**15-05-2024 - Video \_Transcription**

[Attendee 8] (0:14 - 0:15)

Hello. Hello. Hello.

[Josh Keegan] (0:16 - 0:36)

Hey, Gina. Hey, James. Hi Josh, how are you doing today?

Good, thank you. I like your wallpaper. It's very nice.

Thank you. Hey, Grant. Hello, hello.

How are you doing? I'm wonderful. How are you?

I'm very well, thank you. Very, very well. All the best.

[Attendee 5] (0:36 - 0:37)

Kate's sitting next to me.

[Josh Keegan] (0:37 - 0:41)

She's just listening in. Oh, that's very good of you. Are you all right, Kate?

[Attendee 7] (0:42 - 0:43)

I'm good, thank you.

[Josh Keegan] (0:43 - 1:17)

Good. We can hear you, which is all we need. Hey, Ashley.

Who else have we got? Mr. Calgill. Hello.

Hello. Hello. Everyone well?

All good? Nice. I think it's okay.

We'll dive straight into it. It's going to Zoom link on Facebook. There we go.

And I believe Mr. Calgill is up first. So, Steve, did you want to share your challenge?

[Attendee 2] (1:18 - 2:32)

Yes. So, I've got a off-market deal commercial to residential at the minute, and I need private financing. Now, I've done Property Mastermind, so I've done a creative finance courses there, listened to what we've been told in Property Entrepreneur.

But I just feel like it's a bit, what's the word I would say? Artificial, the way I'm trying to approach it. And I'm just wondering if you, Josh, or anyone else who's done this before has got some tips about making it more, I'm trying to find the words, more genuine and not like they're helping me.

I should, it's an opportunity for all. And I know it's about the returns and how you position it and et cetera. And Simon talks about it's not all of a twist.

It's more about the opportunity, et cetera. So, I get all that. It's just really the tools, the techniques, the approaches, the sources, types of people, all the sort of things that I can focus.

My time is limited as I keep complaining about. So, it's just trying to cut through all the noise and find the best sources and the best techniques for raising private finance.

[Josh Keegan] (2:33 - 2:57)

Cool. So, the best sources and the best techniques for raising private finance. Have you kind of got, are you in a situation, just for a little bit more context, are you in a situation where, right, deal comes and then you need to raise the money, or are you trying to raise a chunk of money?

Is that the situation, deal comes? And have you got any Euro funds, or is it all basically you're trying to use other people's money?

[Attendee 8] (2:57 - 2:57)

A little bit, am I?

[Attendee 2] (2:57 - 4:04)

I mean, the fallback is to use my SAS to buy it as a commercial unit and then work through the opportunity to get it off the SAS before it becomes residential. So, that's sort of the fallback, if that's the right term to use. But I'd rather not use my SAS for a purchase of that.

I'd rather use my SAS for something a bit more straightforward. The guy who's selling it has not been able to sell it for 12 months. He's not in any rush.

He doesn't need to get rid of it, but it's not advertised anywhere. So, it's not a case of actually urgently do this. As long as I keep him updated, I've probably got a few months to make it work.

But I just want to use it as an opportunity, while it's not on the market, while he's not in a rush, to try and get private finance. How much money do you need? The whole amount will be about 380, but a minimum will be 100k, which essentially gets me the bridging loan and take it from there.

If I got 380, I wouldn't need any bridging. I could just do it with cash.

[Josh Keegan] (4:05 - 4:52)

And then on the back end of the deal, assuming you stacked it, is it like you need a place where you can pull the majority of that money out? Yeah, it takes it all out. Either way, yeah.

Cool. So, I'll open up to the room in a minute. So, I'm sure everyone here has had experience in private finance.

The first bit of advice I probably would give you is just get it secured. And you could get that secured via an option agreement. You could just, even just via email and write, just have something secured.

This is definitely going ahead. I think an option agreement is probably a good idea, just to say, you've now got the option to buy it at 380. And the estimate, your aim is to complete by a certain amount of date.

So, even if it isn't 12 months, you've got the option to buy at any point. And you've now got the right to actually have that property. Are you going to do any works on that in the meantime, or are you just going to buy it and then do the works?

[Attendee 2] (4:52 - 4:53)

Buy it and then do the works.

