The Contractor's Wealth Playbook

Your Guide to Business and Personal Wealth

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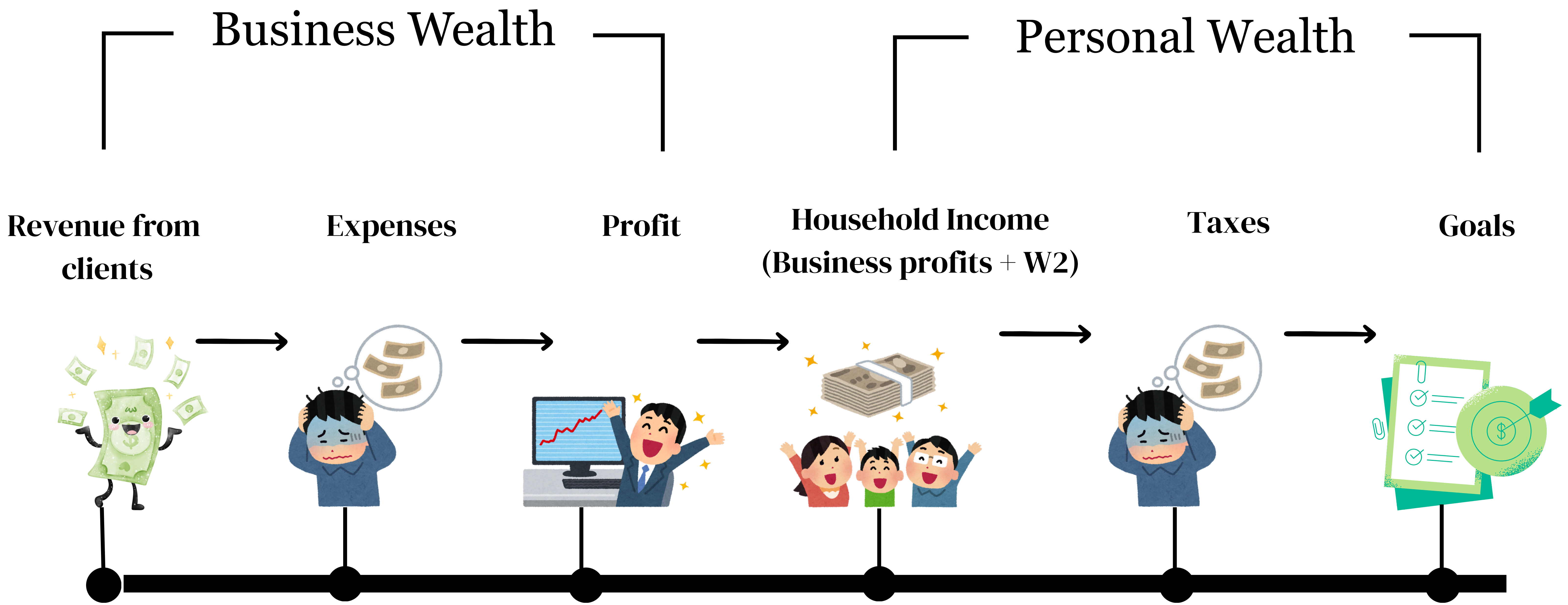
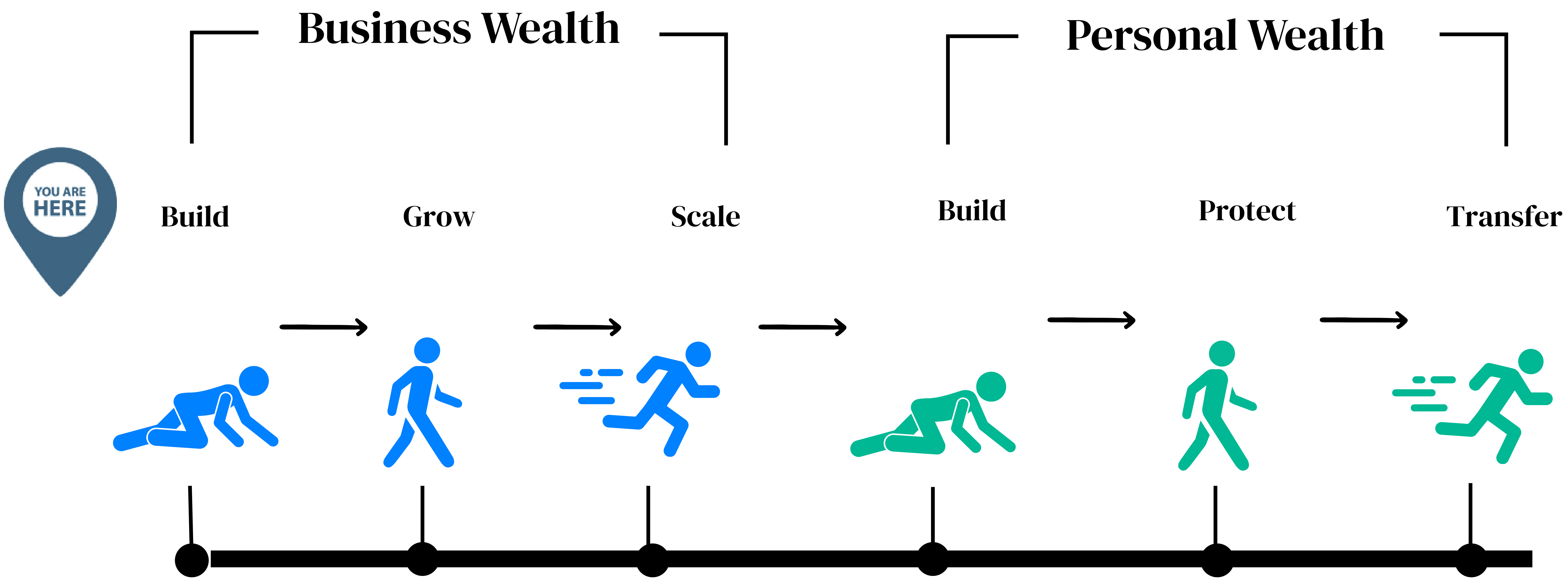
The Contractor’s Wealth Playbook



