# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
**Washington, D.C. 20549**

# FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended: **June 30, 2017**

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from __________ to __________

Commission File Number**: 000-50302**

# SILVERSUN TECHNOLOGIES, INC.
(Exact name of registrant as specified in its charter)

| | |
|---|---|
| **Delaware** | **16-1633636** |
| (State or other jurisdiction of incorporation) | (IRS Employer Identification No.) |

**120 Eagle Rock Ave**
**East Hanover, NJ 07936**
(Address of principal executive offices)

**(973) 396-1720**
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 12 months, and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files. Yes ☒ No ☐

Indicate by check mark whether the registrant is large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See definition of "large accelerated filer," accelerated filer" "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act:

| | |
|---|---|
| Large accelerated filer ❐ | Accelerated filer ❐ |
| Non-accelerated filer ❐ | Smaller Reporting Company ☒ |
| Emerging growth company ❐ | |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of August 9, 2017, there were 4,489,903 shares outstanding of the registrant's common stock.

**SILVERSUN TECHNOLOGIES, INC.**

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## PART I – FINANCIAL INFORMATION

**Item 1. Financial Statements**

### SILVERSUN TECHNOLOGIES, INC. AND SUBSIDIARY
### CONDENSED CONSOLIDATED BALANCE SHEETS
### (Unaudited)

| | June 30, 2017 | December 31, 2016 |
|---|---|---|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | $ 1,539,051 | $ 1,621,049 |
| Accounts receivable, net of allowance of $375,000 | 2,544,434 | 2,501,621 |
| Unbilled services | 489,494 | 463,563 |
| Prepaid expenses and other current assets | 441,538 | 331,094 |
| Total current assets | 5,014,517 | 4,917,327 |
| Property and equipment, net | 553,485 | 466,202 |
| Intangible assets, net | 2,522,843 | 2,431,111 |
| Goodwill | 401,000 | 401,000 |
| Deferred tax assets | 2,232,260 | 2,414,902 |
| Deposits and other assets | 33,330 | 28,887 |
| Total assets | $ 10,757,435 | $ 10,659,429 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities: | | |
| Bank line of credit | $ - | $ - |
| Accounts payable | 1,462,748 | 1,822,071 |
| Accrued expenses | 853,938 | 823,591 |
| Accrued interest | 15,905 | 15,533 |
| Income taxes payable | 183,344 | 177,466 |
| Contingent consideration – current portion | 115,683 | 180,029 |
| Long term debt - current portion | 292,993 | 306,677 |
| Capital lease obligations – current portion | 93,508 | 94,714 |
| Deferred revenue | 2,123,029 | 1,690,147 |
| Total current liabilities | 5,141,148 | 5,110,228 |
| Contingent consideration net of current portion | 59,875 | 31,685 |
| Long term debt net of current portion | 347,658 | 486,473 |
| Capital lease obligations net of current portion | 58,051 | 60,127 |
| Total liabilities | 5,606,732 | 5,688,513 |
| Commitments and contingencies | - | - |
| Stockholders' equity: | | |
| Preferred stock, $0.001 par value; authorized 1,000,000 shares | - | - |
| Series A Preferred Stock, $0.001 par value; authorized 2 shares No shares issued and outstanding | - | - |
| Series B Preferred Stock, $0.001 par value; authorized 1 share 1 share issued and outstanding | 1 | 1 |
| Common stock: | | |
| Par value $0.00001; authorized 75,000,000 shares 4,489,903 and 4,477,403 shares issued and outstanding | 46 | 46 |
| Additional paid-in capital | 12,082,082 | 12,176,642 |
| Accumulated deficit | (6,931,426) | (7,205,773) |
| Total stockholders' equity | 5,150,703 | 4,970,916 |
| Total liabilities and stockholders' equity | $ 10,757,435 | $ 10,659,429 |

See accompanying notes to condensed consolidated financial statements.

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**SILVERSUN TECHNOLOGIES, INC. AND SUBSIDIARY**
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**
**(Unaudited)**

| | Three Months Ended | | Six Months Ended | |
|---|---|---|---|---|
| | June 30, 2017 | June 30, 2016 | June 30, 2017 | June 30, 2016 |
| Revenues: | | | | |
| Product, net | $ 1,434,635 | $ 1,184,251 | $ 2,341,540 | $ 2,044,693 |
| Service, net | 7,074,005 | 7,378,639 | 14,169,672 | 14,302,498 |
| Total revenues, net | 8,508,640 | 8,562,890 | 16,511,212 | 16,347,191 |
| Cost of revenues: | | | | |
| Product | 788,918 | 641,855 | 1,223,827 | 1,086,749 |
| Service | 4,315,634 | 4,570,677 | 8,496,248 | 8,979,056 |
| Cost of revenues | 5,104,552 | 5,212,532 | 9,720,075 | 10,065,805 |
| Gross profit | 3,404,088 | 3,350,358 | 6,791,137 | 6,281,386 |
| Selling, general and administrative expenses: | | | | |
| Selling expenses | 1,275,158 | 1,090,641 | 2,421,815 | 2,175,520 |
| General and administrative expense | 1,779,344 | 1,590,801 | 3,484,318 | 3,109,734 |
| Share-based compensation | 8,433 | 11,952 | 84,822 | 23,904 |
| Depreciation and amortization | 149,041 | 171,564 | 319,877 | 342,458 |
| Total selling, general and administrative expenses | 3,211,976 | 2,864,958 | 6,310,832 | 5,651,616 |
| Income from operations | 192,112 | 485,400 | 480,305 | 629,770 |
| Other income (expense): | | | | |
| Interest expense, net | (8,977) | (19,470) | (17,438) | (38,716) |
| Other income | - | - | - | 10,000 |
| Total other income (expense) | (8,977) | (19,470) | (17,438) | (28,716) |
| Income before taxes | 183,135 | 465,930 | 462,867 | 601,054 |
| Provision (benefit) for income taxes | 62,642 | (81,190) | 188,520 | (20,343) |
| Net income | $ 120,493 | $ 547,120 | $ 274,347 | $ 621,397 |
| Net income per common share: | | | | |
| Basic | $ 0.03 | $ 0.12 | $ 0.06 | $ 0.14 |
| Fully diluted | 0.03 | 0.12 | 0.06 | 0.14 |
| Weighted average shares: | | | | |
| Basic | 4,489,903 | 4,410,736 | 4,488,038 | 4,410,736 |
| Diluted | 4,493,903 | 4,477,403 | 4,492,038 | 4,477,403 |

See accompanying notes to the condensed consolidated financial statements

**SILVERSUN TECHNOLOGIES, INC. AND SUBSIDIARY**
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**
**FOR THE YEAR ENDED DECEMBER 31, 2016 AND SIX MONTHS ENDED JUNE 30, 2017**

| | Series A Preferred Stock | | Series B Preferred Stock | | Common Stock Class A | | Additional Paid in Capital | Accumulated Deficit | Total Stockholders' Equity |
|---|---|---|---|---|---|---|---|---|---|
| | Shares | Amount | Shares | Amount | Shares | Amount | | | |
| Balance at January 1, 2016 | - | $ - | - | $ - | 4,410,736 | $ 45 | $12,198,448 | $ (10,642,172) | $ 1,556,321 |
| Issuance of preferred share | - | - | 1 | 1 | - | - | 99 | - | 100 |
| Convertible note conversion into common stock | - | - | - | - | 66,667 | 1 | 199,999 | - | 200,000 |
| Cash dividend | - | - | - | - | - | - | (264,699) | - | (264,699) |
| Share-based compensation | - | - | - | - | - | - | 42,795 | - | 42,795 |
| Net income | - | - | - | - | - | - | - | 3,436,399 | 3,436,399 |
| Balance at December 31, 2016 | - | $ - | 1 | $ 1 | 4,477,403 | $ 46 | $12,176,642 | $ (7,205,773) | $ 4,970,916 |
| Cash dividend | - | - | - | - | - | - | (179,382) | - | (179,382) |
| Issuance of common stock for services | - | - | - | - | 12,500 | - | 47,500 | - | 47,500 |
| Stock warrants in exchange for services | - | - | - | - | - | - | 19,923 | - | 19,923 |
| Share-based compensation | - | - | - | - | - | - | 17,399 | - | 17,399 |
| Net income | - | - | - | - | - | - | - | 274,347 | 274,347 |
| Balance at June 30, 2017 | - | $ - | 1 | $ 1 | 4,489,903 | $ 46 | $12,082,082 | $ (6,931,426) | $ 5,150,703 |