[Josh Keegan] (4:54 - 5:00)

You know, if you're comfortable, would you get an option and then would you consider doing works prior to buying it, so you can save yourself some deposits?

[Attendee 2] (5:00 - 5:32)

If he was happy with that, yes. Yeah, that'd be certainly something to do. The thing with this guy is someone, because it obviously needs planning permission to convert from So, the guy who sold it to previously, or agreed to sell it to previously, was just delaying it deliberately to put planning in.

And he found out about it and just pulled that deal. So, I've been very open with him and said, listen, it needs to be subject to planning. He's sort of come around to that.

And we have talked about like an option fee. I've not called it an option, obviously.

[Josh Keegan] (5:33 - 5:36)

It's a tenancy at the moment. Say again? It's a tenancy.

[Attendee 2] (5:37 - 5:39)

It's been vacant for a year, it's got a hole in the roof now. Yeah, cool.

[Josh Keegan] (5:40 - 7:53)

All right. So, obviously, yeah, it's just looking at the actual deal and looking at the amount, like how we can structure that to make it the most fund effective for you. Obviously, every pound you borrow is going to have an interest rate.

In terms of like private finance, like I've never found it hard to raise money from a private finance perspective. And I'm not an expat with people that have got tons of money sitting around them. And I've got as much credibility as you.

And that's just my perception. But, you know, when I was trying to do this, I was 24 and I was, you know, I was trying to make out that I had this, you know, that I was experienced. So what I'd say is, I think from an actual private finance perspective, I think you'll be fine.

And what I would say is, like, one of the things that we all do when we're trying to think about how do we make all these sales, how do we do this, this and this? It's like your first 10, 15 sales, your first 5 to 10 investors are already in your phone book. And they're probably people you're already speaking to, you've just got to actually reach out and ask them.

So that's probably like a very basic bit of advice. But I think if you went through your phone book and you looked at your shortlisted list of 5 to 10 people and the way I've always done like lending and I've never had an issue like it's either a yes or a no. And if it's no, it's not for any kind of bad reasons.

I've always just gone the way I've always pitched it. Once again, I'm going to open the floor in a minute because I know a lot of people have raised money privately. The way I've always done it is I send a voice note.

Hey mate, how are you doing? I hope everyone's well with you. I hope your family's OK.

Just to let you know, you know, a couple of years ago you said if I've had more investment opportunities, you'd want me to reach out. I've actually got this deal that I'm doing at the moment. I need some private finance.

I've already got bank finance available to me, but it's just much easier not to work with banks. And before I give the interest to them, I thought I'd reach out to you to see if you've got any spare cash you'd like to put in for a period of time. And I'll obviously pay you for that, pay you for your services.

And then, yeah, then you just find out very quickly if they're interested or not. And I think if you send five to ten voice notes to people that you know have probably got a bit of money sitting around, you'll probably find that 380 in that hour, you know, of time, I would suggest. Yeah.

Has anyone else got? Is that good, Stephen, as a start?

[Attendee 2] (7:53 - 8:02)

Yeah, I mean, that phone book solution I've heard before just completely went from my mind. So, yeah, I will. I will.

I will look at that one.

[Josh Keegan] (8:02 - 8:41)

We always kind of think of the complicated stuff. Like when we're talking to ourselves, it's like, well, generally they're already in your phone book. You need to contact them.

And obviously what you're doing with your profile, your social media posts are brilliant. All that profile raising is going to help. And if you what you could do as well is once you've reached out to people on social and I'm sorry, on your phone, but at a similar time, you could put a post on there to say, right, opportunity available.

Like this is where we're at. I know there's those FCA rules around that. And I'm not particularly clued up on those.

I've always just done it and I've been fine. I think you need to just look into that. But you'll find that people reach out to you and you can you'll probably raise some money doing that as well.

And that's how I've always done it.

[Attendee 2] (8:42 - 9:20)

Good, good. I know you're going to open it up and just add to it that people's input. So on my website, obviously people download my investor guide, et cetera, and I've got a list of people on the CRM, about 50 people.

So I do have the opportunity to and I have done it to essentially send out an email distribution, an email shop, which has the deal a bit more of a professionally looking email. So I do have the option. But again, it's not my natural position to write creative emails.

I'm still very much factual. So anything around sort of a bit more creative and a bit more sort of friendly issues rather than matter of fact, anything like that would help.