Crawl, Walk, Run

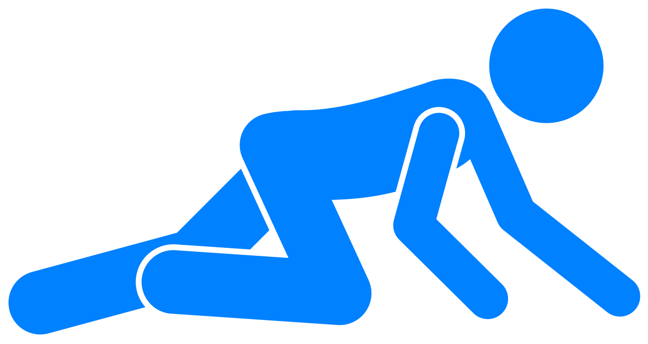


Business Wealth

Tax Compliance

Tax Advisory

Fractional CFO

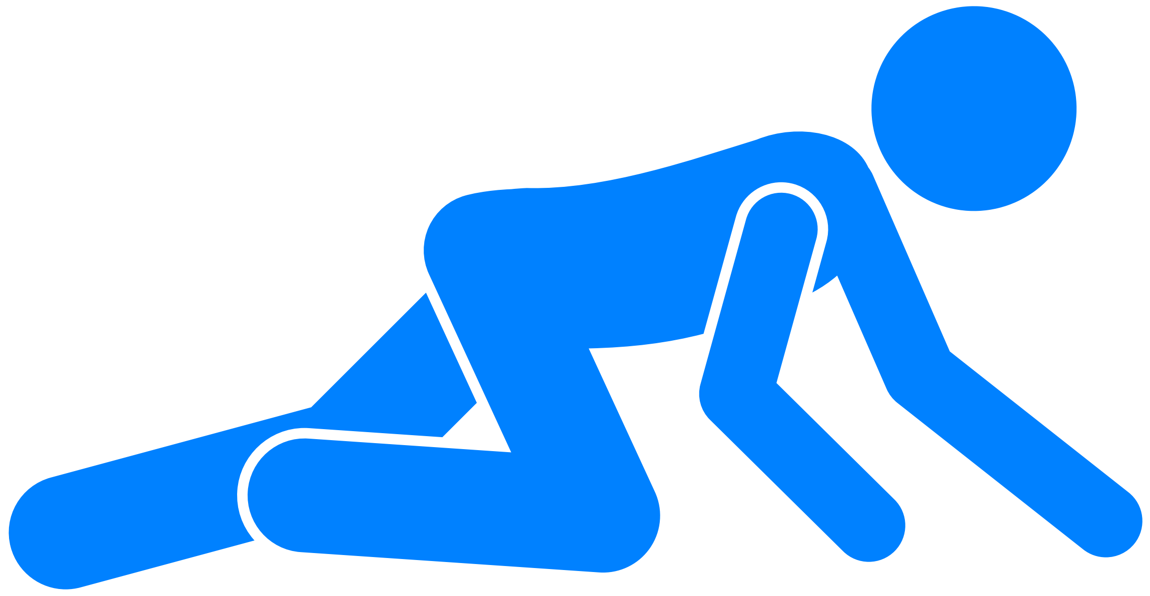


Build

Grow

Scale

Build



Revenue: $0-$250K+

Solopreneur

Tax Compliance

- Separate business bank accounts
- Bookkeeping software
- Monthly financial statements
- Payroll software
- Tax Preparation
    - Business
    - Personal
    - Sales Tax
    - Personal Property

Once you've mastered compliance, you can move from tracking your money to ***strategically*** keeping more of it.

Grow

Tax Advisory

- Strategically managing the business to reduce taxes
- Entity structuring
- Core strategies
- Advanced strategies

Revenue: $500K+

You + a few employees

Your CPA should ***proactively*** look for ways to reduce your tax bill and help you implement strategies!

Tax Strategies

Core Strategies

- Entity review
- Real estate investing
- Health benefits
- Hiring your spouse
- Home office deduction
- Paying kids
- S Corp Election
- Travel Strategies
- Board of advisors
- Augusta rule
- Retirement Plans
- Tax Loss Harvesting
- Accountable plan
- Auto
- Charitable giving
- Asset purchases

Advanced Strategies

- Donor Advised Funds
- Captive Insurance
- R&D tax credit
- Qualifed Opportunity Zone
- Cash Balance Pension Plan
- Charitable Remainder Trusts
- REPS
- Private foundations

Tax strategies help you ***keep*** more of what you earn.

But the next level isn't just about keeping…it's about ***scaling***.

That's where a Fractional CFO comes in.

Scale

Revenue: $1M+

You + teams of employees

Fractional CFO

- Establish KPIs
- Financial forecasting
- Monitor KPIs
- Create monthly/quarterly action items
- Make decisions with confidence

A ***CFO*** has 2 jobs:

1) Ensure you are on track to generating consistent ***positive cash flow***.

2) Help you become ***successful***, however you define success.

82%

of businesses **fail** due to **poor cash management**.

The best leaders **ruthlessly** track their cash flow.

Statistic widely cited from a U.S. Bank study (via SCORE and Small Business Trends)

Establish KPIs

Contractor Services

Revenue	*100%*
Cost of Goods Sold	40%
Payroll	25%
Marketing	5%
Overhead	10%
Net Income	***20%***

Professional Services

Revenue	*100%*
Cost of Goods Sold	0%
Payroll	45%
Marketing	5%
Overhead	30%
Net Income	***20%***

Different industries, same profit!