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

**SILVERSUN TECHNOLOGIES, INC. AND SUBSIDIARY**
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**
**(Unaudited)**

| | Six Months Ended June 30, 2017 | Six Months Ended June 30, 2016 |
|---|---|---|
| Cash flows from operating activities: | | |
| Net income | $ 274,347 | $ 621,397 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Deferred income taxes | 182,642 | (351,000) |
| Depreciation and amortization | 116,992 | 116,285 |
| Amortization of intangibles | 202,886 | 226,172 |
| Provision for bad debts | 19,661 | 59,837 |
| Share-based compensation | 17,399 | 23,904 |
| Common stock issued in exchange for services | 47,500 | - |
| Warrants issued in exchange for services | 19,923 | - |
| Changes in assets and liabilities: | | |
| Accounts receivable | (62,474) | (460,690) |
| Unbilled services | (25,931) | 229,717 |
| Prepaid expenses and other current assets | (110,442) | 120,735 |
| Deposits and other assets | (4,445) | (1,881) |
| Accounts payable | (359,323) | (4,773) |
| Accrued expenses | 30,347 | (77,751) |
| Income tax payable | 5,878 | 328,157 |
| Accrued interest | 372 | 2,165 |
| Deferred revenues | 432,882 | (587,118) |
| Net cash provided by operating activities | 788,214 | 245,156 |
| Cash flows from investing activities: | | |
| Purchase of property and equipment | (155,296) | (151,594) |
| Software development costs | (294,617) | (85,140) |
| Net cash used in investing activities | (449,913) | (236,734) |
| Cash flows from financing activities: | | |
| Payment of cash dividend | (179,383) | (264,699) |
| Payment of contingent consideration | (36,156) | (67,282) |
| Payment of long term debt | (152,499) | (149,195) |
| Principal payments under capital leases obligations | (52,261) | (49,130) |
| Net cash used in financing activities | (420,299) | (530,306) |
| Net decrease in cash and cash equivalents | (81,998) | (521,884) |
| Cash and cash equivalents – beginning of period | 1,621,049 | 1,193,313 |
| Cash and cash equivalents – end of period | $ 1,539,051 | $ 671,429 |
| Cash paid during period for: | | |
| Interest | $ 17,086 | $ 39,817 |
| Income taxes | $ 165,521 | $ 43,860 |

See accompanying notes to the condensed consolidated financial statements.

**SILVERSUN TECHNOLOGIES, INC. AND SUBSIDIARY**
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**
**FOR THE SIX MONTHS ENDED JUNE 30, 2017 AND 2016**

SUPPLEMENTAL SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES

For the six months ended June 30, 2017:

The Company incurred approximately $48,979 in capital lease obligations.

For the six months ended June 30, 2016:

The Company incurred approximately $65,418 in capital lease obligations.

See accompanying notes to the condensed consolidated financial statements.

**SILVERSUN TECHNOLOGIES, INC. AND SUBSIDIARY**
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**
**(Unaudited)**

## NOTE 1 – DESCRIPTION OF BUSINESS

SilverSun Technologies, Inc. ("SilverSun") with its wholly owned subsidiary SWK Technologies, Inc. ("SWK" together with SilverSun, the "Company") is a value added reseller and master developer for Sage Software's Sage100/500 and ERP X3 financial and accounting software as well as the publisher of proprietary software solutions, including its own Electronic Data Interchange (EDI) software, "MAPADOC." The Company is also a managed network service provider, providing remote network monitoring services, business continuity, disaster recovery, data backup, and application hosting. The Company sells services and products to various industries including, but not limited to, manufacturers, wholesalers and distributors located throughout the United States. The Company is publicly traded and was quoted on the Over-the-Counter Market Place ("OTCQB") under the symbol "SSNT" until April 18, 2017. Since April 19, 2017, the Company has been listed and is traded on the NASDAQ Capital Market under the symbol "SSNT".

## NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

In the opinion of management, the accompanying unaudited condensed consolidated financial statements contain all adjustments necessary to present fairly the financial position of SilverSun Technologies, Inc. as of June 30, 2017, the results of operations and cash flows for the three and six months ended June 30, 2017 and 2016. These results are not necessarily indicative of the results to be expected for the full year.

The financial statements have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC) and consequently have been condensed and do not include all of the disclosures normally made in an Annual Report on Form 10-K. The December 31, 2016 balance sheet included herein was derived from the audited financial statements included in the Company's annual report on Form 10-K. Accordingly, the financial statements included herein should be reviewed in conjunction with the financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2016 filed with the SEC on March 24, 2017.

During the six months ended June 30, 2017, there have been no material changes to the Company's significant accounting policies than those previously disclosed in the Company's Form 10-K for the year ended December 31, 2016.

Principles of Consolidation

The condensed consolidated financial statements include the accounts of SilverSun and its subsidiary SWK, which is wholly owned. All significant intercompany transactions and balances have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Goodwill

Goodwill is the excess of acquisition cost of an acquired entity over the fair value of the identifiable net assets acquired. Goodwill is not amortized, but tested for impairment annually or whenever indicators of impairment exist. These indicators may include a significant change in the business climate, legal factors, operating performance indicators, competition, sale or disposition of a significant portion of the business or other factors. No impairment losses were identified or recorded for the six months ended June 30, 2017 and 2016.

**SILVERSUN TECHNOLOGIES, INC. AND SUBSIDIARY**
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**
**(Unaudited)**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Definite Lived Intangible Assets and Long-lived Assets

The purchased intangible assets are recorded at fair value using an independent valuation at the date of acquisition and are amortized over the useful lives of the asset using the straight-line amortization method.

The Company assesses potential impairment of its intangible assets and other long-lived assets when there is evidence that recent events or changes in circumstances have made recovery of an asset's carrying value unlikely. Factors the Company considers important, which may cause impairment include, among others, significant changes in the manner of use of the acquired asset, negative industry or economic trends, and significant underperformance relative to historical or projected operating results. No impairment losses were identified or recorded for the six months ended June 30, 2017 and 2016.

Revenue Recognition

Revenue is recognized when products are shipped, or services are rendered, evidence of a contract exists, the price is fixed or reasonably determinable, and collectability is reasonably assured.

*Product Revenue*

Software product revenue is recognized when the product is shipped to the customer. The Company treats the software component and the professional services consulting component as two separate arrangements that represent separate units of accounting. Consideration is allocated to each unit of accounting based upon that unit's proportion of the fair value. In a situation where both components are present, software sales revenue is recognized when collectability is reasonably assured and the product is delivered and has stand-alone value based upon vendor specific objective evidence.

*Service Revenue*

Service revenue is comprised of primarily professional service consulting revenue, maintenance revenue and other ancillary services provided. Professional service revenue is recognized as service time is incurred.

With respect to maintenance services, upon the completion of one year from the date of sale, the Company offers customers an optional annual software maintenance and support agreement for subsequent periods not exceeding one year. Maintenance and support agreements are recorded as deferred revenue and recognized over the respective terms of the agreements, which typically range from three months to one year and are included in services revenue in the Consolidated Statements of Income.

Shipping and handling costs charged to customers are classified as revenue, and the shipping and handling costs incurred are included in cost of sales.

Unbilled Services

The Company recognizes revenue on its professional services as those services are performed or certain obligations are met. Unbilled services represent the revenue recognized but not yet invoiced.

Deferred Revenues

Deferred revenues consist of maintenance service, customer support services, including telephone support and deposits for future consulting services which will be earned as services are performed over the contractual or stated period, which generally ranges from three to twelve months.

Cash and Cash Equivalents

The Company considers all highly liquid investments purchased with original maturities of three months or less to be cash equivalents. The Company maintains cash balances at financial institutions that are insured by the Federal Deposit Insurance Corporation ("FDIC") up to federally insured limits. At times balances may exceed FDIC insured limits. The Company has not experienced any losses in such accounts.

**SILVERSUN TECHNOLOGIES, INC. AND SUBSIDIARY**
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**
**(Unaudited)**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Concentrations

The Company maintains its cash and cash equivalents with various institutions, which exceed federally insured limits throughout the year. At June 30, 2017 and December 31, 2016, the Company had cash on deposit of approximately $1,227,453 and $1,280,695 respectively in excess of the federally insured limits of $250,000.

As of June 30, 2017 and December 31, 2016, no one customer represented more than 10% of the total accounts receivable and unbilled services.