[Josh Keegan] (9:22 - 9:24)

You just want to just give me money.

[Attendee 2] (9:24 - 9:25)

Give me money. Yeah.

[Josh Keegan] (9:26 - 10:48)

I think honestly, I don't think you need to think about that. Like we're overcomplicating it. That phone book is me.

I put I put I put a hundred quid on. Well, I probably put more, but I don't want to use. I think things are hard at the moment.

I've got a full mouth to feed. So I'm not going to. But I put a hundred quid to get up in your bag.

But if you if you do what I've just told you to do, shortlist 10 people in your phone book and then WhatsApp them. I think you'll be at least 60, 70 percent there, if not 100 percent there just by doing what I've shared. You don't need to worry about marketing.

Phase two, building your profile and then doing like a campaign in a summer period where, you know, you've already got five or six million quid out from investors. You know, you really like really, really like utilize all your resources. Everybody, you know, all your phone book.

That's where you start in my marketing, you know, doing a campaign online. But you're probably not there yet. That's something you can do.

You're probably not there. And by all means, use the emails like now. Do the do the know, like and trust for your emails.

You know, start sending some emails out. This is an example of a deal we've just done. Here's the top five tips on this renovation.

And why you should invest in Salford. You know, whatever you want to do. By all means, do that.

But I wouldn't be trying to sell for your emails. You don't want to go straight in with that. Just start to use that as a nurturing process for the future investments.

Does anyone else want to share any points for Stephen, anything that he can consider?

[Attendee 5] (10:53 - 11:44)

I was just going to echo what you said, Josh. I think if it's if it's an amazing deal, you need to find a way of getting the deal over the line as quickly as possible. And a great way of doing it is option agreements.

So you set up an option agreement with, you know, you're subject to planning thing in there. Once you've got that planning permission, if you've got an option agreement there, you know, you're locked in or he's locked in. You're not.

Which is which is the best thing about an option. And that's what we've used them for in the past is getting it locked in for us. And then you've got the time and space to be able to do a refurb on it without purchasing it.

And sometimes once you've done the refurb, you don't need to worry about the purchase because the uplifting value covers it anyways.

[Josh Keegan] (11:45 - 11:51)

Yeah. Yeah. I think the deposit on the day or the cash on the day, but then you get the money back on the same day.

[Attendee 2] (11:52 - 12:02)

But, yeah, I mean, I am positioning it as it's a deal. It's here. I'm ready to go.

It's just getting people interested. And I suppose that's not all I can trust again, really.

[Josh Keegan] (12:03 - 13:29)

Yeah. So I think so. Phase one, I think Black Book of Contacts, reach out to people like a lot of people invest in me.

I've just I've literally just taken 45 plus 20, 65 grand off a friend. Not interested in seeing the deals, doesn't care. He just he just pops into my account.

And we do a loan agreement stuff and it's fine. And he's just like, what, what interest rate? He wants 8 percent or something, seven and a half, 8 percent.

And it's like, it's cool. It's easy. And they don't really care.

Likewise, phase two is if you're going to work with people that aren't in that space on, you know, you think, well, why would a friend or family member do that? It's because they've already got no like and trust. And what you're trying to build on your social media is is turn and you want to turn people that are that don't know, like and trust you to know, like and trust.

So it's going to make the whole process easier. So they should become in that place where they just trust you. It's like, cool, I'll give you the money.

But when you need to, you might need to do some sort of deal pack. So some sort of deal pack says this is the deal. This is what I'm doing.

I'm looking for this investment for this period of time. Here are the numbers, here are the metrics. And that might be like phase two.

And it would be good practice to have something now. But I'd say. With the kind of contacting you're doing, I wouldn't really want them to be looking at all that.

I think it's probably to overcomplicate, like a friend that just wants to give you 50 grand, 100 grand. It's sitting there. It's going on in 10 percent and they're only 4 or 5 percent at the moment.

And I think do that enough times and your investors will probably stay the same and they'll just scale with you as you go.

[Attendee 2] (13:30 - 13:40)

I think it feels like everyone I speak to who've done what you're saying now, it's just the case. It's a numbers game. You just need to keep at it.

And once it drops, it'll just happen.

[Josh Keegan] (13:41 - 14:08)

Yeah, you will. You're a steal and you're probably overthinking it. It's like just reach out, pass on some money and you'll be absolutely fine.