Monitor KPIs

Profit Drivers → Profit

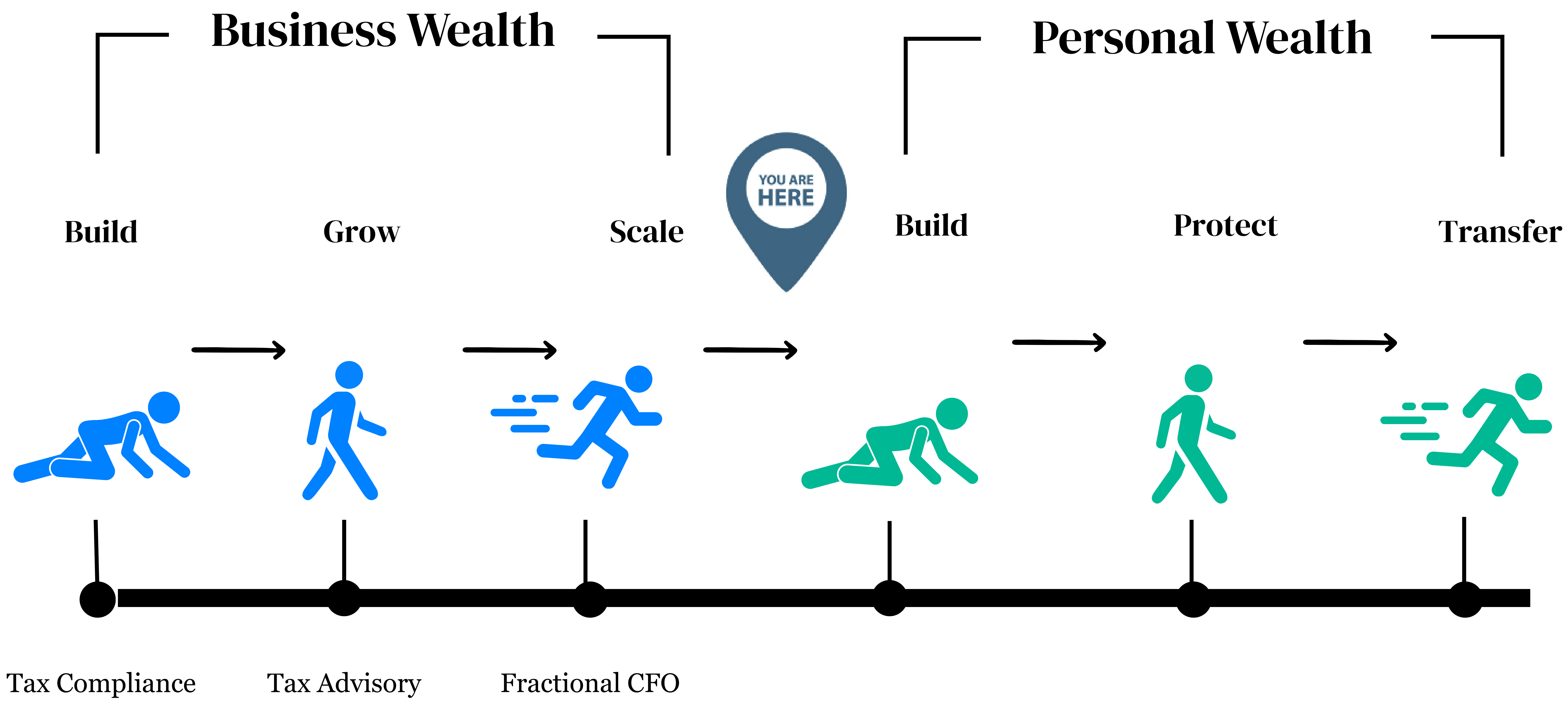
	Total Jobs	Avg. Job Value	COS (% of Revenue)	Payroll Expenses	Mkt Expenses (% of Rev.)	Overhead Expenses	Profit
Last Year	152	$ 6,914	31%	$ 472,101	0%	$ 103,635	$ 153,552
Target	215	$ 6,535	25%	$ 600,000	5%	$ 125,000	$ 258,500
Year-to-Date	59	$ 5,770	36%	$ 166,580	5%	$ 54,797	$ (21,211)
Forecast	187	$ 5,770	36%	$ 502,580	5%	$ 134,797	$ 1,867

Cash Flow Drivers → Cash Flow

	Days Sales Outstanding	Days Inv. Outstanding	Sale (Purchase) of Assets	Days Payable Outstanding	Debt Additions (Repayments)	Owners' Investments (Draws)	Cash Flow
Last Year	41	-	$ (2,850)	20	$ 175,162	$ (110,535)	$ 228,748
Target	30	-	$ (25,000)	30	$ 30,000	$ (110,535)	$ 165,260
Year-to-Date	105	-	$ (9,645)	16	$ 72,747	$ (31,550)	$ (170,628)
Forecast	91	-	$ (29,645)	17	$ 14,973	$ (97,950)	$ (259,001)

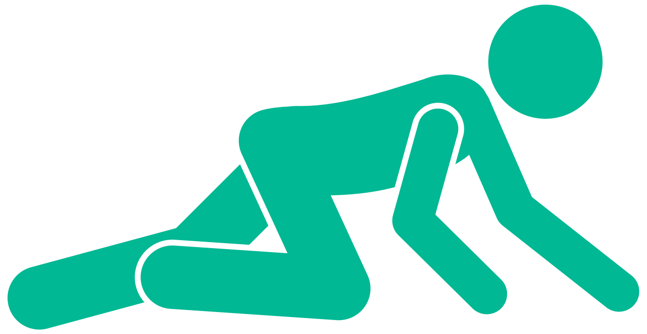
Green, yellow, red framework

Crawl, Walk, Run



Personal Wealth

Financial Plan



Build

Risk Management

Protect

Estate Plans

Transfer

A financial plan is a changing ***roadmap*** that captures your ***entire financial life*** and guides you to make decisions with confidence, live a life of purpose and reach your goals.

