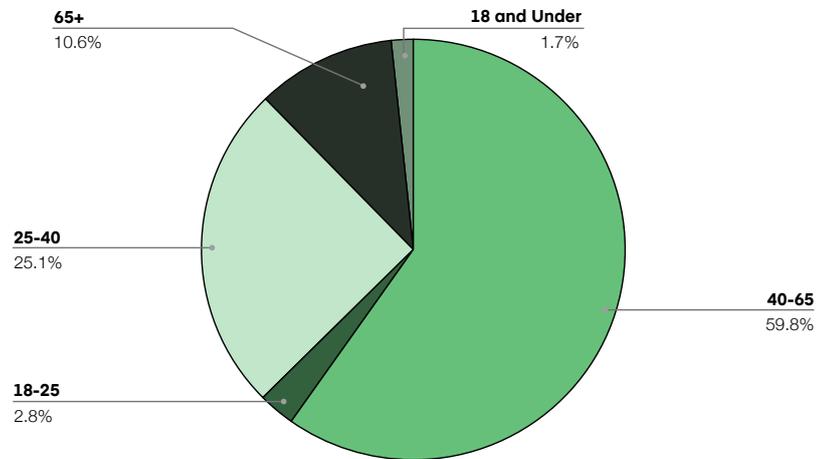
Visit: **gofinlit.com**

Marketing

Gender



Age



Target Market

Finlit's target market consists of parents and grandparents age 40-65 with children age 10 or older. Finlit's market research survey concluded this age range to be optimal for "Budget or Bust", with over 80% of respondents stating they would purchase Budget or Bust for their kids.

Sales Activities & Strategies

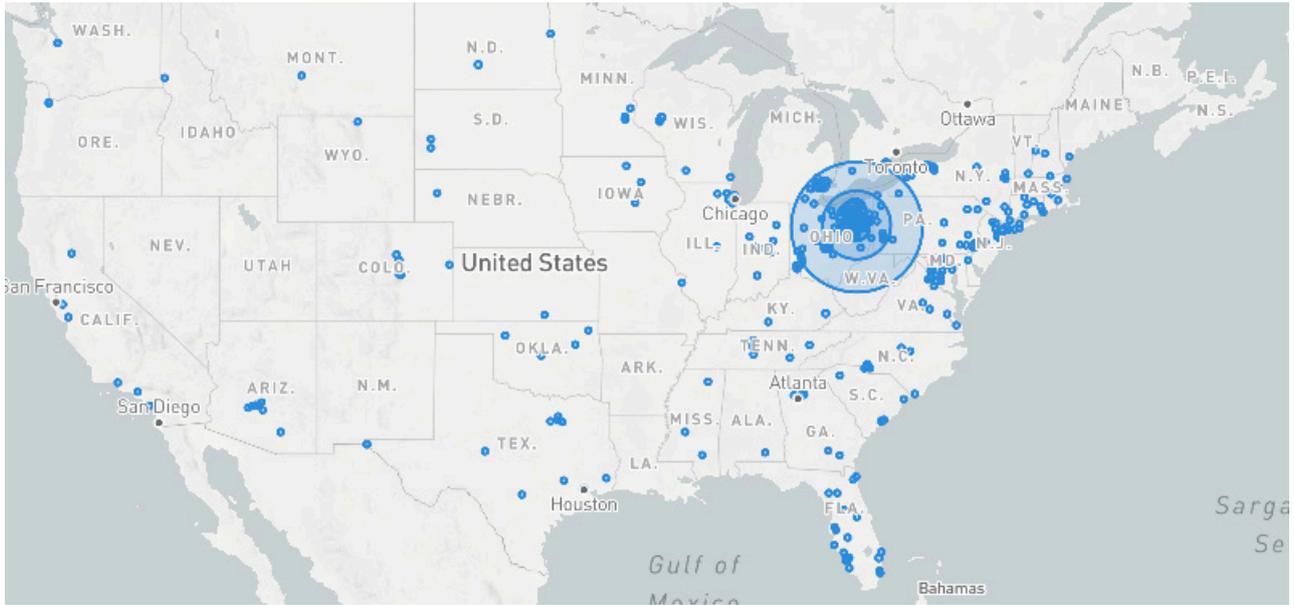
Finlit focuses on online sales and retail sales as its primary sales strategy. Through online sales Finlit is able to develop creative content that encourages conversation surrounding financial literacy, as well as spread awareness about the company. Additionally, having "Budget or Bust" in retail stores not only increases exposure, but allows Finlit to be involved in the community. Finlit has sold to The Wise Owl, IQ Toyz, and Orchard Hill Intermediate.