I've never not raised the money. I just reach out, message a few people. And then I have done the old social media thing here and there.

So I have had opportunities to approach me. But generally, it's always been fine. I did all my portfolio with, as you know, with private finance.

And that's all I've ever done really is just message people and been active on social media. Yeah. Cool.

All right. Any other points for Steve before we finish off?

[Attendee 1] (14:10 - 14:50)

I think I was just going to say one thing is a lot of people and I've had them conversations as well. Want the excitement of actually doing the deal with you like JV and in some way. And I think I just probably similar to Josh's advice, maybe steer them away from that.

But maybe the way that we've done it is give them an opportunity to learn and learn. So walk them through the deal, maybe investors alone on this one. And then as you do it, you'll send regular updates so they can learn from it.

And then, you know, potentially say in the future, we might have the option to JV. But it's just a nice way of getting hold of that cash, but keeping the deal for yourself. But that kind of character longer term.

[Attendee 2] (14:52 - 15:05)

Absolutely. Yeah, because I have got people who are saying, yeah, I'll come in on an equity basis. I don't really want that sort of fallback.

But, yeah, I forgot about the piece that is a good one. Thanks, Chris. I owe you a reply to a message, Chris, so I'll do that later.

[Josh Keegan] (15:06 - 15:15)

Equity as well, like earn and learn is really good. If you've got the time and you want to do it. I wouldn't do it now, but back when I was raising a lot of money, I got off of that and go, yeah, fine.

[Attendee 4] (15:16 - 16:28)

Another good group that we've used was because there's a lot of people want to get into HMOs. But in actual fact, if you haven't got credentials and you haven't got track record, it's not straightforward to actually get a good HMO mortgage. And so what we've we've we've done it with an investor whereby slightly on the learn, but more so that they they've just done a straight investment and they've been able to use our case study as credibility that they and they themselves have been able to post about it and actually build up credibility by being an investor and to help them then start on their own investment, direct investment journey and to give them credibility with with lenders.

So we've we've done it that way. So if you're approaching people who are who are keen to get into property and keen to start, that that's actually a real benefit that they can use your case, your your project as a case study and build their credibility.

[Josh Keegan] (16:29 - 16:45)

Nice. That's really good. Thanks, Chloe.

I best let Stephen, you get out of your own way, write down a list of people and just start and voicenote them. That's this weekend's task. And let's put £100 get up in your bag.

If you do that, I'll be surprised. I'm going to say at least 60% there. Let's do that.

[Attendee 2] (16:45 - 16:45)

Cool.

[Attendee 8] (16:46 - 16:47)

All right.

[Josh Keegan] (16:47 - 17:11)

Nice. And we have got next on this, we've got Afam and Liam. I cannot see them currently.

So we'll move on. Next, we've got Andrew Wilkinson. Are you there, Andrew?

There he is. Can you hear me? Yeah.

[Attendee 3] (17:11 - 17:13)

Can you hear me? Yeah. Yeah.

Good. Are you?

[Attendee 8] (17:13 - 17:14)

Yeah.

[Attendee 3] (17:14 - 17:14)

Good.

[Attendee 8] (17:14 - 17:15)

Thank you. Sorry.

[Attendee 3] (17:15 - 17:37)

My signal's not the best. The best of it. Good.

Sorry. There's a bit of a delay. So my message was a bit cryptic.

I haven't given you all the information it actually sent before I got a chance to give you all the information. So really, I just want a bit of an idea from you. Have you used Power BI before?

[Josh Keegan] (17:37 - 17:43)

I've not, no. By the sounds of it, it's some sort of ad spend app. Is that right?

[Attendee 3] (17:46 - 19:02)

No. So do you remember I told you about the business, the hire business that I have, that my business partner was trying to screw me out of? It's that particular business.

I've ended up taking over it somewhat and I'm trying to get my head around it. But also I need a lot better data. And I was advised to use Power BI to sync our spreadsheets from our day to day costs.

And also it syncs with Google AdWords. So that would automatically upload the data. That's our main variable is the Google AdWords account so that we would get true data.

But it's really clunky. I'm probably not using it for its best ability. And I'm really wanting weekly profit and loss, a really good breakdown of where we are.

Because as I said, really the only variables in this particular business is the ad spend. The rest of it is fairly static costs. I know you're an advocate for zero.