It changes over time because your life changes.

Build

Financial Plan

- Goal setting
- Cash flow
- Investments
- Tax planning
- Retirement
- Education
- Giving

While you build wealth, the next step is ***protecting*** it.

True financial success isn't just about growth. It's about protecting what you've worked so hard to create.

Protect

Risk Management

- Life
- Disability
- Long term care
- Home
- Auto
- Umbrella

Now it's time to ensure your wealth passes ***smoothly*** to the right people, with the least amount of tax and delay.

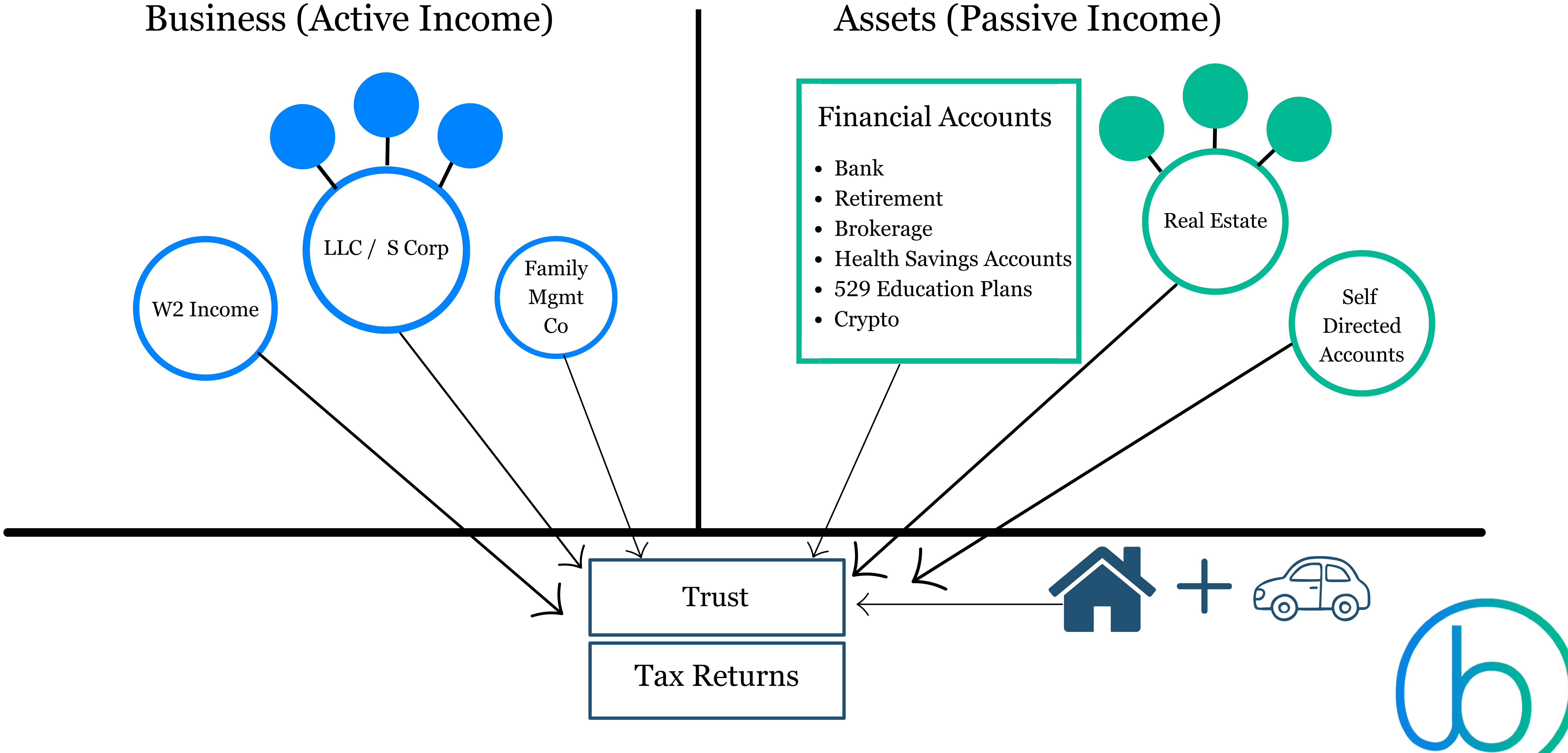
Protect your legacy by having a plan to ***transfer your assets and your values***.

