FINORA - The Expense Tracker

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Abstract - The Financial Tracker App is a mobile application developed to support personal financial management by enabling users to record income, track expenses, define financial goals, and receive rewards for responsible financial behavior. The application provides secure access through two-way authentication and offers a user-friendly dashboard for monitoring financial activities. Expenses are categorized into fixed and variable types to assist users in analyzing spending patterns and improving budgeting decisions. To ensure data privacy, sensitive financial information such as income and expenditure is stored locally on the user's device, while encrypted data is stored in a cloud database solely for backup and recovery purposes. A reward-based mechanism encourages users to achieve financial goals, promoting consistent and disciplined money management practices. The system is implemented using React Native with Expo for the frontend and Node.js for the backend, providing a responsive and secure application architecture. By integrating real-time tracking, goal setting, rewards, and privacy-focused data handling, the Financial Tracker App aims to enhance financial awareness and support long-term financial stability.

Keyword - Financial Tracker App, Expense Management, Personal Finance, Privacy-centric Architecture, Encrypted Backup, Mobile Application, Goal-Based Rewards, Real-time Notifications,

I. INTRODUCTION

In today's fast-paced digital world, managing personal finances has become an essential skill for achieving financial stability and independence [3]. Many individuals struggle to track their income, expenses, and savings due to the lack of proper tools and financial awareness. To overcome this problem, the Finance Track App is designed as a smart and user-friendly solution for effective financial management [5].

The Finance Track App helps users record, monitor, and analyze their daily financial activities such as income, expenses, savings, and investments. By maintaining a digital financial journal, users can easily understand their spending patterns, set financial goals, and make informed financial decisions [7]. The app aims to promote financial discipline and transparency by providing organized records and meaningful insights.

This project focuses on building a secure and efficient finance tracking system with features such as user authentication, expense categorization, financial summaries, and future planning tools. Overall, the Finance Track App serves as a reliable platform to assist users in achieving better

control over their finances and working towards long-term financial independence [1],[2].

II. METHODOLOGY

The proposed work follows an application-oriented research approach focusing on the design, development, and evaluation of a mobile-based financial tracking system. The application is developed using React Native with Expo for the frontend and Node.js for the backend, enabling cross-platform compatibility and scalable system performance. The system architecture is designed to support real-time financial tracking, goal management, and reward-based feedback mechanisms.

A secure two-way authentication mechanism is implemented to ensure controlled access to the application. JSON Web Tokens (JWT) are used for session management, and Timebased One-Time Password (TOTP) verification is employed as an additional authentication layer. To preserve user privacy, sensitive financial data such as income and expenditure is stored locally on the user's device, while only encrypted data is stored in the cloud database for backup and recovery purposes.

MongoDB is used as the backend database for managing user authentication details and encrypted backup data. The reward-based model is integrated into the system to encourage financial discipline by providing incentives based on goal achievement and responsible spending behavior. Users can categorize expenses into fixed and variable types, enabling structured analysis of spending patterns.

The experimental setup involves the simulation of multiple user scenarios, including income entry, expense categorization, financial goal setting, and reward tracking. The application is tested in a controlled environment to validate secure authentication, encrypted data storage, database synchronization, and dashboard visualization. Sample datasets are used to analyze spending behavior, category-wise expense distribution, and goal completion rates. The collected data is utilized to evaluate system performance and refine personalized financial insights and reward mechanisms.

Development and testing are carried out using standard software engineering tools, including Visual Studio Code for implementation, GitHub for version control, and Postman for API testing and validation.

III. PROCESS FLOW

The process flow of the Financial Tracker App begins with user registration as shown in Fig.1 followed by secure login

using a two-way authentication mechanism to ensure authorized access. Upon successful authentication, the user is redirected to a centralized dashboard that provides a real-time overview of income, expenses, savings, rewards, and financial goals.

Users enter income details and record daily expenses, which are systematically categorized into fixed and variable expenses to support structured financial management. The application enables users to define budgets and set short-term and long-term financial goals, while continuously monitoring spending behavior in relation to predefined limits.

