1. The Wage

A fixed amount you pay yourself on a set day, for doing the job. Profit is a separate reward.

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1 What is the job worth?

Line	Example (Maja)	Mine
What you would pay someone else to do your role	$3,200 / month	
Slow-quarter test (13-week forecast)	fits, only just	
Starting wage (if it only just fits)	$2,600 / month	
Step up to the full wage when	3 months of costs in reserve	
Payday (standing transfer)	the 25th	

2 Set it up

Standing transfer set for payday	[ ] Done
Business money stays in the business account	[ ] Done
Wage goes to your personal account; personal bills come from there	[ ] Done
Reviews in the calendar: January and July	[ ] Done

Example (Maja, interior design studio in Ljubljana, about $18,000 a month in sales): she used to pay herself in bursts ($3,000 one month, nothing the next). Within six months of a fixed wage on the 25th she had paid herself every month, lent the studio nothing, built a reserve of about 2.5 months of costs, and booked her first two-week holiday in 3 years.

Your wage is a cost, like rent. If you cannot pay it two months in a row, the business needs fixing. Example figures. General education, not financial or tax advice. Results vary.

2. The Surplus

Count profit after the wage, keep a watermark, and split what is above it into fixed shares.

1 Watermark: a balance the account never drops below

Line	Example (Kabo)	Mine
Running costs (months to cover)	2 months	
Planned purchase	second lift, $6,000	
Watermark = running costs + planned purchase	2 months + $6,000	
Profit this month, after the wage		

2 Bucket shares (decide before the money arrives)

Bucket	Job	Example share	Per $1,000 above	Mine %
Tax	Set aside in its own account	30%	$300	
Reserve	Until it holds 3 months of costs	20%	$200	
Growth	Only items on the growth list	25%	$250	
Owner	Owner profit, on top of the wage	25%	$250	

Your percentages will differ. Ask your accountant to check the tax share against your local rules. Split on the same day each month (Kabo: the 5th), each bucket in its own named account. Four or five buckets is plenty.

Example (Kabo, vehicle servicing garage in Gaborone, 4 mechanics, about $30,000 of profit above his wage in one year): next year the tax bill was paid in full from its own account, the second lift was bought for cash in month 7, the reserve reached about 3 months of costs, and his owner share added about $7,000 to his savings.

Example figures. General education, not financial or tax advice. Results vary.

Examples only; results vary. General business education, not financial, legal or tax advice.
Free tool from LoftyBiz. More free tools and Systex (our own product): loftybiz.net

3. Monthly Routine

Pay day, split day, and a short log, every month.

1 Monthly log

Month	Wage paid?	Profit after wage	Above watermark	Tax	Reserve	Growth	Owner

2 Watch out

Pay the wage first, then split what is left	[ ] Done
Never raid the tax bucket for a bargain	[ ] Done
Wage set from the role, not from what you would like	[ ] Done

3 This week

[ ] Write down what your role is worth, test it against your forecast, and pick a fixed payday
[ ] Set up a standing transfer; open separate accounts for tax and reserve
[ ] Write down your watermark and bucket shares; put the first split in your calendar or Systex

Maja, Kabo and their figures are illustrative. These are examples, not promises. Example figures. General education, not financial or tax advice. Results vary.