[Josh Keegan] (19:06 - 19:21)

Just to be clear, so forget about Power BI for a second. If you go back to basics, what are we actually trying to achieve? What information do you want and what do you want to be able to do with that information?

Is it just ad spend or is it profitability? What do you actually want to see?

[Attendee 3] (19:24 - 20:45)

I really need to see what the profitability is each month and where it lies. I mean, I'm wanting to add some more staff to the business to systemize everything. At the moment, there's a lot that I'm having to do since Paul, my business partners, somewhat stepped back or just gone AWOL.

And I think it would be the way forward for the future to be able to add a VA to deal with certain aspects of the business and another warehouse staff. So to be able to do that, I really need to get a good firm grasp on where we are month by month or week by week. So I know if we need to start adjusting the Google AdWords to try and get a better return.

And I'm also starting to do some social media advertising, which, again, apparently will sync with Power BI. But, you know, I really need it all in one place and get it all in one place other than just doing it manually.

[Josh Keegan] (20:46 - 20:51)

Yeah, I get that. And at the moment, everything's just been run off spreadsheets. Is that correct?

[Attendee 7] (20:56 - 21:18)

We have a software system which is a cloud of spreadsheets and we actually made for our business.

[Attendee 3] (21:18 - 21:31)

So it syncs with DPD, which is a shipping agency.

[Josh Keegan] (21:35 - 21:42)

Andrew, I think the quality is quite bad, actually. I think if I repeat what you said, you can catch the recording.

[Attendee 3] (21:42 - 21:53)

It is a glorified Excel type spreadsheet, but it works for what we need. And again, we have to manually upload that to Power BI.

[Josh Keegan] (21:54 - 22:13)

Yeah, yeah. I think I think I think with all this stuff, it's just just kind of sticking to the basics. Similar advice with Stephen.

I think all this stuff is just I think it might be your signal, unfortunately. So I'm just going to speak and then.

[Attendee 3] (22:14 - 22:15)

Yeah, I can hear you.

[Josh Keegan] (22:16 - 22:17)

Can everyone hear me?

[Attendee 3] (22:19 - 22:19)

Yes.

[Josh Keegan] (22:19 - 26:30)

I think it's your signal, Andrew. So I'm just going to speak and then hopefully it will play back or the recording. But obviously this is probably good advice to everybody as well.

So I've just I've got Power BI here just so you can kind of see what I'm looking at. I've not been into it at all, but it looks like some sort of KPI dashboards where information gets pulled in. You've got these kind of fancy, nice looking, nice looking reports.

So basically analyzing the data and turning it into information would be my my understanding. I think the key sentiment for you, Andrew, would just be just to try and keep things as simple as possible. And I've tried to implement these myself.

I've tried to implement it for clients. And in principle, it's a great concept and it's a great idea. But in reality, it's all so heavily reliant on the quality of the actual data, which is going to go into it to actually create it.

And I think getting this up will be awesome. But from my perspective, all the kind of systems and software I've seen, I'd say the basics to think about what you said is you want to know where you are, where you're actually up to weekly, monthly. And then you basically want to understand where you're going in terms of adding staff, bringing in additional people, recruitment, etc.

So if we go back to the world class finance function that we talked about, I'd say like the basics is your systems and software. And I was just getting zero in place of that accountancy system to manage all your ingoings and outgoings. You've got the four professionals, which is the team to actually manage that systems and software.

Then your output that you want to review will be the three pillars, which is your P&L, your balance sheet and your cash flow forecast. And then within that, those three pillars, you might have additional schedules. So things like, right, this is how much money you spent on AdWords this month.

There's how much money you spent on this this month. There's how much money you spent on this this month. And if you wanted to, you could have your bookkeeping done weekly.

So you could literally log into or you could you could see it like a provisional weekly P&L. You can see where you're up to in each of those elements, make decisions as you go. When I was in like a position where it was a really difficult position with Zest and we needed to turn it around, I literally had like a saved P&L being zero and I could click on that P&L at any point in the month.

It would just tell me where we're up to this month versus where we were last month. And I was just literally just trying to monitor that to make sure we're progressing, moving forward. And that might be something you would set up and do.

And in terms of like the future, when you think about it, should we add staff? Should we do X, Y, Z? Should we do this, this and this?