Competitive Advantage

Brand strength is a core advantage for Finlit. Finlit is easily recognizable, and its brand strategy appeals to a younger audience. Finlit's distinct brand allows the company to stand out among competitors. Product design is another competitive advantage, as its interactive nature makes it more unique compared to textbooks and workbooks commonly used in schools today.

Site Visits By State

**Excluding Hawaii and Alaska*



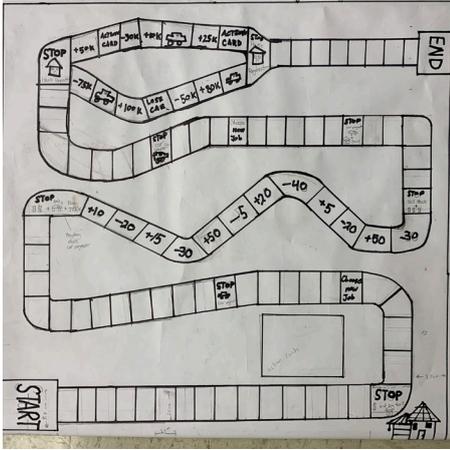
Marketing Strategy

Finlit’s marketing strategy includes social media posts as well as Facebook ad campaigns. Which include product shots, information about the company, as well as a direct link to the website. Across all social media platforms, Finlit hosts a series known as “LitBits”- posts that highlight financial literacy statistics and provide helpful tips for teens. Through product shots, LitBits, and regular updates on company events, Finlit is able to direct traffic to its website. Finlit has also launched two campaigns, each designed to promote its product and mission. Facebook Ads allow Finlit to reach its target market, including those who may not follow Finlit on social media. Finlit’s ad campaigns have reached over 50,000 people nationwide. These campaigns significantly increased online sales and public outreach.

Facebook Ad Outreach

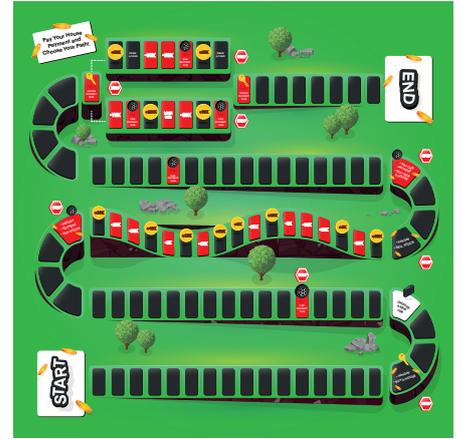


Learning Experiences



Prototype Board

Completed in 1 week



Final Board

The Demo

Finlit's sixth iteration of the board became the final design. In late October, Finlit conducted a product demo for a financial literacy class at the North Canton Middle School. Every board was hand drawn on a large sheet of paper, and every card was hand written, drawn, and cut. Over forty students played "Budget or Bust". After the demo, it was clear that "Budget or Bust" was a success. Kids identified scenarios that may lead to debt if they make a poor purchasing decision, and gauged their risk tolerance. After the demo was completed, kids begged the teacher to play again and asked if they could buy the game.

Failure

In November, Finlit held a pitch meeting with the board of JA for a potential investment. At this time, the board and cards were still hand-drawn prototypes. After the pitch, we did not receive the investment. The investors did not believe Finlit would have the game ready in time, nor have it manufactured in a timely manner due to the supplier's location overseas. Finlit was faced with a choice: pivot, or defy the odds. After seeing the children's' response to "Budget or Bust", there was no chance of throwing it away.

Success

After missing the investment, the Finlit team returned with a completed game. In one week, over 80 cards were designed, as well as the board and box. Finlit also raised \$1,000 through sponsorships, and used that money to purchase the first 100 units. Since then, Finlit reached profitability and its outreach has been growing ever since. In two weeks, a small company left its fingerprint on the country in over 13 states. Through overcoming great challenges Finlit learned the power of perseverance and a strong belief in its product.