For the six months ended June 30, 2017 and 2016, our top ten customers accounted for 23% ($3,761,871) and 22% ($3,579,879), respectively, of our total revenues. The Company does not rely on any one specific customer for any significant portion of our revenue.

For the six months ended June 30, 2017 and 2016, purchases from one supplier through a "channel partner" agreement were approximately 22% and 22% of cost of revenues, respectively. This channel partner agreement is for a one year term and automatically renews for an additional one year term on the anniversary of the agreements effective date.

As of June 30, 2017, two suppliers represented approximately 38% and 11% of total accounts payable respectively. As of December 31, 2016, one supplier represented approximately 42% of total accounts payable.

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of trade accounts receivable and cash and cash equivalents. As of June 30, 2017 the Company believes it has no significant risk related to its concentration of accounts receivable.

Accounts Receivable

Accounts receivable consist primarily of invoices for maintenance and professional services. Full payment for software ordered by customers is due in advance of ordering from the software supplier. Payments for maintenance and support plan renewals are due before the beginning of the maintenance period. Terms under our professional service agreements are generally 50% due in advance and the balance on completion of the services.

The Company maintains an allowance for bad debt estimated by considering a number of factors, including the length of time the amounts are past due, the Company's previous loss history and the customer's current ability to pay its obligations.

Property and Equipment

Property and equipment is stated at cost, net of accumulated depreciation. Depreciation is computed using the straight-line method based upon the estimated useful lives of the assets, generally three to seven years. Maintenance and repairs that do not materially add to the value of the equipment nor appreciably prolong its life are charged to expense as incurred.

When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and the resulting gain or loss is included in the Consolidated Statements of Income.

Income Taxes

Deferred income taxes reflects the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes, as well as net operating loss carryforwards. Deferred tax assets and liabilities are classified as non-current based on the classification of the related assets or liabilities for financial reporting. Valuation allowances are established against deferred tax assets if it is more likely than not that the assets will not be realized. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates or laws is recognized in operations in the period that includes the enactment date.

The Company has federal net operating loss ("NOL") carryforwards which are subject to limitations under Section 382 of the Internal Revenue Code.

The Company files income tax returns in the U.S. federal and state jurisdictions. Tax years 2014 to 2017 remain open to examination for both the U.S. federal and state jurisdictions.

There were no liabilities for uncertain tax positions at June 30, 2017 and December 31, 2016.

**SILVERSUN TECHNOLOGIES, INC. AND SUBSIDIARY**
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**
**(Unaudited)**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Fair Value Measurement

The accounting standards define fair value and establish a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use on unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company’s assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The hierarchy is as follows:

Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Observable prices that are based on inputs not quoted on active markets, but corroborated by market data.

Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

The Company’s current financial assets and liabilities approximate fair value due to their short term nature and include cash, accounts receivable, accounts payable, and accrued liabilities. The carrying value of longer term lease, contingent consideration and debt obligations approximate fair value as their stated interest rates approximate the rates currently available. The Company’s goodwill and intangibles are measured on a non-recurring basis using Level 3 inputs, as discussed in Note 5.

Stock-Based Compensation

Compensation expense related to share-based transactions, including employee stock options, is measured and recognized in the financial statements based on a determination of the fair value. The grant date fair value is determined using the Black-Scholes-Merton (“Black-Scholes”) pricing model. For employee stock options, the Company recognizes expense over the requisite service period on a straight-line basis (generally the vesting period of the equity grant). The Company’s option pricing model requires the input of highly subjective assumptions, including the expected stock price volatility and expected term. Any changes in these highly subjective assumptions may significantly impact stock-based compensation expense.

Recently Adopted Authoritative Pronouncements

In November 2015, the FASB issued ASU No. 2015-17, *Income Taxes (Topic 740): Balance Sheet Classifications of Deferred Taxes*, which requires that deferred tax liabilities and assets be classified as noncurrent in a classified statement of financial position. The current requirement that deferred tax liabilities and assets of a tax-paying component of an entity be offset and presented as a single amount is not affected by this amendment. The new guidance is effective for fiscal years, and interim periods within those years, beginning after December 15, 2016. Early adoption is permitted and the standard may be applied either retrospectively or on a prospective basis to all deferred tax assets and liabilities. During the first quarter of 2017, the Company adopted this ASU and the appropriate reclassifications were made.

In March 2016, the FASB issued ASU No. 2016-09, Stock Compensation (Topic 718), which includes provisions intended to simplify various aspects related to how share-based payments are accounted for and presented in the financial statements. The standard is effective for annual periods beginning after December 15, 2016. During the first quarter 2017, the Company adopted this ASU. The key effects of the adoption on the Company’s financial statements include that the Company will now recognize windfall tax benefits as deferred tax assets instead of tracking the windfall pool and recording such benefits in equity. Additionally, the Company has elected to recognize forfeitures as they occur rather than estimating them at the time of grant.

**SILVERSUN TECHNOLOGIES, INC. AND SUBSIDIARY**
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**
**(Unaudited)**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Recent Authoritative Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which requires lessees to put most leases on their balance sheets by recognizing a lessee's rights and obligations, while expenses will continue to be recognized in a similar manner to today's legacy lease accounting guidance. This ASU could also significantly affect the financial ratios used for external reporting and other purposes, such as debt covenant compliance. This ASU will be effective for the Company on January 1, 2019, with early adoption permitted. The Company is currently in the process of assessing the impact of this ASU on our consolidated financial statements.

In April 2016, the FASB issued ASU No. 2016-10, *Revenue from Contracts with Customers: Identifying performance obligations and licensing,* to reduce the cost and complexity of applying the guidance on identifying promised goods or services around identifying performance obligations and implementation guidance on determining whether an entity's promise to grant a license provides a customer with either a right to use the entity's intellectual property (which is satisfied at a point in time) or a right to access the entity's intellectual property (which is satisfied over time). The ASU will be effective for the Company in the first quarter of 2018. Early adoption is permitted as of annual and interim reporting periods beginning after December 15, 2016. The Company is evaluating the future impact of this ASU on the consolidated financial statements.

In January 2017, the FASB issued ASU No. 2017-04, Intangibles-Goodwill and Other (Topic 350), which includes provisions, intended to simplify the test for goodwill impairment. The standard is effective for annual periods beginning after December 15, 2019, with early adoption permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017. We do not expect the adoption of this standard to have a significant impact on our financial position and results of operations.

No other recently issued accounting pronouncements had or are expected to have a material impact on the Company's consolidated financial statements.

**SILVERSUN TECHNOLOGIES, INC. AND SUBSIDIARY**
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**
**(Unaudited)**

**NOTE 3 – NET INCOME PER COMMON SHARE**

The Company's basic income per common share is based on net income for the relevant period, divided by the weighted average number of common shares outstanding during the period. Diluted income per common share is based on net income, divided by the weighted average number of common shares outstanding during the period, including common share equivalents, such as outstanding option and warrants to the extent they are dilutive. The computation of diluted income per share for the three and six months ended June 30, 2017 and June 30, 2016 does not include share equivalents as all warrants and options exceeded the average market price of our common stock. Convertible debt is included below, based on the if-converted method for the three and six months ended June 30, 2016. All such debt was converted on December 9, 2016.

| | Three Months Ended June 30, 2017 | Three Months Ended June 30, 2016 |
|---|---|---|
| **Basic net income per share computation:** | | |
| Net income | $ 120,493 | $ 547,120 |
| Weighted-average common shares outstanding | 4,489,903 | 4,410,736 |
| Basic net income per share | $ 0.03 | $ 0.12 |
| **Diluted net income per share computation:** | | |
| Net income | $ 120,493 | $ 547,120 |
| Weighted-average common shares outstanding | 4,493,903 | 4,477,403 |
| Total adjusted weighted-average shares | 4,493,903 | 4,477,403 |
| Diluted net income per share | $ 0.03 | $ 0.12 |

| | Six Months Ended June 30, 2017 | Six Months Ended June 30, 2016 |
|---|---|---|
| **Basic net income per share computation:** | | |
| Net income | $ 274,347 | $ 621,397 |
| Weighted-average common shares outstanding | 4,488,038 | 4,410,736 |
| Basic net income per share | $ 0.06 | $ 0.14 |
| **Diluted net income per share computation:** | | |
| Net income | $ 274,347 | $ 621,397 |
| Weighted-average common shares outstanding | 4,492,038 | 4,477,403 |
| Total adjusted weighted-average shares | 4,492,038 | 4,477,403 |
| Diluted net income per share | $ 0.06 | $ 0.14 |