Transfer

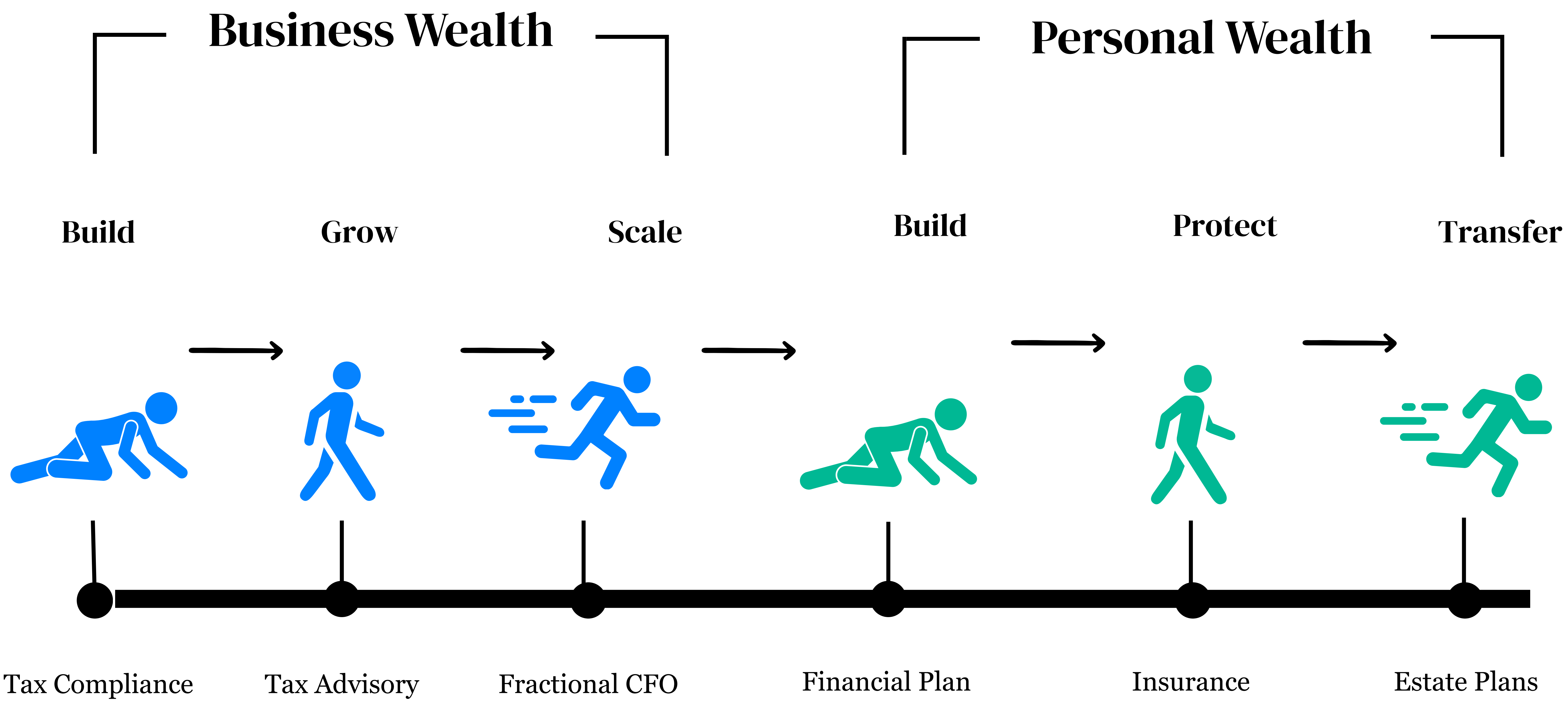
Estate Plans

- Trust
- Last Will & Testament
- Financial Power of Attorney
- Healthcare Directive
- Beneficiaries
- Funeral Planning
- Family Meeting