I can see the potential. What you need is the future forecast, which is then just a 12 month projection of your strategy. Where are you trying to get to?

What are you trying to achieve? Who are you going to recruit by when? And just actually make sure that it all works and that will become your budget, which is basically right.

This is my AdWords budget. This is my marketing budget. And that'll be what you're tracking against in your in your monthly accounts.

That's how you turn that data into into real time information. So that would be my recommendation for you. I don't know if you can hear me or if you're still there or not.

Yeah, I can hear you. It's dropping in and out. I'll watch the recording as well.

Thank you. No worries. And then if you really want to use something like Power BI, it's absolutely cool.

But you just got to really get behind, make sure your sheets and everything's going to work. To me, it just sounds a bit fancy and I'm sure it would work. But just I think whenever we're looking at putting in a new system, we just never underestimate how much energy and time it's going to be to get it back to where it needs to be.

And how much energy and time it's going to be to keep updating that through it. And you've got to make sure the size of the iceberg and make sure the juice is worth the squeeze. If you're going to do it, it's actually going to provide you with the information.

Whereas something like Xero, you know, I've got teams of people, you can recruit bookkeepers who just know how to use Xero. So it's a system they already know how to use. And then it's just is putting your bank feeds in and then work out the structure.

And they get it all set up. And it's going to be so much easier to have people you can plug into that. If they leave, they come, they go.

And I think you get all the information. That's why I would suggest that that's just probably a better system at the point you're at to progress with. And you can probably do the integrations you want with Power BI with Xero as well.

So I would personally go that way if I were you. Does that help?

[Attendee 3] (26:31 - 27:02)

Yeah, well, I don't want to be on too many different systems. Yeah, certainly. It's very helpful.

Thank you. And, you know, it's kind of what I thought anyway. I mean, I got advised to use Power BI, but I'd rather use Xero.

And I'm also I'm wanting a VA to actually reconcile bank accounts. So, you know, where they sink into the bank account and not having to give access to my actual bank account. It just works doing it all in one place.

So I'll move over and just do it all from Xero I think.

[Josh Keegan] (27:03 - 28:05)

That's it. Keep it simple. And I think another sentence was just around integrations that when you start bringing integrations in.

We literally got a client we're working with at the moment. And basically we're kind of cleaning up their accounts for them. It's a really big, successful student business, a lettings business.

And they've got Arthur integrated. And we basically made the decision to remove loads of stuff from Arthur. But then Arthur didn't like it.

And often it's kicked out and it's kicked out. They couldn't have three million pounds worth of transactions into both Arthur and Xero. Now it's just totally messed everything up.

And so it's just like whenever you look at integrations, particularly with accountancy, you just need to be really careful because these systems are Arthur. It's like a gift and a curse. When it's working, it's not just a gift.

You know, it's a client account. It's everything you need and it's spot on. When it messes up, it's an absolute nightmare.

So just need to make sure that if you're going to do integrations, you're going to get these fancy systems that you just really weigh up like the actual value. And I think nine times out of 10, it's like get rid of the integration. Just have Xero.

Have a bit of a manual input or virtual assistant, like putting stuff across from one to the other and get it set up that way.

[Attendee 3] (28:07 - 28:09)

Well, that's perfect. Thank you.

[Josh Keegan] (28:10 - 28:30)

No worries. I've got Afam and Liam, but I don't know if they are here. No, unfortunately not.

So if anyone has got a topic or anyone wants to ask anything to make use of the time, feel free to raise your hand. We'll just shout out and we can do a bit of a roundtable. Anyone got anything they want to go through?

[Attendee 1] (28:34 - 30:12)

Josh, can I ask a question? It might not be a full sort of mentoring slot, but just I think it might be useful for other people's opinion. So as far as we're at the point, just for everyone's context, there's a lease arrangement and management business for helping landlords move their professional HMOs on to support living leases.

We've got a lot of demand, a significant amount of demand has been overwhelming to the point where we've sort of got capacity issues within it. So I'm really conscious as we've gone through the last few months of learning around taking on team members. And I know to scale it to the point that we need to, we need to hire in admin support.

But it can be quite a lengthy process from the point that you agree to work with someone to the point that you get paid. So it can take up to four or five months. So whilst we know we've got a good idea that say within a year we'll be at the profit position from the cash forecasting that we'll be able to or have to take on someone.

