

When Is Enough Enough

If you don't know your
out, how can you design
your business to give it to
you?



The Millionaire Business Club

How much do you need so you can choose to retire if you want to?

Think of all the things you will need to and want to be able to afford.

Suggested Items To Get You Going.

Annual Spend

| | |
|-----------------------|----|
| Rates | \$ |
| Electricity | \$ |
| Water | \$ |
| Gas | \$ |
| Vehicle Registration | \$ |
| Servicing | \$ |
| Fuel | \$ |
| Food | \$ |
| Dining Out | \$ |
| Holidays | \$ |
| Presents | \$ |
| New Clothes | \$ |
| New Car | \$ |
| Hobbies | \$ |
| Memberships and Clubs | \$ |
| Boats | \$ |
| Plane | \$ |
| Sport | \$ |
| Books | \$ |
| Haircuts | \$ |
| Annual Total | \$ |
| Divide By 52 Weeks | \$ |

This list is not complete and you can add to it your personal needs and wants and this way you will have a figure you need each week.

Now with this figure you can add up your income sources e.g. rental property income etc and deduct from your annual total.

What ever the annual total is left this is the figure I work on to earn from the sale price of my business.

E.g. if it was \$50,000 per annum, at a 5% return rate that would mean I need \$1 million I then add on 30% as my buffer and taxes that I will need to pay to get my final amount.

NOTE: This is not advice and you MUST consult your finance professional to work out what is right for you.



What Does Your Business Need To Look Like To Get Your Retirement Income?

One of the main issues I see with business owners (and I did this myself) they do not view their business as an investment. Crazy right! It gives an income and has an asset value people will be happy to pay for, yet we think of it not in these terms. Probably because we work in the business so it becomes more like a job we get paid for not an investment that needs to be put under management.

When you change your thinking to your business being an investment then you can start to make decisions around things like, what type of return do I want on this investment, each week, each month, each year? What capital appreciation do

I want from this investment? What manager would be right to look after my investment? If it was property or shares these are you basic questions you would ask, wouldn't you? So why not apply the same logic to your business? And when you do, you view, your ideas, your strategies, your structures, your objectives, your passion all change - for the better :)

So now lets design the end game, let's design your business, let's design what you want it to look like to give you the returns and capital growth and lifestyle you want.

MY BUSINESS

Vision

Your vision Is What You Want To Be Famous For.
For example, the vision for my mining company is:

To be the company other companies trust to develop and deliver innovative products and services that improve productivity.

What do you want to be famous for?

Mission

Your mission Is What You Want To Achieve and is a combination of your purpose (what you want your business to deliver to your customers and you) and your values.
For example, the mission for my mining company is:

To deliver products that extend the life expectancy of machinery and consumable products used in mining. And to grow our company by 10% per annum and deliver a 10% dividend on share value.

What do you want your business to deliver to your customers and you?

Values

Your values control behaviour and state how you conduct business.
For example the values for my mining company are:

Integrity - We trust that if we do the right things, we will get the right results.

Innovation - Built upon entrepreneurial values, we believe everything can be improved and work closely with our customers for continual improvement on our products and services and on how we can serve our customers better.

Strategically Driven - We spend a minimum of eight (8) hours per week reviewing our customers needs and looking for opportunities for continuous improvements on our products and how we can serve our customers better.

What do you want your values to be?

**With these now in place, we can now move on to build our business model to deliver what we want.
See you next time for business modelling that delivers real results.**