The following table summarizes securities that, if exercised, would have an anti-dilutive effect on earnings per share.

| | Three Months June 30, 2017 | Three Months June 30, 2016 |
|---|---|---|
| Stock options | 100,888 | 183,576 |
| Warrants | 208,241 | 203,253 |
| | | |
| Total potential dilutive securities not included in income per share | 309,129 | 368,829 |

| | Six Months June 30, 2017 | Six Months June 30, 2016 |
|---|---|---|
| Stock options | 122,231 | 183,576 |
| Warrants | 208,241 | 203,253 |
| | | |
| Total potential dilutive securities not included in income per share | 330,472 | 368,829 |

**SILVERSUN TECHNOLOGIES, INC. AND SUBSIDIARY**
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**
**(Unaudited)**

## NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment is summarized as follows:

| | June 30, 2017 | December 31, 2016 |
|---|---|---|
| Leasehold improvements | $ 88,512 | $ 30,557 |
| Equipment, furniture and fixtures | 1,890,759 | 1,744,439 |
| | 1,979,271 | 1,774,996 |
| Less: Accumulated depreciation | (1,425,786) | (1,308,794) |
| | | |
| Property and equipment, net | $ 553,485 | $ 466,202 |

Depreciation expense related to these assets was $61,006 and $116,992 respectively for the three and six months ended June 30, 2017 as compared to $58,478 and $116,285 for the three and six months ended June 30, 2016.

Property and equipment under capital leases are summarized as follows:

| | June 30, 2017 | December 31, 2016 |
|---|---|---|
| Equipment, furniture and fixtures | 570,884 | 521,905 |
| Less: Accumulated depreciation | (384,914) | (335,672) |
| | | |
| Property and equipment, net | $ 185,970 | $ 186,233 |

## NOTE 5 – INTANGIBLE ASSETS

Intangible assets consist of proprietary developed software, intellectual property, customer lists and acquired contracts carried at cost less accumulated amortization and customer lists acquired at fair value less accumulated amortization. Amortization is computed using the straight-line method over the estimated useful lives.

The components of intangible assets are as follows:

| | June 30, 2017 | December 31, 2016 | Estimated Useful Lives |
|---|---|---|---|
| Proprietary developed software | $ 972,447 | $ 677,829 | 5 - 7 |
| Intellectual property, customer list, and acquired contracts | 3,069,551 | 3,069,551 | 5 - 15 |
| Total intangible assets | $ 4,041,998 | $ 3,747,380 | |
| Less: accumulated amortization | (1,519,155) | (1,316,269) | |
| | $ 2,522,843 | $ 2,431,111 | |

Amortization expense included in depreciation and amortization was $91,036 and $202,886 for the three and six months ended June 30, 2017 respectively as compared to $113,086 and $226,172 for the three and six months ended June 30, 2016. Included in proprietary developed software is $572,772 for the six months ended June 30, 2017 not yet in service and accordingly no amortization was recorded. The Company expects the proprietary developed software to be placed in service in 2018, and has included the amortization in the future amortization schedule accordingly.

The Company expects future amortization expense to be the following:

| | Amortization |
|---|---|
| Balance of 2017 | $ 153,970 |
| 2018 | 343,621 |
| 2019 | 343,621 |
| 2020 | 325,630 |
| 2021 | 289,080 |
| Thereafter | 1,066,921 |
| | |
| Total | $ 2,522,843 |

## NOTE 6 – LINE OF CREDIT AND PROMISSORY NOTES

On July 21, 2016, SWK entered into a Revolving Demand Note (the "Revolving Demand Note") by and between SWK and M&T Bank ("Lender"), a commercial lender. The Lender has agreed to loan SWK up to a principal amount of one million dollars. The interest rate on the Revolving Demand Note is a variable rate, equal to the "Prime Rate", plus ninety-five one-hundredths percent (0.95%) per annum. There is a minimum interest rate floor of four percent (4%). The Revolving Demand Note is secured by all SWK's assets pursuant to a Security Agreement. Furthermore, on July 21, 2016, the Company and Mr. Mark Meller, individually, entered into Unlimited Guaranty agreements (the "Guaranty Agreements") with the Lender. The line is also collateralized by substantially all of the assets of the Company. Under the Guaranty Agreements, the Company and Mr. Meller personally, jointly and severally guaranteed the liabilities of SWK due and owing under the terms of the Revolving Demand Note. At June 30, 2017 and December 31, 2016 there were no borrowings under this note.

On May 6, 2014, SWK acquired certain assets of ESC, Inc. pursuant to an Asset Purchase Agreement for a promissory note in the aggregate principal amount of $350,000 (the "ESC Note"). The ESC Note matures on April 1, 2019. Monthly payments are $6,135 including interest at 2% per year. At June 30, 2017 the outstanding balance was $138,315.

On March 11, 2015, SWK acquired certain assets of 2000 SOFT, Inc. d/b/a Accounting Technology Resource ("ATR") pursuant to an Asset Purchase Agreement for cash of $80,000 and a promissory note for $175,000 (the "ATR Note"). The note matures on February 1, 2018. Monthly payments are $5,012 including interest at 2% per year. At June 30, 2017 the outstanding balance was $44,739.

On July 6, 2015, SWK acquired certain assets of ProductiveTech Inc. ("PTI") pursuant to an Asset Purchase Agreement for cash of $500,000 and a promissory note for $600,000 (the "PTI Note"). The PTI Note is due in 60 months from the closing date and bears interest at a rate of two and one half (2.5%) percent. Monthly payments including interest are $10,645. At June 30, 2017 the outstanding balance was $378,695.

On October 19, 2015, SWK acquired certain assets of Oates & Company, LLC ("Oates") pursuant to an Asset Purchase Agreement (the "Oates Purchase Agreement") for cash of $125,000 and a promissory note for $175,000 (the "Oates Note"). The Oates Note is due in three years from the closing date and bears interest at a rate of two (2%) percent. Monthly payments including interest are $5,012. At June 30, 2017 the outstanding balance was $78,902.

At June 30, 2017, future payments of long term debt are as follows:

| | | |
|---|---|---|
| Remainder of 2017 | $ | 154,178 |
| 2018 | | 257,846 |
| 2019 | | 154,727 |
| 2020 | | 73,900 |
| Total | $ | 640,651 |

## NOTE 7 – CAPITAL LEASE OBLIGATIONS

The Company has entered into lease commitments for equipment that meet the requirements for capitalization. The equipment has been capitalized and is included in the accompanying balance sheets. The related obligations are based upon the present value of the future minimum lease payments with interest rates ranging from 7.1% to 10.4%.

At June 30, 2017, future payments under capital leases are as follows:

| | | |
|---|---|---|
| Remainder of 2017 | $ | 56,606 |
| 2018 | | 79,185 |
| 2019 | | 20,339 |
| 2020 | | 7,731 |
| Total minimum lease payments | | 163,861 |
| Less amounts representing interest | | (12,302) |
| Present value of net minimum lease payments | | 151,559 |
| Less current portion | | (93,508) |
| Long-term capital lease obligation | $ | 58,051 |

**SILVERSUN TECHNOLOGIES, INC. AND SUBSIDIARY**
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**
**(Unaudited)**

## NOTE 8 – EQUITY

Equity

On January 11, 2016, the Company announced the payment of a $0.06 special cash dividend per share of Common Stock. The dividend payments were paid on January 20, 2016 for an aggregate amount of $264,699, which reduced additional paid in capital.

On July 28, 2016 (the "Effective Date"), the Company entered into a Series B Preferred Stock Purchase Agreement (the "Preferred Stock Purchase Agreement") with the Company's Chief Executive Officer, Mr. Mark Meller, pursuant to which Mr. Meller was issued the only share of the Company's authorized but unissued Series B Preferred Stock. Mr. Meller was issued one (1) share of Series B Preferred Stock for (i) $100 in cash and (ii) as partial consideration for Mr. Meller's personal guarantee of the Revolving Demand Note. Each one (1) share of the Series B Preferred Stock shall have voting rights equal to (x) the total issued and outstanding Common Stock eligible to vote at the time of the respective vote divided by (y) forty-nine one-hundredths (0.49) minus (z) the total issued and outstanding Common Stock eligible to vote at the time of the respective vote. For example, if the total issued and outstanding Common Stock eligible to vote at the time of the respective vote is 5,000,000, the voting rights of the Series B Preferred Stock shall be equal to 5,204,082 (e.g. (5,000,000 / 0.49) – 5,000,000 = 5,204,082). The Series B Preferred Stock has the rights, privileges, preferences and restrictions set for in the Certificate of Designation (the "Certificate of Designation") filed by the Corporation with the Secretary of State of the State of Delaware ("Delaware Secretary of State") on September 23, 2011.