Sensitive financial data, including income and expenditure records, is stored locally on the user's device to maintain data privacy. Encrypted versions of the data are transmitted to the backend and stored in the cloud database exclusively for backup and recovery purposes. The Node.js backend manages authentication, encryption, secure data synchronization, and reward logic, ensuring consistency between local and cloud data.
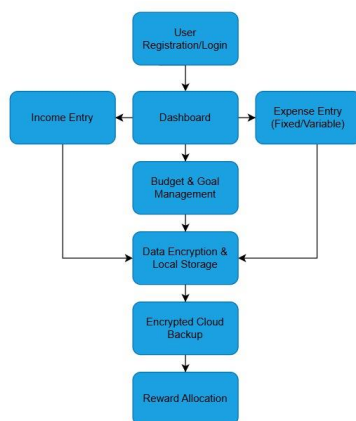

Figure 1 - Process Flow

Based on the recorded financial data, the system analyzes user spending patterns and goal progress to generate personalized financial insights that assist users in informed decision-making. A reward-based mechanism is integrated to motivate users by assigning points for goal achievement and consistent budget adherence.

Through continuous monitoring, secure data handling, and real-time feedback delivered via the React Native frontend, the Financial Tracker App supports users in developing disciplined financial habits and progressing toward long-term financial stability.

IV. THE FINANCIAL TRACKING AND GOAL BASED ALGORITHM

The Financial Tracking and Goal-Based Reward Algorithm (FTGRA) governs the operational flow of the proposed Financial Tracker App by managing user authentication, financial data handling, analysis, and reward evaluation. The algorithm follows a privacy-centric and decision-based logic to ensure secure financial management and disciplined user

behavior. When a user registers or logs into the application, the algorithm initiates a two-way authentication process to validate user identity and authorize access to the system. Only authenticated users are permitted to proceed to the financial management interface.

The Financial Tracker App begins with user registration, as shown in Fig.2, where new users create an account by providing valid credentials through the signup interface. Existing users can directly access the system using the login module. Secure authentication ensures authorized access before proceeding further. After successful login, users are prompted to enter essential personal and financial details such as age, number of family members, income source, total family income, and fixed family expenses, which are used to personalize financial analysis as shown in Fig.3
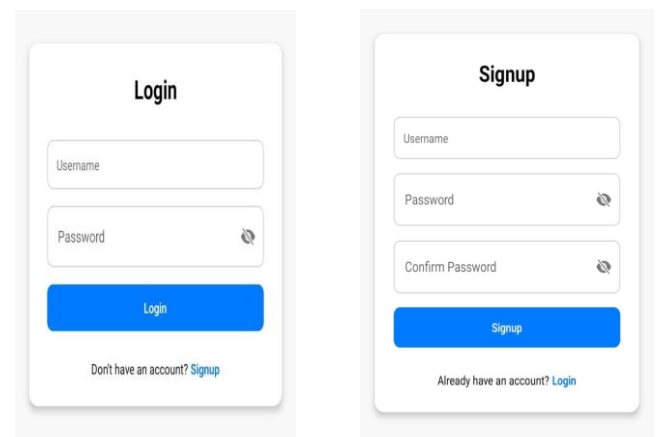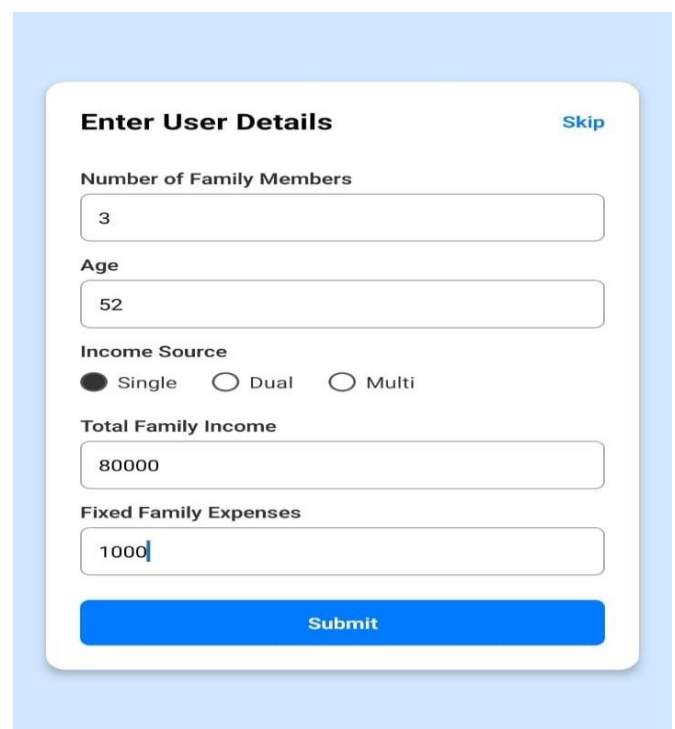