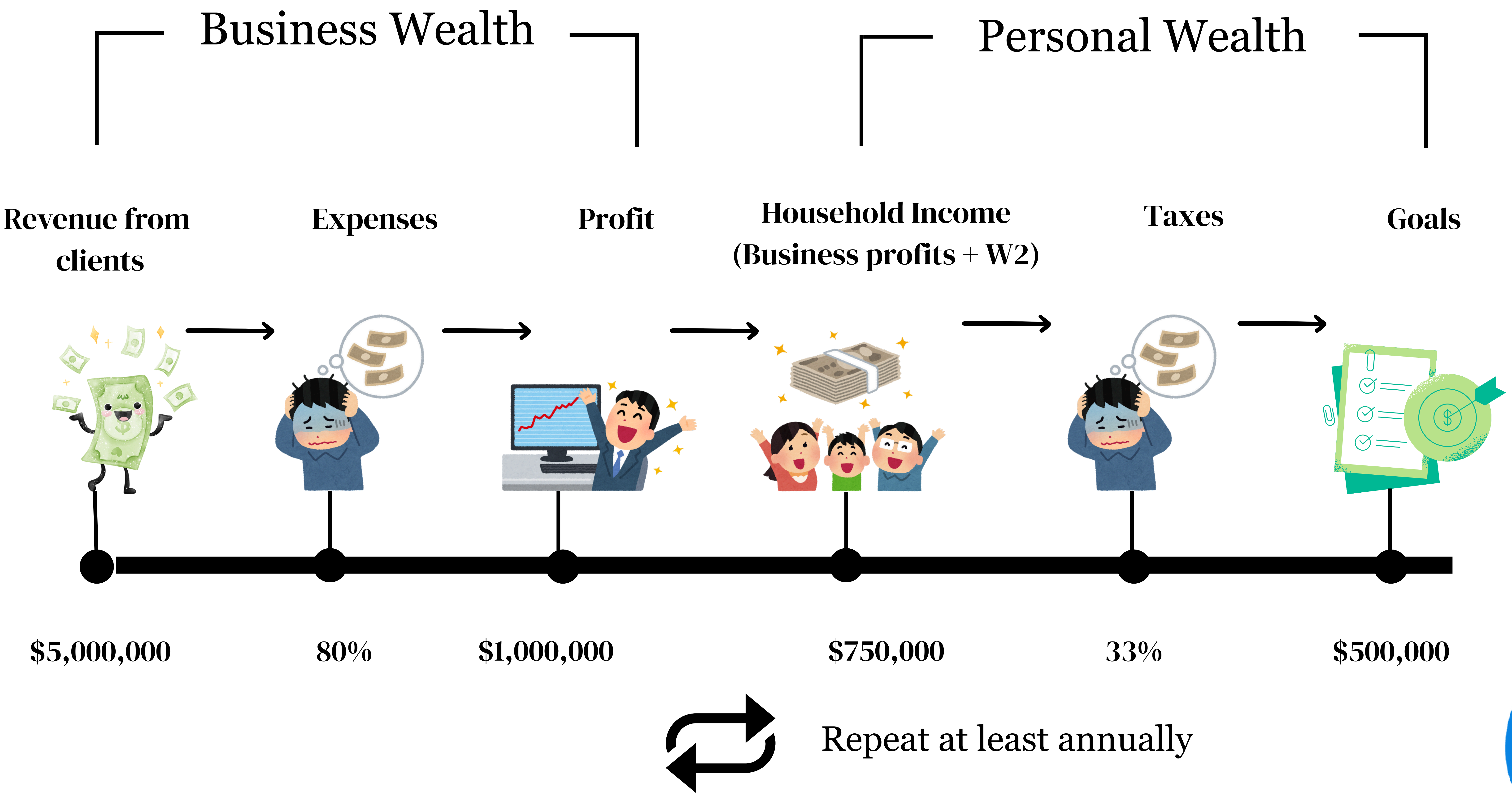
Bring it All Together



Crawl, Walk, Run



The Contractor’s Wealth Playbook Example



A Free Gift for You

If you are a contractor with $1M+ revenue...

We’d love to gift 5 of you

A Free CFO Assessment

Go to:

www.blendwealth.com/phcc

If a CFO assessment isn't what you need right now

but you want better accounting and financial guidance, schedule a Right Fit Call.

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SCHEDULE A RIGHT FIT CALL

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Questions?

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