



HoganTaylor

Linehaul Summit Presentation  
Financial Performance and Analysis

July 22, 2022

# Megan Rooney, CMA, CPA, CGMA

Consulting Executive - Advisory



Megan has 15 years of accounting experience. Over the course of her career, her focus has been on process improvement, system implementation, and acquisition integration. Megan has led two full ERP implementations, implemented SOX controls for a publicly traded company, and worked on multiple acquisitions. Additionally, she has also been a key accounting contributor to an IPO.

Prior to joining HoganTaylor, Megan worked for both public and private companies in Oklahoma City, primarily within the oil and gas industry. She has served as a Controller or Division Controller in a variety of fields, including manufacturing, proppant production, drilling and trucking services, remote accommodations, and infrastructure.



**Office**  
Oklahoma City



# Outsourced CFO and accounting solutions

- Detailed Consolidations
- Preparation of Audit Schedules
- Account Reconciliations
- Personal Property Tax
- Bookkeeping
- Asset Recordkeeping
- QuickBooks Training and Support
- Investment Tracking
- Accounts Receivable
- Accounts Payable
- Coordination of Tax Return Preparation
- Sales and Use Tax
- Financial Due Diligence
- Buy-Side/Sell-Side Transaction Advisory



**Delegate to experienced  
back office team**



**Tackle financial challenges  
with confidence**



**Grow profitably and  
sustainably**



# Additional Services Offered

- Technology Services
  - Confidently manage and mitigate IT risk
  - Managed services
  - Hardware & software solutions
  - Cybersecurity
- Human Capital Strategies
  - HR outsourcing
  - Human resource scorecard
  - Executive strategic planning & executive coaching
- Tax services
  - Keep pace with a changing tax environment
  - Identify opportunities and problems in advance
  - Income tax return preparation
  - Estate and gift tax returns
  - Tax planning and business transition coaching

Rely on expert business advisors who can help you solve your biggest challenges and move forward with confidence.



 Advisory	 Assurance	 Human Resources
 Tax	 Technology	 Wealth



## Multiple FedEx® contractor clients

- Setup QuickBooks system and financial reporting structure
- Facilitate accounts payable and credit card processes
- Perform month end reconciliations and reporting
- Implement profitability by trucks



# Truck/Cost Based Accounting



## Why Implement?

- Aides in repair vs. replace/upgrade decisions
- Allows contractors clear visibility into which trucks are profitable
- Provides profit margins per miles driven



## Truck/Cost Based Accounting



Utilizes specific transaction coding combined with overhead allocation tool



Easily identified transactions coded to specific trucks

Repair & Maintenance invoices  
Fuel cards  
Payroll for drivers



Overhead allocation tool

Designed to quickly allocate all other expenses as a percentage of miles driven by each truck



# Overhead Allocation Tool



## Data Required

- Mileage per truck for the month
- Actual transactions from accounting software



Journal entry produced to allocate transactions across specific trucks

## ABC Delivery Inc Profit and Loss by Class February 2022

	<b>TOTAL</b>
<b>Income</b>	
Sales	189,893.35
<b>Total Income</b>	<b>\$ 189,893.35</b>
<b>Cost of Goods Sold</b>	
Total Cost of Goods Sold	<b>\$ 127,662.20</b>
<b>Gross Profit</b>	<b>\$ 62,231.15</b>
<b>Expenses</b>	
Bank Charges & Fees	9.17
Entertainment (Excl Meals)	108.88
Insurance	
Total Insurance	<b>\$ 7,021.66</b>
Interest Paid	3,836.51
Legal & Professional Services	
Total Legal & Professional Services	<b>\$ 2,037.22</b>
Office Supplies	214.80
Computer & Technology	142.32
Total Office Supplies	<b>\$ 357.12</b>
Other Business Expenses	
Total Other Business Expenses	<b>\$ 459.00</b>
Payroll	
Total Payroll	<b>\$ 13,440.63</b>
Postage	17.46
Total Repairs & Maintenance	<b>\$ 13,489.49</b>
Storage	63.81
Total Travel	<b>\$ 126.67</b>
<b>Total Expenses</b>	<b>\$ 40,967.62</b>
<b>Net Operating Income</b>	<b>\$ 21,263.53</b>
<b>Other Income</b>	
Interest Income	0.14
Total Other Income	<b>\$ 0.14</b>
<b>Other Expenses</b>	
(Gain) Loss on Sale of Assets	-4,614.94
Total Other Expenses	<b>-\$ 4,614.94</b>
<b>Net Other Income</b>	<b>\$ 4,615.08</b>
<b>Net Income</b>	<b>\$ 25,878.61</b>