Figure 2 - Login and Signup
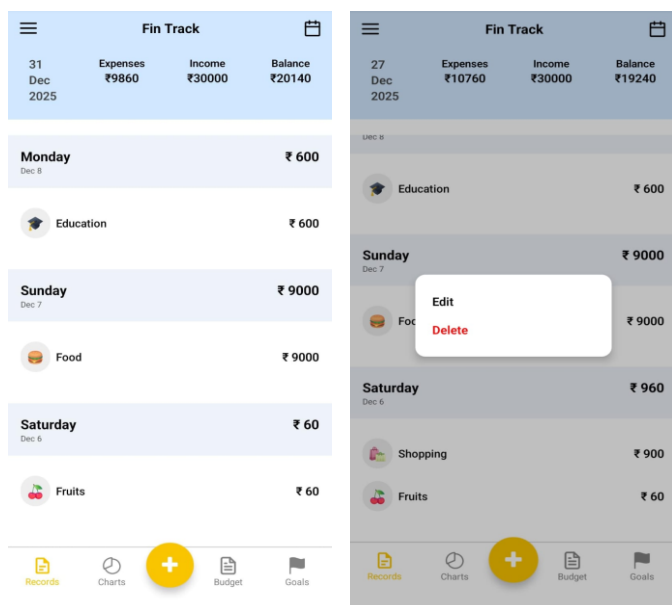

Figure 3 - User Details Page

Figure 4 - Dashboard Page

Once the initial setup is completed, the system activates the dashboard module, as shown in Fig.4 which presents a consolidated real-time view of total income, expenses, balance, and recent transactions. Users can add new financial entries by selecting either income or expense options. Expense entries are recorded by choosing appropriate categories such as food, education, shopping, transport, and others, while income entries include sources like salary, rent, bonus, and part-time earnings. Each entry is securely stored and reflected immediately on the dashboard. The application classifies expenses into fixed and variable categories and continuously updates the overall financial summary. Users can view detailed spending records, edit or delete existing entries, and track daily, weekly, and monthly expenses. Analytical modules generate visual insights such as category-wise expense distribution and daily spending trends using charts, enabling users to understand their financial behavior.
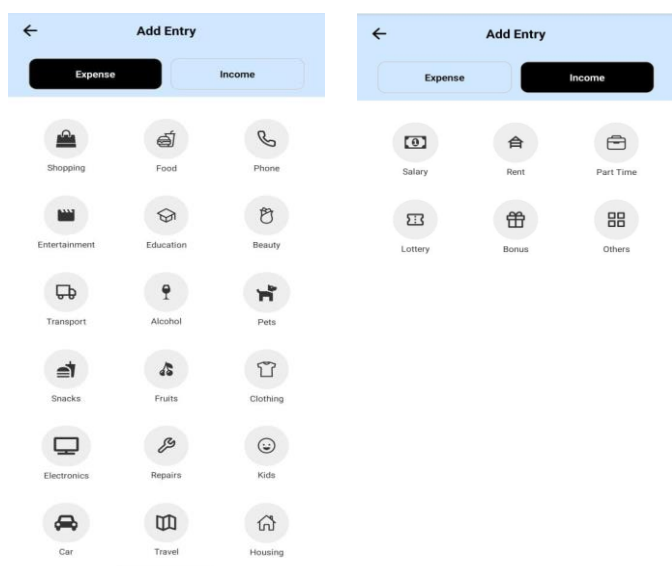