On January 23, 2017, the Company announced the payment of a $0.02 special cash dividend per share of Common Stock. The dividend payments were paid out on January 31, 2017 for an aggregate amount of $89,566, which reduced additional paid in capital.

On January 27, 2017, the Company issued 100 shares of stock each to 125 non-executive employees of SWK.

On April 24, 2017, the Company announced the payment of a $0.02 special cash dividend per share of Common Stock. The dividend payments were paid out on May 10, 2017 for an aggregate amount of $89,816, which reduced additional paid in capital.

Options

A summary of the status of the Company's stock option plans for the fiscal years ended December 31, 2016 and the six months ending June 30, 2017 and changes during the years are presented below (in number of options):

| | Number of Options | Average Exercise Price | Average Remaining Contractual Term | Aggregate Intrinsic Value |
|---|---|---|---|---|
| Outstanding options at January 1, 2016 | 183,576 | $ 4.49 | 2.7 years | $ -0- |
| Options granted | - | - | - | |
| Options canceled/forfeited | (40,000) | $ 4.50 | | |
| | | | | |
| Outstanding options at December 31, 2016 | 143,576 | $ 4.33 | 1.6 years | $ -0- |
| Options granted | - | | | |
| Options exercised | - | | | |
| Options canceled/forfeited | (81,975) | $ 4.80 | | |
| | | | | |
| Outstanding options at June 30, 2017 | 61,600 | $ 3.78 | 2.5 years | $ -0- |
| | | | | |
| Vested Options: | | | | |
| June 30, 2017; | 30,320 | $ 3.61 | 2.1 years | $ -0- |
| December 31, 2016: | 103,575 | $ 4.47 | 1.0 years | $ -0- |

**SILVERSUN TECHNOLOGIES, INC. AND SUBSIDIARY**
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**
**(Unaudited)**

**NOTE 8 – EQUITY (Continued)**

As of June 30, 2017 the unamortized compensation expense for stock options was $95,833. Unamortized compensation expense is expected to be recognized over a weighted-average period of three years.

Warrants

On March 27, 2017, the Company granted 4,988 warrants with a fair value of approximately $19,923, which immediately vested, to John Schachtel as part of his compensation for agreeing to join the Board of Directors. The estimated fair value of the warrant has been calculated based on a Black-Scholes pricing model using the following assumptions: a) fair market value of stock of $4.00; b) exercise price of $4.01; c) Dividend yield of 0%; d) Risk free interest rate of 1.42%; e) expected volatility of 284.28%; f) Expected life of 5 years.

The following table summarizes the warrants transactions:

| | Warrants Outstanding | Weighted Average Exercise Price |
|---|---|---|
| Balance, January 1, 2016 | 203,253 | $ 5.29 |
| Granted | - | $ - |
| Exercised | - | $ - |
| Canceled | - | $ - |
| Outstanding and Exercisable December 31, 2016 | 203,253 | $ 5.29 |
| | | |
| Granted | 4,988 | $ 4.01 |
| Exercised | - | $ - |
| Canceled | - | $ - |
| Outstanding and Exercisable June 30, 2017 | 208,241 | $ 5.26 |

**SILVERSUN TECHNOLOGIES, INC. AND SUBSIDIARY**
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**
**(Unaudited)**

**NOTE 9 – INCOME TAXES**

The recognized deferred tax asset is based upon the expected utilization of its benefit from future taxable income. The Company has federal net operating loss ("NOL") carryforwards of approximately $6,296,000 as of June 30, 2017, which is subject to limitations under Section 382 of the Internal Revenue Code. These carryforward losses are available to offset future taxable income, and begin to expire in the year 2026 to 2034.

The foregoing amounts are management's estimates and the actual results could differ from those estimates. Future profitability in this competitive industry depends on continually obtaining and fulfilling new profitable sales agreements and modifying products. The inability to obtain new profitable contracts could reduce estimates of future profitability, which could affect the Company's ability to realize the deferred tax assets.

Income tax provision (benefit):

| | Six Months Ended | |
|---|---|---|
| | June 30, 2017 | June 30, 2016 |
| Current: | | |
| Federal | $ 5,290 | $ 294,185 |
| State and local | 588 | 36,472 |
| Total current tax provision | 5,878 | 330,657 |
| Deferred: | | |
| Federal | 164,378 | 17,100 |
| State and local | 18,264 | 1,900 |
| Release of valuation allowance | - | (370,000) |
| Total deferred tax provision (benefit) | 182,642 | (351,000) |
| Total (benefit) provision | $ 188,520 | (20,343) |

For the year six months ended June 30, 2016, the Company's Federal and State provision requirements were calculated based on the estimated tax rate. The Federal effective rate is higher than the statutory rate primarily due to Incentive Stock Options (ISO) expense and 50% of general meals and entertainment which are not tax deductible. The provision for the six months ended June 30, 2017 was $188,520 as compared to the benefit for the six months ended June 30, 2016 of $20,343. The effective tax rate consists primarily of the 40% federal statutory tax rate and a blended 5% state and local tax rate.

For the six months ended June 30, 2016, the Company's Federal and State provision requirements were offset by the reversal of a portion of the valuation allowance taking into consideration Section 382 limitations. The Company recorded a net tax benefit of $370,000, which represents a reduction in its valuation allowance on tax attributes that are expected to be utilized based on management's assessment and evaluation of historical and projected income.

**SILVERSUN TECHNOLOGIES, INC. AND SUBSIDIARY**
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**
**(Unaudited)**

## NOTE 10 – RELATED PARTY TRANSACTIONS

The Company leases its North Syracuse office space from its current CFO, Crandall Melvin III which expires on May 31, 2018. The monthly rent for this office space is $2,100. Total rent expense for the three and six months ended June 30, 2017 and 2016 was $6,300 and $12,600 respectively under this lease.

The Company leases its Seattle office space from Mary Abdian, an employee of SWK, which expires September 30, 2018. The monthly rent for this office space is $3,090 and increases 3% each year. Total rent expense for the three and six months ended June 30, 2017 under this lease was $9,270 and $18,540 respectively as compared to $9,000 and $18,000 for the three and six months ended June 30, 2016.

As of June 30, 2016, long term debt and contingent consideration are considered related party liabilities as holders are current employees of the company, see Note 6.

## NOTE 11 – COMMITMENTS

***Operating Leases***

Our main office was located at 5 Regent Street, Livingston, NJ 07039 where we had 6,986 square feet of office space at a monthly rent of $7,400. The lease expired on December 31, 2016 and was subsequently extended for two months ending February 28, 2017. On March 1, 2017, the Company entered into a new operating lease agreement for its main office located at 120 Eagle Rock Avenue, East Hanover, NJ 07936. The main office premises will consist of 5,129 square feet of office space at a monthly rent starting at $8,762 and escalating to $10,044 per month by the end of the term April 30, 2024.

The Company has a lease, with a one-year extension, for office space at 6834 Buckley Road, North Syracuse, New York, at a monthly rent of $2,100 ending May 31, 2018.

The Company leases 2,700 square feet of office space in Skokie, Illinois with a monthly rent of $3,000. This lease expires April 30, 2018.

The Company leases 702 square feet of office space in Minneapolis, MN with a monthly rent of $1,560 a month. This lease expires March 31, 2018.

The Company leases 2,105 square feet of office space in Phoenix, AZ starting at $1,271 and escalating to $2,894 per month by the end of the term September 30, 2019.

The Company leases 1,500 square feet of office space in Seattle, WA with a monthly rent of $3,000 a month. The lease expires September 30, 2018.

The Company leased 3,422 square feet of office space in Greensboro, NC with a monthly rent of $4,182 a month. The lease expired February 28, 2017 and was extended after reducing the rental space to 2,267 square feet at a monthly rent of $2,765 per month. The extension expires February 28, 2020.

The Company leases 1,745 square feet of office space in Santa Ana, CA with a monthly rent of $3,225 per month escalating to $3,402 per month by the end of the lease term, April 30, 2018.

