

VIDEO NOTEBOOK
MENLO PARK, CALIFORNIA

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2023

TABLE OF CONTENTS

	<u>Page</u>
Independent Accountant's Review Report.....	1
Financial Statements:	
Balance Sheet.....	2
Income Statement.....	3
Statement of Changes in Shareholders' Equity.....	4
Statement of Cash Flows.....	5
Notes to the Financial Statements.....	6-8

Hiep Pham, CPA Inc.

41041 Trimboli Way #1926, Fremont, CA 94538 | Phone: (510) 789-7736 | www.hiepphamcpa.com

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To Management
Video Notebook
Menlo Park, California

I have reviewed the accompanying statements of Video Notebook (a C Corporation) which comprise the balance sheet as of December 31, 2023, and the related income statement, statement of changes in shareholders' equity and statement of cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Video Notebook' management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Accountant's Responsibility

My responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require me to perform procedures to obtain limited assurance as a basis for reporting whether I am aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. I believe that the results of my procedures provide a reasonable basis for my conclusion.

I am required to be independent of Video Notebook and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to my review.

Accountant's Conclusion

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Hiep Pham, CPA Inc.

Fremont, California
February 20, 2024

VIDEO NOTEBOOK
BALANCE SHEET
December 31, 2023

ASSETS

Fixed assets, net of accumulated depreciation	\$ -
	<hr/>
Total assets	\$ -
	<hr/> <hr/>

LIABILITIES AND SHAREHOLDERS' EQUITY

Liabilities:

Loan from shareholder	\$ 1,328,477
Interest payable	63,908
	<hr/>
Total liabilities	1,392,385
	<hr/>

Shareholders' equity:

Common stock, \$0.00001 par value; 10,000,000 shares authorized; 7,500,000 shares issued and outstanding	75
Retained earnings	(1,392,460)
	<hr/>
Total shareholders' equity	(1,392,385)
	<hr/>

Total liabilities and shareholders' equity	\$ -
	<hr/> <hr/>

The accompanying notes are an integral part of these financial statements.

VIDEO NOTEBOOK
INCOME STATEMENT
For the Year Ended December 31, 2023

Revenues	<u>\$ 6,752</u>
Expenses:	
Accounting and legal	7,320
Advertising	29,096
Books and subscriptions	80
Cloud services	48,602
Contractors	275,872
Education	480
Meals and entertainment	70
Internet	389
Office expense	4,220
Hardware and software	3,958
Travel	8
Interest expense	<u>53,749</u>
Total expenses	<u>423,844</u>
Net loss before taxes	(417,092)
Less state income taxes	<u>(2,400)</u>
Net loss	<u>\$ (419,492)</u>
Basic earnings per share of common stock:	
Net loss	<u>\$ (0.06)</u>

The accompanying notes are an integral part of these financial statements.

VIDEO NOTEBOOK
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
 For the Year Ended December 31, 2023

	Common Stock	Retained Earnings	Total
Beginning balance, December 31, 2022	\$ 75	\$ (972,968)	\$ (972,893)
Net loss	-	(419,492)	(419,492)
Ending balance, December 31, 2023	\$ 75	\$ (1,392,460)	\$ (1,392,385)

The accompanying notes are an integral part of these financial statements.

VIDEO NOTEBOOK
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2023

Cash flows from operating activities:	
Net loss	\$ (419,492)
Adjustments to reconcile net income to net cash provided by operating activities:	
Changes in certain assets and liabilities:	
Interest payable	<u>53,820</u>
Net cash provided (used) by operating activities	<u>(365,672)</u>
Cash flows from financing activities:	
Issuance of common stock	-
Proceeds from loan from shareholder	<u>365,672</u>
Net cash provided (used) by financing activities	<u>365,672</u>
Net increase (decrease) in cash	-
Cash and cash equivalents, beginning of period	<u>-</u>
Cash and cash equivalents, end of period	<u>\$ -</u>
Supplemental disclosures of cash flow information:	
Income taxes paid	<u>\$ 2,400</u>

The accompanying notes are an integral part of these financial statements.