Figure 5 - Add Entry

Based on spending patterns and income records, the system evaluates budget adherence and goal progress. A reward mechanism motivates users by encouraging consistent financial discipline. All sensitive data is securely managed, with real-time synchronization ensuring data accuracy across the application. Through continuous monitoring, analysis, and user interaction, the Financial Tracker App supports effective money management and long-term financial stability.
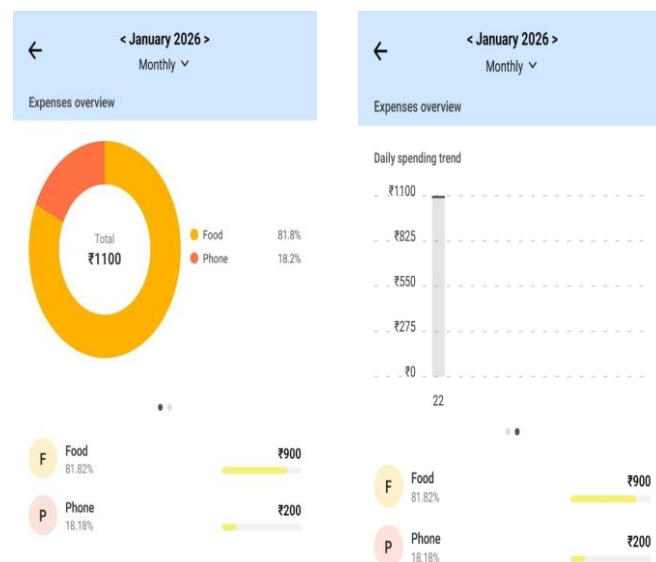

Figure 6 - Record Visualization

V. SYSTEM ARCHITECTURE

The system architecture of the Financial Tracker App follows a modular and privacy-centric design that integrates a mobile frontend, a secure backend, and encrypted cloud storage. The architecture is designed to support real-time financial tracking, secure authentication, and personalized financial analysis while preserving user data confidentiality.

The frontend layer is implemented using React Native with Expo and operates on the user's mobile device. This layer provides interfaces for user registration, two-way authentication, income and expense entry, budget and goal management, reward visualization, and dashboard analytics. Sensitive financial data such as income and expenditure records are stored locally on the user's device to ensure privacy and minimize exposure of personal financial information.

The backend layer is developed using Node.js and acts as the core processing unit of the system. It handles user authentication, authorization, encryption, reward logic, and secure data synchronization. JSON Web Tokens (JWT) are used for session management, and Time-Based One-Time Password (TOTP) verification is employed to strengthen access control. Before any financial data is transmitted to the backend, it is encrypted to prevent unauthorized access.

The database layer uses MongoDB to store user authentication details and encrypted financial data backups. The cloud database does not retain raw financial information; instead, it maintains only encrypted data for backup and recovery purposes. This approach ensures data availability while maintaining a high level of privacy and security.

Communication between the frontend and backend is achieved through secure API calls, enabling real-time synchronization and feedback without compromising data integrity. By separating local data storage, encrypted cloud backup, and backend processing, the proposed architecture ensures scalability, security, and reliability. This layered architectural design supports efficient financial management, continuous monitoring, and long-term system maintainability.

VI. PERFORMANCE ENHANCEMENT

The proposed Financial Tracker App demonstrates notable performance enhancements when compared to traditional manual and spreadsheet-based financial management methods. A primary improvement is the automation of income and expense tracking. In conventional approaches, financial records are manually maintained, which increases the likelihood of data entry errors, inconsistencies, and delayed analysis. By enabling real-time digital entry of income and categorization of expenses into fixed and variable types, the proposed system improves data accuracy and reduces the risk of information loss. Automated calculations and instantaneous dashboard updates allow users to assess their financial status more efficiently and make timely decisions.

Another significant enhancement is the integration of continuous budget monitoring and goal tracking. Traditional financial planning methods typically lack real-time supervision and structured feedback mechanisms, limiting users' ability to control overspending. In contrast, the proposed system continuously evaluates user expenditures against predefined budgets and financial goals. This ongoing comparison enables timely feedback and behavioral insights, thereby reducing financial deviations and supporting disciplined spending habits.

Furthermore, the system's centralized and secure data handling architecture enhances performance by enabling efficient retrieval of historical financial records, spending trends, and reward status. The inclusion of a reward-based motivation mechanism contributes to sustained user engagement and consistent financial behavior. Collectively, these enhancements improve operational efficiency, accuracy, transparency, and overall user experience, making the proposed Financial Tracker App a more effective solution for personal financial management.