On January 12, 2017, the Company entered into an operating lease agreement for its south New Jersey office commencing March 1, 2017. The company leases 6,115 square feet of office space in Thorofare, NJ starting at $4,591 and escalating to $5,168 per month by the end of the term February 28, 2022.

Total rent expense under these operating leases for the six months ended June 30, 2017 and 2016 was $207,622 and $180,530, respectively.

**SILVERSUN TECHNOLOGIES, INC. AND SUBSIDIARY**
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**
**(Unaudited)**

**NOTE 11 – COMMITMENTS (Continued)**

The following is a schedule of approximate future minimum rental payments for operating leases subsequent to the year ended December 31, 2016.

| | | |
|---|---|---|
| Remainder 2017 | $ | 192,485 |
| 2018 | | 297,326 |
| 2019 | | 228,671 |
| 2020 | | 177,763 |
| 2021 | | 176,258 |
| thereafter | | 287,301 |
| | $ | 1,359,804 |

***Contingent Consideration***

On October 1, 2015, SWK entered into an Asset Purchase Agreement (the "Macabe Purchase Agreement") with The Macabe Associates, Inc., ("Macabe"), a Washington corporation and Mary Abdian and John Nicholson in their individual capacity as Shareholders. SWK acquired certain assets and liabilities of Macabe (as defined in the Macabe Purchase Agreement). In consideration for the acquired assets, the Company paid $21,423 in cash. Additionally, the Company will pay 35% of the net margin on software maintenance renewals for former Macabe customers for the first twelve months, and then 30%, 25% and 20% of the net margin on software maintenance renewals for the following three years. The Company will also pay 50% the first year, and 40%, 30% and 20% the three years after on the net margin on EASY Solution Maintenance, new software and license to existing Macabe customers and EASY Solutions software and maintenance sales to new customers. On any former Macabe customers migrating to Netsuite, X3 or Acumatica, the Company will pay 50% of the net margin of the sale after applicable costs and commissions for the three years period after the acquisition. The Company estimated this contingent consideration to be approximately $417,971 at acquisition. Certain payments were made in each of these contingent consideration components, resulting in a remaining balance of $175,558 as of June 30, 2017. The Company estimates that the contingent consideration will be fully paid by September 30, 2019.

**Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations,**

This quarterly report on Form 10-Q and other reports filed by SilverSun Technologies, Inc. and its wholly owned subsidiary, SWK Technologies, Inc. (together the "Company") from time to time with the U.S. Securities and Exchange Commission (the "SEC") contain or may contain forward-looking statements and information that are based upon beliefs of, and information currently available to, the Company's management as well as estimates and assumptions made by Company's management. Readers are cautioned not to place undue reliance on these forward-looking statements, which are only predictions and speak only as of the date hereof. When used in the filings, the words "anticipate," "believe," "estimate," "expect," "future," "intend," "plan," or the negative of these terms and similar expressions as they relate to the Company or the Company's management identify forward-looking statements. Such statements reflect the current view of the Company with respect to future events and are subject to risks, uncertainties, assumptions, and other factors, including the risks contained in the "Risk Factors" section of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2016, relating to the Company's industry, the Company's operations and results of operations, and any businesses that the Company may acquire. Should one or more of these risks or uncertainties materialize, or should the underlying assumptions prove incorrect, actual results may differ significantly from those anticipated, believed, estimated, expected, intended, or planned.

Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, the Company cannot guarantee future results, levels of activity, performance, or achievements. Except as required by applicable law, including the securities laws of the United States, the Company does not intend to update any of the forward-looking statements to conform these statements to actual results.

Our financial statements are prepared in accordance with accounting principles generally accepted in the United States ("GAAP"). These accounting principles require us to make certain estimates, judgments and assumptions. We believe that the estimates, judgments and assumptions upon which we rely are reasonable based upon information available to us at the time that these estimates, judgments and assumptions are made. These estimates, judgments and assumptions can affect the reported amounts of assets and liabilities as of the date of the financial statements as well as the reported amounts of revenues and expenses during the periods presented. Our financial statements would be affected to the extent there are material differences between these estimates and actual results. In many cases, the accounting treatment of a particular transaction is specifically dictated by GAAP and does not require management's judgment in its application. There are also areas in which management's judgment in selecting any available alternative would not produce a materially different result. The following discussion should be read in conjunction with our consolidated financial statements and notes thereto appearing elsewhere in this report.

**Overview**

We are a business application, technology and consulting company providing strategies and solutions to meet our clients' information, technology and business management needs. Our services and technologies enable customers to manage, protect and monetize their enterprise assets whether on-premise or in the "Cloud". As a value added reseller of business application software, we offer solutions for accounting and business management, financial reporting, Enterprise Resource Planning ("ERP"), Warehouse Management Systems ("WMS"), and Business Intelligence ("BI"). Additionally, we have our own development staff building software solutions for Electronic Data Interchange ("EDI"), time and billing, and various ERP enhancements. Our value-added services focus on consulting and professional services, specialized programming, training, and technical support. We have a dedicated network services practice that provides managed services, hosting, business continuity, cloud, email and web services. Our customers are nationwide, with concentrations in the New York/New Jersey metropolitan area, Chicago, Dallas, Arizona, Southern California, North Carolina and Washington.

Our core business is divided into the following practice areas:

*ERP (Enterprise Resource Management) and Accounting Software*

We are a value-added reseller for a number of industry-leading ERP applications. We are a Sage Software Authorized Business Partner and Sage Certified Gold Development Partner. We believe we are among the largest Sage ERP X3 partners in North America, with a sales and implementation presence complemented by a scalable software development practice for customizations and enhancements. Due to the growing demand for true cloud-based ERP solutions, we have added two (2) industry leading applications to our ERP portfolio: (1) NetSuite ERP, among the world's leading cloud ERP solutions; and (2) Acumatica, a browser-based ERP solution that can be offered on premise, in the public cloud, or in a private cloud. We develop and resell a variety of add-on solutions to all our ERP and accounting packages that help customize the installation to our customers' needs and streamline their operations.

*Value-Added Services for ERP*

We go beyond simply reselling software packages; we have a consulting and professional services organization that manages the process as we move from the sales stage into implementation, go live, and production. We work inside our customers' organizations to ensure all software and Information Technology ("IT") solutions are enhancing their business needs. A significant portion of our services revenue comes from continuing to work with existing customers as their business needs change, upgrading from one version of software to another, or providing additional software solutions to help them grow their revenue. We have a dedicated help desk team that fields hundreds of calls every week. Our custom programming department builds specialized software packages as well as "off the shelf" enhancements and time and billing software.

*EDI (Electronic Data Interchange) Software and Services*

EDI is the computer to computer exchange of standard business documents, such as purchase orders and invoices, in electronic format. A standard file format is established for each kind of document in order to facilitate the exchange of data across a variety of platforms and programs. We have a proprietary software solution, MAPADOC, which is fully integrated with the Sage ERPs. MAPADOC allows businesses to dramatically cut data entry time by eliminating duplicate entries and reduces costly errors with trading partners. MAPADOC is the only EDI solution that is built within the framework of the Sage ERPs, allowing customers to stay within one application to get their job done.

*Network and Managed Services*

We provide comprehensive network and managed services designed to eliminate the IT concerns of our customers. Businesses can focus on their core strengths rather than technology issues. We adapt our solutions for virtually any type of business, from large national and international product and service providers, to small businesses with local customers. Our business continuity services provide automatic on and off site backups, complete encryption, and automatic failure testing. We also provide email and web security, IT consulting, managed network, and emergency IT services. Our focus in the network and managed services practice is to focus on industry verticals in order to demonstrate our ability to better understand our customers' needs.

We continue to develop new products, obtain new customers and increase sales to existing customers. Management also plans to increase its business and profitability by entering into collaboration agreements, buying assets, and acquiring companies in the business software and information technology consulting and managed services market with solid revenue streams and established customer bases that generate positive cash flow. We also plan to add new product offerings to provide a greater a range of products to our customers.

**Results of Operations for the Three and Six Months Ended June 30, 2017 and 2016.**

During the six months ended June 30, 2017 the Company continued to expand its customer base and growth trend which we believe will provide a basis for future growth.

1) Revenues increased 1.0% from the same six months period in the prior year.
2) Income from operations decreased to $480,305 as compared to $629,770 for the same six months period in the prior year.
3) Net income was $274,347 as compared to $621,397 for the same six months period in the prior year.