It's just any sort of sentiments on, I suppose, taking that person on earlier than actually you can afford to. But knowing that then in time it's the right decision. But just any advice.

I think the simple answer, I assume, is just just do it and take them, take the pun. And if you're confident enough with the numbers, you just need to get them that support in. But just any sentiments or anything around it.

Yeah.

[Josh Keegan] (30:14 - 34:34)

Somebody's speaking, I'm just going to make sure everyone's on mute. So yeah, I understand that it's quite difficult, particularly when it's like a project based business. It can be quite nerve wracking to take people on when, you know, you might have a hundred grand's worth of income coming in.

But it might be three months, six months, 12 months. It could be like you may not know. You may not know when it's actually going to happen.

People could pull out. So there's there's a level of volatility around it. And I would say it does come down to the numbers.

And I'd say it comes down to your forecast. I'd say like you need to make sure that you've got your business model sorted. So you know that.

Right. What is the output? Right.

We're going to do 10 deals a year. Six grand per deal. Three project management projects or whatever that may be.

And then X amount of managed managed units. And really on that, make sure you're totally bought into that. And you know that when you get there, you're happy because you're achieving 12 grand a month, 15 grand a month from from that company.

And life is good. And life is good for you. And then once you've done that, you go, well, actually, how much money have we actually got to spend on overheads?

And it's go right. We can we can spend three grand a month on on people, admin support, whatever. So you can kind of build it backwards.

Go right. I want 10 grand a month. I'm confident we can do this amount of deals.

This is what we charge per deal. This is what cost of goods sold is. And then what's our balance?

We've got three grand a month to spend on overheads. So I do it that way. There's the equation of what have you actually got available?

And then once you've got that, it's like we just want to forecast that out. I go May, June, July, you know, the 12 month forecast. Put your sales projections in at the top.

How's it all going to work? Put your cost of goods sold in. And that'll be based on your sales.

And then put your your team members in and based on when you think you can recruit them. And then probably then the bit that's going to give you confidence, because although you can go, right, well, my, you know, in in June, we can recruit somebody because we've got 15 grand coming in. And I'm only going to be paying 1,500 pound a month or whatever that's going to be.

I think there's probably two elements. One is. When you set the the budget for your sales, you've got to make sure you can hit that budget.

So you've got to make sure that you're doing everything you can to bring that money in when you said you're going to bring that money in based on that. So it's like going to be your job. It's like business development, face of the business, managing the business is that money.

You know, if you said there's going to be 20 grand next month, you've got to put you'll be doing everything to get that 20 grand in no matter what. Because you base your recruitment on that 20 grand coming in and then you want to be tracking against that. So when you're behind, when you're ahead.

And then probably what I do as well is just do like a kind of worst case cash flow forecast to get right. What have we got in the account now? We've got 40 grand now.

Fine. Based on the sales projection, based on these costs. If we only half our sales target or if these these 10 deals, I actually think quite risky, don't come in.

Oh, are we going to lease break even or are we going to have cash issues? And just give yourself the confidence that if an absolute worst case that things went really wrong, you'd be OK and you'd be fine. And for your business, I've worked with you on it.

Like I know behind the scenes, you're probably only looking at one to two people. At something really decent at 15 pound an hour like UK or South African and one assist in the Philippines at six dollars an hour. It's probably going to cost you fifteen hundred to two thousand pounds absolute max a month.

And based on what I know about what you're charging and how busy you are. I think you should be able to cover that pretty, pretty confidently. And then if you can't, the final thing to look at is then do you need to wait till the end to get paid?

Did you say, right, you want to go ahead? That's cool. It's 25 percent deposit up front and then you pay the balance at the end.

So it's just going to ease that cash flow. Now, to be clear, that wasn't money is not yours, but it's going to make you feel a bit more confident from a cash perspective of money coming in. I should say it's not yours.

It's worth it because it's a non-refundable deposit. It's just part of your fee that you're going to pay. And actually, you know, if you decided to back out, you wouldn't get this back.

So actually it would be yours or you can say it's a deposit that would be refundable if you backed out. So you probably want to go for the primer, say right to reserve it. It's one to five up front.

That is now your deal. And then you pay the balance on the back end. So then you've got some more cash coming in earlier.