VIDEO NOTEBOOK
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2023

NOTE 1 - GENERAL

Video Notebook (the Company) is a Delaware C corporation incorporated in January 2021. The Company provides a suite of software applications to enable people to take notes on online videos and meetings.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The financial statements and records of the Company are prepared on the accrual basis of accounting and, therefore, include all support and revenues when earned and all expenses when incurred, regardless of whether the support and revenues or expenses were received or paid as of the end of the period.

B. Cash and Cash Equivalents

For purposes of reporting the statement of cash flows, cash and cash equivalents include cash on deposit with financial institutions with a maturity of three months or less. As of December 31, 2023, the Company held no cash and cash equivalents.

C. Fixed Assets

Purchased property and equipment are stated at cost. Depreciation for computers and equipment is computed using the double declining balance method over the estimated useful lives of the assets of seven years. Depreciation for vehicles is computed using the double declining balance method over the estimated useful lives of the assets. Expenditures for maintenance and repairs are charged to expense as incurred. Any impaired assets will be written down to their actual value.

D. Revenue Recognition

The Company recognizes revenue when: (1) persuasive evidence exists of an arrangement with the customer reflecting the terms and conditions under which products or services will be provided; (2) delivery has occurred or services have been provided; (3) the fee is fixed or determinable; and (4) collection is reasonably assured. Revenues are generally recognized upon shipment of a sale. Unshipped orders are recorded as deferred revenues.

E. Advertising Expenses

The Company expenses advertising costs as they are incurred.

F. Use of Estimates

The financial statements have been prepared in conformity with U.S. generally accepted accounting principles and, as such, include amounts based on informed estimates and judgments of management with consideration given to materiality. Actual results could differ from those estimates.

VIDEO NOTEBOOK
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

G. Risks and Uncertainties

The Company has a limited operating history. The Company's business and operations are sensitive to general business and economic conditions in the United States. A host of factors beyond the Company's control could cause fluctuations in these conditions. Adverse conditions may include, recession, downturn or otherwise, local competition or changes in consumer taste. These adverse conditions could affect the Company's financial condition and the results of its operations.

H. Commitments and Contingencies

The Company is not currently involved with and does not know of any pending or threatening litigation against the Company or its members.

I. Subsequent Events

In preparing these financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through February 20, 2024, the date the financial statements were available to be issued.

NOTE 3 - INCOME TAXES

The Company accounts for income taxes under FASB ASC 740, *Accounting for Income Taxes*. The Company, with the consent of its shareholders, has elected, under the Internal Revenue Code, to be treated as a C Corporation. In lieu of federal income taxes, the shareholders of a C Corporation are taxed on their proportionate share of the Company's taxable income. Therefore, no provision for federal income taxes has been included in these financial statements. State law (States of California and Delaware) generally conforms to federal law. Deferred income taxes have not been recognized in these financial statements, as the amount of deferred taxes is not considered material.

The Company adopted the recognition requirements for uncertain income tax positions as required by generally accepted accounting principles, with no cumulative effect adjustment required. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities. The Company has analyzed tax positions taken for filing with the Internal Revenue Service and all state jurisdictions where it operates. The Company believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse affect on the Company's financial condition, results of operations or cash flows. Accordingly, the Company has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at December 31, 2023. The Company is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

VIDEO NOTEBOOK
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2023

NOTE 4 - FIXED ASSETS

Fixed assets as of December 31, 2023 are as follows:

Equipment	\$	3,815
Less accumulated depreciation		<u>(3,815)</u>
Fixed assets, net		<u>\$ -</u>

Depreciation expense was \$0 for the year ended December 31, 2023.

NOTE 5 - LOAN FROM SHAREHOLDER - RELATED PARTY

The Company has a loan from its only shareholder. At December 31, 2023, the Company received a total of \$1,328,477. Interest is accrued annually at the IRS blended rate of 1.4%. At December 31, 2023, interest payable was \$63,908.

There are no minimum monthly payments and no maturity date. The Company intends to pay back the shareholder when the Company starts receiving cash inflows.

NOTE 6 - EQUITY - COMMON STOCK

Under the certificate of incorporation, the total number of common shares of stock that the Corporation shall have authority to issue is ten million (10,000,000), consisting of six million (6,000,000) shares of Common Stock outstanding and one million and five hundred thousand (1,500,000) shares of Common Stock option plan, \$0.00001 par value per share. As of December 31, 2023, 7,500,000 shares have been issued and are outstanding.