*Revenues*

Revenues for the three months ended June 30, 2017 decreased $54,250 (0.6%) to $8,508,640 as compared to $8,562,890 for the three months ended June 30, 2016. Revenues for the six months ended June 30, 2017 increased $164,021 (1.0%) to $16,511,212 as compared to $16,347,191 for the six months ended June 30, 2016.

Software sales increased by $250,384 to $1,434,635 for the three months ended June 30, 2017 from $1,184,251 for the same period in 2016 for an overall increase of 21.1%. For the six months ended June 30, 2017 software sales increased $296,847 (14.5%) to $2,341,540 from $2,044,693 for the same period in 2016. This is attributed to increased sales and marketing activity surrounding our accounting software products.

Service revenue decreased by $304,634 to $7,074,005 for the three months ended June 30, 2017 from $7,378,639 for the same period in 2016 for an overall decrease of 4.1%. Service revenue decreased by $132,826 to $14,169,672 for the six months ended June 30, 2017 from $14,302,498 for the same period in 2016 for an overall decrease of 0.9%. This decrease is attributed to the timing of project implementation after the original software sale. As a result, deferred revenues have increased since December 31, 2016 as the company has not performed the services to meet the criteria for revenue recognition.

*Gross Profit*

Gross profit for the three months ended June 30, 2017 increased $53,730 (1.6%) to $3,404,088 as compared to $3,350,358 for the three months ended June 30, 2016. For the three month period ended June 30, 2017, the overall gross profit percentage was 40.0% as compared to 39.1% for the period ended June 30, 2016.

Gross profit for the six months ended June 30, 2017 increased $509,750 (8.1%) to $6,791,137 as compared to $6,281,386 for the six months ended June 30, 2016. For the six month period ended June 30, 2017, the overall gross profit percentage was 41.1% as compared to 38.4% for the period ended June 30, 2016.

The gross profit attributed to software sales increased $103,322 to $645,718 for the three months ending June 30, 2017 from $542,396 in the three months ending June 30, 2016 while gross profit attributed to software sales increased $159,769 to $1,117,713 for the six months ending June 30, 2017 from $957,944 in the six months ending June 30, 2016. The mix of products being sold by the Company changes from time to time and sometimes causes the overall gross margin percentage to vary.

The gross profit attributed to services decreased $49,591 for the three months ending June 30, 2017 from the three months ending June 30, 2016 while gross profit attributed to services increased $349,981 for the six months ending June 30, 2017 from the six months ending June 30, 2016.

*Operating Expenses*

Selling and marketing expenses increased $184,517 (16.9%) to $1,275,158 for the three months ending June 30, 2017 from $1,090,641 in the three months ending June 30, 2016. Selling and marketing expenses increased $246,295 (11.3%) to $2,421,815 for the six months ended June 30, 2017 compared to $2,175,520 for the six months ended June 30, 2016. This is due to increased sales personnel and travel expenses as a result of an increase in sales and marketing activity primarily attributed to publisher trade shows.

General and administrative expenses increased $188,543 to $1,779,344 for the three months ending June 30, 2017 from $1,590,801 in the three months ending June 30, 2016. General and administrative expenses increased $374,584 (12.0%) to $3,484,318 for the six months ended June 30, 2017 as compared to $3,109,734 for the six months ended June 30, 2016. This is primarily as a result of increases in payroll and related expenses associated with the addition of management personnel.

Depreciation and amortization expense decreased $22,523 for the three months ended June 30, 2017 to $149,041 as compared to $171,564 for the three months ended June 30, 2016. Depreciation and amortization expense decreased $22,581 for the six months ended June 30, 2017 to $319,877 as compared to $342,458 for the six months ended June 30, 2016.

*Income from Operations*

For the three and six months ended June 30, 2017, the Company had income from operations of $192,112 and $480,305 respectively as compared to income from operations of $485,400 and $629,770, respectively for the three and six months ended June 30, 2016.

*Income Taxes*

For the six months ended June 30, 2017, the Company's Federal and State provision requirements were calculated based on the estimated tax rate. The Federal effective rate is higher than the statutory rate primarily due to Incentive Stock Options (ISO) expense and 50% of general meals and entertainment expense which is not tax deductible. The provision for the three and six months ended June 30, 2016 was $62,642 and $188,520 respectively. The effective tax rate consists primarily of the 40% federal statutory tax rate and a blended 5% state and local tax rate.

*Net Income*

For the three and six months June 30, 2017, the Company had net income of $120,493 and $274,347 respectively as compared to a net income of $547,120 and $621,397 respectively for the three and six months ended June 30, 2016. The net income for the six months ended June 30, 2017 is down compared to the six months ended June 30, 2016 primarily due to the additional payroll and related expenses associated with the addition of management personnel.

**Liquidity and Capital Resources**

We are currently seeking additional operating income opportunities through potential acquisitions or investments. Such acquisitions or investments may consume cash reserves or require additional cash or equity. Our working capital and additional funding requirements will depend upon numerous factors, including: (i) strategic acquisitions or investments; (ii) an increase to current company personnel; (iii) the level of resources that we devote to sales and marketing capabilities; (iv) technological advances; and (v) the activities of competitors.

In addition to developing new products, obtaining new customers and increasing sales to existing customers, management plans to increase its business and profitability by entering into collaboration agreements, buying assets, and acquiring companies in the business software and information technology consulting and managed services market with solid revenue streams and established customer bases that generate positive cash flow.

On July 21, 2016, SWK entered into a Revolving Demand Note (the "Revolving Demand Note") by and between SWK and M&T Bank ("Lender"), a commercial lender. The Lender has agreed to loan SWK up to a principal amount of one million dollars. The interest rate on the Revolving Demand Note shall be a variable rate, equal to the "Prime Rate", plus ninety-five one-hundredths percent (0.95%) per annum. There is a minimum interest rate floor of four percent (4%). The Revolving Demand Note is secured by all of SWK's assets pursuant to a Security Agreement. Furthermore, on July 21, 2016, the Company and Mr. Mark Meller, individually, entered into Unlimited Guaranty agreements (the "Guaranty Agreements") with the Lender. The line is also collateralized by substantially all of the assets of the Company. Under the Guaranty Agreements, the Company and Mr. Meller personally, jointly and severally guaranteed the liabilities of SWK due and owing under the terms of the Revolving Demand Note. At June 30, 2017 and December 31, 2016 there were no borrowings under this note.

On May 6, 2014, SWK acquired certain assets of ESC, Inc. pursuant to an Asset Purchase Agreement for a promissory note in the aggregate principal amount of $350,000 (the "ESC Note"). The ESC Note matures on April 1, 2019. Monthly payments are $6,135 including interest at 2% per year and at June 30, 2017 the outstanding balance was $138,315. On March 11, 2015, SWK acquired certain assets of 2000 SOFT, Inc. d/b/a Accounting Technology Resource ("ATR") pursuant to an Asset Purchase Agreement for cash of $80,000 and a promissory note in the aggregate amount of $175,000 (the "ATR Note"). The ATR Note matures on February 1, 2018. Monthly payments are $5,012 including interest at 2% per year and at June 30, 2017 the outstanding balance was $44,739. On July 6, 2015, SWK acquired certain assets of ProductiveTech Inc. ("PTI") pursuant to an Asset Purchase Agreement (the "PTI Purchase Agreement") for cash of $500,000 and a promissory note for $600,000 (the "PTI Note"). The PTI Note matures July 1, 2020. Monthly payments are $10,645 including interest at 2.5% per year and at June 30, 2017 the outstanding balance was $378,695. On October 1, 2015 SWK entered into an Asset Purchase Agreement with The Macabe Associates, Inc., ("Macabe"), a Washington corporation and Mary Abdian and John Nicholson in their individual capacity as Shareholders (the "Macabe Purchase Agreement"). SWK acquired certain assets and liabilities of Macabe (as defined in the Macabe Purchase Agreement). In consideration for the acquired assets, the Company paid $21,423 in cash and additional consideration. The Company estimated this contingent consideration to be approximately $417,971 at acquisition and which is included in the purchase price. Certain payments were made in each of these contingent consideration components, resulting in a remaining balance of $175,558 as of June 30, 2017. On October 19, 2015, SWK acquired certain assets of Oates & Company, LLC (Oates) pursuant to an Asset Purchase Agreement (the "Oates Purchase Agreement") for cash of $125,000 and a promissory note for $175,000 (the "Oates Note"). The Oates Note is due in three years from the closing date and bears interest at a rate of two (2%) percent. The monthly payments including interest are $5,012. At June 30, 2017 the outstanding balance was $78,902.

