





## Firm Background

- Founded by Scott Miller in 2001
- Local certified public accounting firm
- Located in Southampton, PA
- Primarily serve individuals, small businesses, trusts, estates and nonprofits
- Our Team...
  - Scott Miller—Managing Partner
  - Kevin Fischer, CPA—Partner
  - George Holzer III—Partner
  - Larry Lance, CPA—Manager
  - Aaron Miller—Staff Accountant
  - Jason Katz—Staff Accountant
  - Tracey Martino—Office Manager



# My Background

- Attended University of Pittsburgh (2007—2011)
  - Bachelor's Degree in Accounting
  - Treasurer of Honor's Organization – Sigma Alpha Lambda
- Work history...
  - Joined SAMCO in Fall of 2011
- Work experience...
  - Tax compliance
  - Tax projections and planning
  - Financial statement preparation and analysis
  - Payroll
  - Bookkeeping



# Agenda

- Profit and Loss
  - Costs of Goods Sold
  - Selling, General, and Administrative Expenses (Overhead)
  - Other Income and Expenses
  - Overhead Analysis and Breakeven Formulas
- 1099's
  - Misc vs. NEC
    - Dollar Threshold & Who to 1099
  - Interest & Dividend
  - 1099K



# Profit and Loss

GH Construction LLC  
 Trial Balance  
 As of December 31, 2022

	Debit	Credit
1000 TD Checking	24,787.82	
1005 Fulton Checking 2201	660.82	
1010 Undeposited Funds	660.00	
1500 Vehicles	71,111.00	
1501 Equipment	11,811.00	
1599 Accumulated Depreciation		90,993.00
2210 Credit Card Payable - TD		3,238.54
2300 Shareholder Loan Payable	27,061.73	
2600 Notes Payable - Fulton Bank 1664		8,621.00
2602 Loan Payable - Ford F350		31,134.96
2603 Sheffield equipment loan		6,563.14
3100 Health Insurance	4,136.00	
3400 Owner's Pay & Personal Expenses	20,910.74	
3500 Retained Earnings	4,651.00	
4001 Sales		347,761.45
4003 Unapplied Cash Payment Income		695.00
5100 Materials	61,262.14	
5200 Small Tools & Equipment	6,938.78	
5300 Subcontractors	118,057.00	
5401 Payroll Expenses:Gross Wage	21,500.00	
5402 Payroll Expenses:Payroll Taxes	1,847.42	
6131 Payroll Expenses:Payroll Processing Fee	1,891.18	
6000 Advertising & Marketing	4,817.99	
6005 Bank Charges & Fees	106.00	
6015 Car & Truck:Auto Repair & Maintenance	11,926.22	
6025 Car & Truck:Fuel	38,256.14	
6030 Car & Truck:Parking & Toll	812.10	
6040 Insurance	425.00	
6045 Insurance:Business Liability	6,878.39	
6136 Insurance:Workmans Comp	5,623.25	
6066 Legal & Professional Services:Accounting	2,250.00	
6067 Legal & Professional Services:Bookkeeping	2,372.00	
6070 Meals	5,971.68	
6075 Office Supplies & Software	8,483.92	
6085 Postage & delivery	240.00	
6100 Repairs & Maintenance	681.02	
6105 Taxes & Licenses	38.53	
6110 Telephone	1,403.66	
6125 Utilities	7,352.79	
6141 QuickBooks Payments Fees	1,398.23	
6142 Square Fees	157.40	
8000 Depreciation Expense	1,500.00	
8005 Interest Paid	2,725.33	
<b>TOTAL</b>	<b>\$ 489,007.09</b>	<b>\$ 489,007.09</b>

Balance Sheet

Profit Loss



# Profit and Loss

## GH Construction LLC Profit and Loss January - December 2022

	Total
<b>Income</b>	
4001 Sales	347,761.45
4003 Unapplied Cash Payment Income	695.00
<b>Total Income</b>	<b>\$ 348,456.45</b>
<b>Cost of Goods Sold</b>	
5100 Materials	61,202.14
5200 Small Tools & Equipment	6,938.78
5300 Subcontractors	118,057.00
<b>Total Cost of Goods Sold</b>	<b>\$ 186,257.92</b>
<b>Gross Profit</b>	<b>\$ 162,198.53</b>
<b>Expenses</b>	
5400 Payroll Expenses	
5401 Gross Wage	21,500.00
5402 Payroll Taxes	1,847.42
6131 Payroll Processing Fee	891.18
<b>Total 5400 Payroll Expenses</b>	<b>\$ 24,238.60</b>
6000 Advertising & Marketing	4,817.99
6005 Bank Charges & Fees	106.00
6010 Car & Truck	50,994.46
6040 Insurance	12,926.64
6065 Legal & Professional Services	4,622.00
6070 Meals	5,971.68
6075 Office Supplies & Software	8,483.92
6085 Postage & delivery	240.00
6100 Repairs & Maintenance	681.02
6105 Taxes & Licenses	38.53
6110 Telephone	1,403.66
6125 Utilities	7,352.79
6141 QuickBooks Payments Fees	1,398.23
6142 Square Fees	157.40
<b>Total Expenses</b>	<b>\$ 123,432.92</b>
<b>Net Operating Income</b>	<b>\$ 38,765.61</b>
<b>Other Expenses</b>	
8000 Depreciation Expense	1,500.00
8005 Interest Paid	2,725.33
<b>Total Other Expenses</b>	<b>\$ 4,225.33</b>
<b>Net Other Income</b>	<b>-\$ 4,225.33</b>
<b>Net Income</b>	<b>\$ 34,540.28</b>



# Profit and Loss

- **Breakeven Analysis**
  - Overhead Expenses / Gross Profit Percentage
- **Overhead Analysis**
  - Want to Job Cost an Expense
  - Denominator
    - Most Common – labor hours
- **General Analysis**
  - Monthly Expenses
  - Profitability on every sale/job
  - Managing Cash Flow



# 1099's

- Misc Vs. NEC
  - Due Dates
  - Thresholds
- 1099 Misc
  - Rents
  - Royalties (\$10)
  - Other Income (Win a Cruise)
  - Medical & Health Care Payments
  - Gross Proceeds Paid to an Attorney
- 1099 NEC
  - Nonemployee compensation
    - Subcontractor



# 1099's

- Interest
  - \$10
- Dividend
  - Broker Accounts
- 1099K
  - Informative 1099
    - 2021 - \$20,000/200 transactions
    - 2022 - American Rescue Plan - \$600 - **DELAYED**
    - 2023 - ????

# Thank you!

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