

Small Business eBook Series



SIX STEPS TO SIX FIGURES

# Your guide to building A \$100,000+ INCOME

FIRST STEP

Brought to you by

**BH** BookkeepersHub  
Connecting Australia's bookkeepers with business

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# INTRODUCTION

## THE VERY BEGINNING

This is a step by step guide for a Bookkeeper to start their business with absolutely no fees and build it up to six figures, i.e. over \$ 100,000.

Where not going to tell you how long it will take, but we want you to build a long lasting business with good clientele. A business that will last.

If you want to reach an objective you should get there by building platforms. Imagine trying to get to the sixth floor of a building without first going through the downstairs entrance, then going up floor by floor to get to the sixth. Sure you can abseil down from the top (just kidding) or you can hire an extension ladder to go up the side (good luck).

A platform means that if you don't quite reach the fourth floor, all is not lost. You can recoup a bit on the third, before trying again. That's a lot easier than starting from the very ground, which is what happens when you fall off (or get pushed) off the ladder.

Let's get down to business.

You really want to be an independent contract bookkeeper?

Let's set some ground rules.

First is that you'll set a limit of **40 chargeable hours per week**. Sure we can all work 60 or 80, but you should realistically set a target of charging 40.

Second is that you leave out 4 weeks in the year. You realise 2 weeks is just for public holidays, and only two weeks for your vacation (Uncle Sam style). So your business model is based **on 48 weeks per year**.

That's it for the preamble. Let's start on the First Step.



## THE FIRST STEP

*Start slow, with a target of getting one job that will occupy for at least 4 hours per week. This might be half a day, or two lots of two hours. It is best to go for one block of four hours.*

We want to give you a very honest view on how to start.

We think it's best to consider your start as a part time job. Don't be alarmed by this philosophy – we all started our working lives with a job. Somebody paid us for the work we did, and the money was based on the hours we worked.

Start slow, with a target of getting one job that will occupy for at least 4 hours per week. This might be half a day, or two lots of two hours. It is best to go for one block of four hours.

We're talking bookkeeping right?

You know there are over 2 million small businesses in this country, and every one of them needs something done.

Most small businesses are run by families, and in most family businesses, one family member cops the stress of doing the books. The short straw!

So you need to pitch to that person, not the one who's out having a good time. They won't appreciate your pitch.

You ask – so how do I do it – get that first part time job?

Look at your own family first.

Is anyone in business ? Good – your first target

Do they already employ a bookkeeper? Great – competition is good. Find out what they actually do, and make your own pitch. Is there something the existing bookkeeper is not doing? Add that to your offer.



Let me give you a big tip. Bookkeeping is about keeping the books (not just the numbers). It involves records, filing, designing proper work spaces, managing incoming calls, emails, SMS etc etc. Look for the extra things you can do to improve the life of

that family members who is saddled with the books! Make their lot better – that’s the value proposition.

### **BEFORE YOU GO TO THE SECOND STEP**

Just to recap – we say book your first four hours a week by taking up a part time job.

In the second step we want you to go into the market and find another four hours, but this time as a contract bookkeeper.

Let’s think about this for a minute. You are leaving the comparative safety of having a job, and going to the cut and thrust contract market. Why would you bother – you ask? Well it’s all about the money. You can get a higher hourly rate as a contract bookkeeper. You will never ever get to six figures otherwise.

Your client will expect you to be experienced and qualified. Experience is something you can embellish a bit. You would get away with saying something like you’ve been keeping books for your own family business for five years (even though that might have involved watching Mum writing up a cash book, or going to the Bank with your Dad).

However if you say you are qualified, you better have a Cert III or preferable a Cert IV in Bookkeeping. About ten years ago, most clerical jobs would say that you need “experience” say in Payroll, Accounts Receivable or Accounts Payable, and the ads would mention popular software platforms that you had to know about. Since 2010 the requirements have shifted to having a Certificate IV, and this is courtesy of the Australian Taxation Office moving to set up a second tier of Tax Agents – the BAS Agent.

**Let me give you a big tip.** If you haven’t got a Cert IV in Bookkeeping – go and get one. Without one, you have no chance of ever being a BAS Agent, and you will never be able to honestly say to a prospect that you are qualified to be their bookkeeper.