During the six months ended June 30, 2017, the Company had a net decrease in cash of $81,998. The Company's principal sources and uses of funds were as follows:

*Cash provided by operating activities*

The Company generated $788,214 in cash from operating activities for the six months ended June 30, 2017 as compared to generating $245,156 of cash for operating activities for the same period in 2016. This increase is due in large part to increased accounts receivable collection activities.

*Cash used in investing activities*

Investing activities for the six months ended June 30, 2017 used cash of $449,913 as compared to using cash of $236,734 for the same period in 2016. This use of cash is attributed to purchases of property and equipment and costs related to the internal development of software.

*Cash used in financing activities*

Financing activities for the six months ended June 30, 2017 used cash of $420,299 as compared to using cash of $530,306 for the same period in 2016. The use was due primarily to payments of cash dividends in the year of $179,383 and repayments of long term debt of $152,499.

The Company believes that as a result of the growth in business, and the availability of its Credit Line, it has adequate liquidity to fund its operating plans for at least the next twelve months.

There was no significant impact on the Company's operations as a result of inflation for the six months ended June 30, 2017.

**Off Balance Sheet Arrangements**

During the six months ended June 30, 2017 or for fiscal 2016, we did not engage in any material off-balance sheet activities or have any relationships or arrangements with unconsolidated entities established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes. Further, we have not guaranteed any obligations of unconsolidated entities nor do we have any commitment or intent to provide additional funding to any such entities.

**Item 3. Quantitative and Qualitative Disclosures About Market Risk**

We do not hold any derivative instruments and do not engage in any hedging activities.

**Item 4. Controls and Procedures**

*(a) Evaluation of Disclosure Controls and Procedures*

An evaluation was performed under the supervision and with the participation of our Chief Executive Officer and our Chief Financial Officer, our principal executive officer and principal financial officer, respectively, of the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15 or 15d-15 under the Securities Exchange Act of 1934, as amended) as of the end of the period covered by this report. Based on their evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures are not effective due to the material weakness resulting from a lack of sufficient internal accounting resources resulting in a lack of segregation of duties to ensure adequate review of financial statement preparation, and (ii) ineffective management review of complex transactions to enable timely decisions regarding required disclosures. This deficiency is the result of our limited number of employees. This deficiency may affect management's ability to determine if errors or inappropriate actions have taken place. Management is required to apply its judgment in evaluating the cost-benefit relationship of possible changes in our disclosure controls and procedures.

Management intends to strengthen the Company's internal controls. Management expects to make progress towards reducing the risk that the material weaknesses could result in a material misstatement of the Company's annual or interim financial statements. The Company intends to hire additional personnel to allow for improved financial reporting controls and segregation of duties as the Company's operations and revenues have grown to the point of warranting such controls. The Company is pursuing an independent assessment of our internal controls to evaluate specific weaknesses and as business conditions allow and resources permit, management will systematically build the necessary capabilities and infrastructure to implement corrective action.

*(b) Management's Report on Internal Control over Financial Reporting*

There were no changes in the Company's internal control over financial reporting during its most recently completed fiscal quarter that have materially affected or are reasonably likely to materially affect the Company's internal control over financial reporting, as defined in Rule 13a-15(f) and 15d-15(f) under the Securities Exchange Act.

## PART II – OTHER INFORMATION

### Item 1. Legal Proceedings

We are not currently involved in any litigation that we believe could have a material adverse effect on our financial condition or results of operations. There is no action, suit, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or body pending or, to the knowledge of the executive officers of our company or any of our subsidiaries, threatened against or affecting our company, our common stock, any of our subsidiaries or of our companies or our subsidiaries' officers or directors in their capacities as such, in which an adverse decision could have a material adverse effect on our financial condition.

### Item 1A. Risk Factors

We believe there are no changes that constitute material changes from the risk factors previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2016, filed with the SEC on March 24, 2017.

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Other than disclosed above, there were no unregistered sales of equity securities that were not otherwise disclosed in a current report on Form 8-K.

### Item 3. Defaults upon Senior Securities

There has been no default in the payment of principal, interest, sinking or purchase fund installment, or any other material default, with respect to any indebtedness of the Company.

### Item 4. Mine Safety Disclosures

Not Applicable.

### Item 5. Other Information

There is no other information required to be disclosed under this item which has not been previously reported.

### Item 6. Exhibits

| | |
|---|---|
| 31.1 | Certification by the Principal Executive Officer of Registrant pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (Rule 13a-14(a) or Rule 15d-14(a)).* |
| 31.2 | Certification by the Principal Financial Officer of Registrant pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (Rule 13a-14(a) or Rule 15d-14(a)).* |
| 32.1 | Certification by the Principal Executive Officer pursuant to 18 U.S.C. 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.* |
| 32.2 | Certification by the Principal Financial Officer pursuant to 18 U.S.C. 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.* |
| 101.INS | XBRL Instance Document |
| 101.SCH | XBRL Taxonomy Extension Schema |
| 101.CAL | XBRL Taxonomy Extension Calculation Linkbase |
| 101.DEF | XBRL Taxonomy Extension Definition Linkbase |
| 101.LAB | XBRL Taxonomy Extension Label Linkbase |
| 101.PRE | XBRL Taxonomy Extension Presentation Linkbase |

* Filed herewith

## SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, the registrant has duly caused this report on Form 10-Q to be signed on its behalf by the undersigned thereunto duly authorized.

**SILVERSUN TECHNOLOGIES, INC.**

Dated: August 11, 2017

By: */s/ Mark Meller*
Mark Meller
Principal Executive Officer

By: */s/ Crandall Melvin III*
Crandall Melvin III
Principal Accounting Officer

**EXHIBIT 31.1**

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER**
**PURSUANT TO 18 U.S.C. SECTION 1350,**
**AS ADOPTED PURSUANT TO SECTION 302 OF**
**THE SARBANES-OXLEY ACT OF 2002**

I, Mark Meller, certify that:

1. I have reviewed this Form 10-Q of SilverSun Technologies, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods present in this report;

4. Along with the Principal Accounting Officer, I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13-a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financing reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involved management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: August 11, 2017

By: */s/ Mark Meller*
Mark Meller
Principal Executive Officer
SilverSun Technologies, Inc.

**EXHIBIT 31.2**

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

I, Crandall Melvin III, certify that:

1. I have reviewed this Form 10-Q of SilverSun Technologies, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods present in this report;

4. Along with the Principal Executive Officer, I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13-a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financing reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involved management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: August 11, 2017

By: */s/ Crandall Melvin III*
Crandall Melvin III
Principal Financial Officer
SilverSun Technologies, Inc.

**EXHIBIT 32.1**

**CERTIFICATION PURSUANT TO**
**18 U.S.C. SECTION 1350,**
**AS ADOPTED PURSUANT TO SECTION 906 OF**
**THE SARBANES-OXLEY ACT OF 2002**

In connection with this Quarterly Report of SilverSun Technologies, Inc. (the "Company"), on Form 10-Q for the quarter ended June 30, 2017, as filed with the U.S. Securities and Exchange Commission on the date hereof, I, Mark Meller, Principal Executive Officer of the Company, certify to the best of my knowledge, pursuant to 18 U.S.C. Sec. 1350, as adopted pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002, that:

(1) Such Quarterly Report on Form 10-Q for the quarter ended June 30, 2017 fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in such Quarterly Report on Form 10-Q for the quarter ended June 30, 2017 fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 11, 2017

By: */s/ Mark Meller*
Mark Meller
Principal Executive Officer
SilverSun Technologies, Inc.

**EXHIBIT 32.2**

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF
THE SARBANES-OXLEY ACT OF 2002**

In connection with this Quarterly Report of SilverSun Technologies, Inc. (the "Company"), on Form 10-Q for the quarter ended June 30, 2017, as filed with the U.S. Securities and Exchange Commission on the date hereof, I, Crandall Melvin III, Principal Accounting Officer of the Company, certify to the best of my knowledge, pursuant to 18 U.S.C. Sec. 1350, as adopted pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002, that:

(1) Such Quarterly Report on Form 10-Q for the quarter ended June 30, 2017 fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in such Quarterly Report on Form 10-Q for the quarter ended June 30, 2017 fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 11, 2017

By: *_/s/ Crandall Melvin III_*
Crandall Melvin III
Principal Financial Officer
SilverSun Technologies, Inc.