[Attendee 1] (34:34 - 34:58)

Yeah, I think that makes sense because we have taken the deposit, but we've done it in that second way that you mentioned. So that would definitely help. I think when I've worked it out, when we've done all the numbers, I suppose we're probably at the point where we can afford to take someone on maybe in 12 months.

But in a way, I just don't want to wait.

[Josh Keegan] (34:58 - 35:03)

I don't know how it's going to take that long. Based on what I know about your business, I can't understand that.

[Attendee 1] (35:03 - 36:18)

Just based on what I, what my drawings target would be probably is the factor. So say we could afford to, I don't know what numbers to use on it, but say at the moment for me, say we're at two grand a month, but I want to take that two grand a month for myself. But I know I need to pay someone a grand a month in order to bring them in.

So therefore, it's probably just putting back where I would be at the profit margin that I want to get to. Whereas in 12 months, say we would be making three grand a month. Therefore, I could afford to pay what I want and the thousand pounds for them, if that makes sense.

It's probably that thing of, I know if I do it now in 12 months, I'm probably on four grand a month rather than three grand a month. So it's the right decision for the business, but it's just taking that hit and probably taking that hit on a personal income. Now, we don't need it, I suppose.

So that's what I'm leaning towards. Just do it, knowing the confidence I've got behind the numbers and what we're doing at the moment. I suppose that we don't have the overhead budgets based on where we're currently at, based on the drawings that I'd want to take.

[Josh Keegan] (36:18 - 36:23)

Yeah, I think you've also got to think about who you're actually going to recruit. Do you have a personal or executive assistant?

[Attendee 1] (36:24 - 36:41)

We've got a VA based in the Philippines, but I feel like we need to upgrade that to someone that's more day-to-day operation, more of an executive assistant type.

[Josh Keegan] (36:42 - 37:50)

I think probably the way to think about it is you're a bottleneck and you will continue to be a bottleneck. And if you're overwhelmed with work, you're probably slower than you need to be. Service is going to drop.

You're going to do less this year as a result of you and your capacity. So you want to play around with the forecast. I know it's quite difficult to say, well, if I've got this person, I can do an extra two.

If you think about that person, so say if they're going to cost you a thousand per month, it's probably not going to be that, but if they were, how many extra deals have you got to do to fund that person? Can you do two extra deals plus have your kind of family, you know, have balance back in your life? Like, yeah, like a hundred percent.

It's going to be worth everything. So I think just having an assistant as a very basic recruit to like literally just offload your workload too, so you can focus on higher value stuff. Without a doubt, it's like, it's just a recruit that everyone needs to make.

It's just a false economy. You'll earn more money this year as a result of that person. Yeah, perfect.

No, that's great. Thank you very much. Has anyone else got any thoughts on that?

Like who's been in a similar boat or felt the same way? Has anyone basically felt the way Chris has felt and then recruited and now got any perspective on it?

[Attendee 6] (37:53 - 38:37)

I definitely do. And I was certainly in Chris's boat when I took my PA on quite a long time ago, actually. And I'm definitely sort of grew into sort of having another staff member.

Yeah. And systems as well, actually. Things like sort of Arthur and Zia I've probably set up before, you know, unnecessarily needed them.

But it's kind of paid dividends, definitely having the structure in place. Because, yes, I don't underestimate how much time it will take to onboard them and get them up to speed. So you've kind of got to take that into account as well.

I think, you know, you want them to sort of, you know, when you do get that sort of wall of sort of customers through ready to commit, then, you know, they're up and running and ready to go.

[Josh Keegan] (38:38 - 39:18)

Yeah, I think I think it's just it's one of those things because you've got to get your head around, you've got to crack on and do try and try and do whatever you need to do to make yourself more confident in the numbers. And I think about, yeah, how many extra deals do I need to do to make this happen? And it's probably going to be one or two.

And it's like, in reality, are you going to do one or two extra deals with an extra, do you have an extra 10, 15 hours a month spare? Could you do one or two extra deals? Like, of course you could.

Of course you could. So that's that's the way to think about it, I think. Great.

Perfect. Thank you. No worries.

Any other final questions or queries before we finish? No, we're good. All right, team, thank you very, very much for your time.

I really appreciate it. And I'll catch up with you all in the group.

[Attendee 1] (39:18 - 39:20)

See you.

[Josh Keegan] (39:20 - 39:21)

Bye.