# P&L by Truck – Sample Data

## ABC Delivery Inc Profit and Loss by Class February 2022

	147306	148911	153467	157813	129521	119583	135741	186310	124978	178168	184223	Not Specified	TOTAL
Sales	18.2	12.8	13.0	27.1	3.7	1.2	35.6	18.4	25.5	15.2	19.3		189.9
Total Cost of Goods Sold	12.7	11.2	10.1	15.5	3.6	7.6	16.0	11.3	16.3	11.8	11.6	0.0	127.7
Gross Profit	5.5	1.6	3.0	11.5	0.1	(6.4)	19.6	7.1	9.2	3.4	7.7	0.0	62.2
Expenses													
Bank Charges & Fees	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Entertainment (Excl Meals)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Total Insurance	0.3	0.6	0.7	0.8	0.2	0.6	1.9	1.1	0.4	0.2	0.3	0.0	7.0
Interest Paid	0.3	0.2	0.2	0.7	0.1	0.0	0.8	0.5	0.3	0.2	0.6	0.0	3.8
Total Legal & Professional Services	0.2	0.2	0.2	0.2	0.1	0.0	0.3	0.2	0.2	0.2	0.2	0.0	2.0
Total Office Supplies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.4
Total Other Business Expenses	0.0	0.0	0.0	0.1	0.0	0.0	0.1	0.0	0.1	0.0	0.0	0.0	0.5
Total Payroll	0.9	1.0	1.3	1.3	1.0	1.4	1.6	1.4	1.5	1.0	1.0	0.0	13.4
Postage	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Repairs & Maintenance	0.3	2.8	0.6	0.8	0.3	0.7	0.5	0.6	6.3	0.6	0.0	0.0	13.5
Storage	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		0.1
Total Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Total Expenses	2.1	4.9	3.1	4.0	1.6	2.7	5.2	3.9	8.9	2.3	2.2	0.0	41.0
Net Operating Income	3.4	(3.3)	(0.1)	7.5	(1.5)	(9.2)	14.5	3.2	0.3	1.0	5.5	0.0	21.3
Other Income													
Interest Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Other Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Expenses													
(Gain) Loss on Sale of Assets	(0.5)	(0.4)	(0.4)	(0.6)	(0.1)	(0.1)	(0.6)	(0.5)	(0.6)	(0.4)	(0.5)	0.0	(4.6)
Total Other Expenses	(0.5)	(0.4)	(0.4)	(0.6)	(0.1)	(0.1)	(0.6)	(0.5)	(0.6)	(0.4)	(0.5)	0.0	(4.6)
Net Other Income	0.5	0.4	0.4	0.6	0.1	0.1	0.6	0.5	0.6	0.4	0.5	0.0	4.6
<b>Net Income</b>	<b>3.9</b>	<b>(2.9)</b>	<b>0.3</b>	<b>8.1</b>	<b>(1.4)</b>	<b>(9.1)</b>	<b>15.1</b>	<b>3.6</b>	<b>0.9</b>	<b>1.5</b>	<b>6.0</b>	<b>0.0</b>	<b>25.9</b>



## Cost Structure for Accounting Services

### Fixed Fee

- Projects with a clear scope determined based on estimated number of hours involved in the project.
- Overhead allocation tool - scope project based on number of entities, size of fleet, and volume of transactions. Fixed fee quote provided up front.
- Tax returns - quoted as a fixed fee based on complexity of business. We will ask for the past couple years tax returns to aid in providing a quote.
- Monthly accounting services to reconcile accounts, produce monthly financial statements, consolidate multiple entities, produce professional reports for bankers and other third-party recipients quoted as a fixed fee that is significantly less than hiring a full-time bookkeeper.

### Time and Materials

- Fractional CFO services - provide guidance on financial decisions including repair/replace vehicle decisions, banking relationships, and cash flow forecasting. Offer at a blended hourly rate that can be used as needed.



## Process efficiencies

### Utilizing credit card programs for purchasing

Reduces time processing Accounts Payable (AP) invoices

Credit card reward programs for cash back

AMEX small business

- Several options for either travel points or cash back
- AMEX has an option to integrate directly with QuickBooks Online for greater process efficiencies

Chase business

- Cash back option with no annual fee, other options for travel points with annual fees

### Bill.com

AP processing application that integrates with QuickBooks Online

AP invoices can be emailed directly to Bill.com

- Invoices are scanned and batched for review/approval
- ACH payments or checks can be processed directly from Bill.com



# Questions?