VII. RESULTS AND DISCUSSIONS

The Financial Tracker App has been successfully implemented using React Native with Expo for the frontend and Node.js for the backend. Preliminary evaluation demonstrates that users can securely register and authenticate using a phone number and password, eliminating reliance on third-party email authentication. The system supports income entry, expense recording, and categorization of expenses into fixed and variable types. Based on these inputs, the application

dynamically calculates the remaining balance and presents it through a responsive dashboard interface.

The app incorporates a goal-setting module that allows users to define short-term, mid-term, and long-term financial objectives. A reward-based mechanism is integrated to promote disciplined financial behavior by incentivizing goal achievement and adherence to budgets. Initial observations indicate that the dashboard provides meaningful insights into income flow, expense distribution, and balance trends, enabling users to monitor their financial performance effectively. The system demonstrates improved accuracy, efficiency, and transparency in personal financial management compared to traditional manual and spreadsheet-based methods.
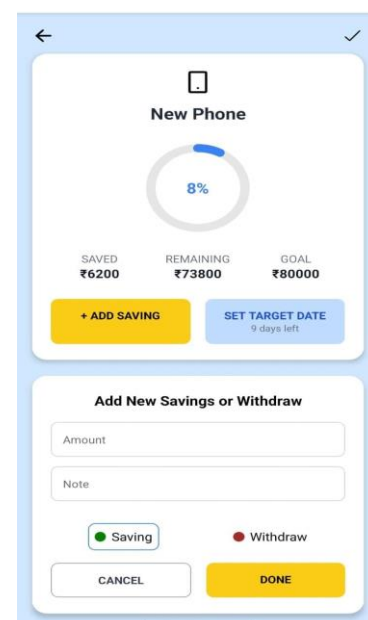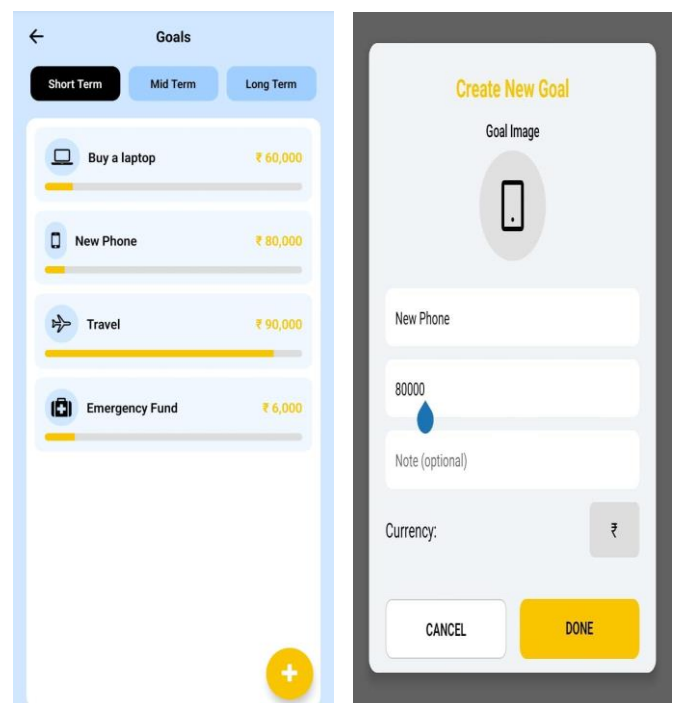

Figure 7 - Goals

VIII. CONCLUSION

This paper presented the design and development of a mobile-based Financial Tracker App aimed at improving personal financial management through automated tracking, goal setting, and reward-based motivation. The proposed system enables users to record income, categorize expenses into fixed and variable types, monitor budgets, and define short-term, mid-term, and long-term financial goals through a secure and user-friendly interface.

A privacy-centric architecture was adopted in which sensitive financial data is stored locally on the user's device, while encrypted data is maintained in the cloud database exclusively for backup and recovery purposes. Secure authentication mechanisms and structured backend processing ensure data integrity, controlled access, and reliable system performance. Preliminary evaluation indicates that the application improves accuracy, efficiency, and transparency compared to traditional manual and spreadsheet-based financial management methods.

By integrating real-time monitoring, personalized insights, and a reward-based engagement model, the proposed Financial Tracker App supports users in developing disciplined financial habits and improving financial awareness.

The system demonstrates the potential of mobile-based solutions in enhancing personal finance management and provides a foundation for future enhancements, including advanced analytics and extended security features.

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