

Mentoring at Scale

# The Creator's First Ledger

*Before QuickBooks is the answer -  
teach the discipline in a spreadsheet.  
Includes a companion Excel workbook.*

First edition 2026  
The Baratelli Institute

## Who This Is For

The creator earning between \$10,000 and \$150,000 a year who is either still keeping their books in a spreadsheet or, worse, not keeping books at all. Most creators arrive at bookkeeping the same way. They earn a little, ignore it. They earn a little more, get a quarterly-tax notice, panic. They start throwing receipts in a folder. By the time they know they need a system, twelve months of drift have piled up and their first CPA meeting is a five-hundred-dollar catch-up session.

QuickBooks is the eventual answer for most creators. But there is a stepping stone between 'no system' and 'QuickBooks' that most references skip. That stepping stone is a disciplined spreadsheet - the same tool you already own, used correctly - that teaches you the habits QuickBooks assumes you already have. This reference teaches those habits, and the companion Excel workbook gives you the ready-made structure.

*When you outgrow this system - the graduation triggers are on the last page - you migrate to QuickBooks with the discipline already built in. QuickBooks then becomes a productivity upgrade, not a training-wheels acquisition.*

# The Five Discipline Habits

Every creator who runs clean books does these five things. The medium (spreadsheet, QuickBooks, Xero, FreshBooks) matters less than whether these habits exist. Master them here and the rest of the library assumes you have.

## 1. Log revenue same-day.

Every deposit, every platform payout, every sponsor wire. Log it the day it hits. Not the day you review the month. Not the day you 'get around to it.' Same-day, into the Revenue Log tab, one row per transaction. Gross amount, fee, net, source. Ten seconds per entry.

## 2. Log expenses same-week.

Business purchases go into the Expense Log tab within seven days of the charge. Every subscription renewal, every editor payment, every business meal, every piece of gear. Category it correctly using the Chart of Accounts. Note the business-use percentage if it is less than 100%.

## 3. Log mileage per-trip.

The IRS requires contemporaneous mileage records. That means logged at the time of the trip, not reconstructed at year-end. Use an app (MileIQ, Everlance) or log it directly to the Mileage Log tab. Trip purpose, from, to, miles. Fifteen seconds at the end of each drive.

## 4. Monthly close - first weekend of every month.

Two hours. Reconcile the Revenue Log against your bank statement for the prior month. Reconcile the Expense Log against your credit-card statement. Anything missing from either log gets added. Anything on a statement that is not a business transaction gets noted so you know it is personal. The Monthly Summary tab shows you the month's P&L when you are done.

## 5. Quarterly review - after each estimated-tax payment.

April, July, October, January. Look at the Quarterly Estimator tab. Compare YTD income against last year. Adjust your estimated-tax reserve percentage if income is materially higher or lower. Make the quarterly payment on time. Move the tax reserve to a separate high-yield savings account so you cannot spend it.

# The Chart of Accounts

A creator business is not a consulting practice, not a retail store, not a professional services firm. It needs its own chart of accounts. The workbook's 'Chart of Accounts' tab lists 25 categories - 9 revenue lines and 16 expense lines - each tuned to a creator business.

## Revenue lines

AdSense / Platform Ad Revenue for programmatic ad income (YouTube, TikTok Creator Fund). Sponsorships & Brand Deals for direct advertiser payments. Affiliate Revenue for Amazon Associates, ShareASale, direct affiliate deals. Subscription / Membership for Patreon, Substack, or self-hosted memberships. Course & Digital Product Sales. Merch & Physical Product Sales. Coaching / Consulting Revenue. Speaking & Appearance Fees. Other Revenue for anything else.

Break revenue out by source. When you sit with a CPA at year-end, you want to be able to point to which lines are growing and which are shrinking. When you sit with a bank to get a business loan, they want to see revenue diversification. When you sit with yourself and think about where to spend your effort, you want to see which lines are earning your time.

## Expense lines

Advertising & Marketing. Contractor & Editor Payments (this is your 1099-NEC set). Equipment & Gear. Software & Subscriptions. Platform Fees (as an explicit expense, per the Platform Fee Reconciliation Reference). Meals (Business). Travel. Home Office. Internet & Phone. Professional Services. Health Insurance Premiums (self-employed only). Retirement Contribution. Merchandise COGS. Bank & Credit Card Fees. Continuing Education. Other Business Expense.

The two categories creators most often miss: **Platform Fees** as a distinct expense line (the whole point of the Platform Fee Reconciliation Reference), and **Health Insurance Premiums** as a self-employed deduction (which is often better than the itemized medical deduction).

# Walking Through the Companion Workbook

The workbook has 8 tabs. Here is what each does and what you do with it.

## Tab 1: How to Use.

The one-page instruction sheet. Read it first. It tells you the same thing this PDF does but from inside the workbook so you have it in front of you when you open it.

## Tab 2: Chart of Accounts.

The 25 categories, each with a type (Revenue or Expense) and a note explaining what belongs in it. Reference material. You will look at this frequently in the first few months and rarely thereafter.

## Tab 3: Revenue Log.

The workhorse tab. Every deposit or platform payout gets one row: date, source, category, gross, fees, net, notes. The Net column has a formula (Gross minus Fees) so you only type the gross and the fees. Sample rows show what real entries look like.

## Tab 4: Expense Log.

Same structure. Date, vendor, category, amount, business %, deductible amount, notes. The Deductible column has a formula (Amount times Business%) so mixed-use expenses (phone at 80% business, meal at 50% deductible under 2026 rules) get the right number automatically.

## Tab 5: Mileage Log.

Every business drive. Date, purpose, from, to, miles. The Rate cell is preset to \$0.70 (federal 2026 rate). The Deduction column calculates Miles times Rate. At year-end, the sum of that column is your Mileage Deduction.

## Tab 6: Monthly Summary.

Twelve-row rolling grid, one row per month of the year. Columns: Month, Gross Revenue, Total Fees, Net Revenue, Expenses (deductible), Mileage Deduction, Net Income (pre-tax). Every cell uses SUMIFS filtered by the Year cell at the top (C3, editable, defaults to 2026) and the month range. Change the year to view any calendar year the log tabs contain data for. Row 18 at the bottom sums the twelve monthly rows into a YTD total. You do not enter data here - you read it. Rolling view lets you compare January against February against March at a glance, spot seasonality, and check the direction of the business month over month.

## Tab 7: Quarterly Estimator.

Enter your estimated Federal tax rate, State tax rate, and the Self-Employment Tax Rate (fixed at 15.3%). The tab pulls YTD Net Income from the Monthly Summary and calculates YTD tax owed,

split by federal, state, and SE. Use this number to decide your quarterly estimated tax payment.

### **Tab 8: YTD Dashboard.**

The at-a-glance year-to-date view. Gross revenue, fees, expenses, mileage, and net income YTD. A tax-reserve target (30% of net) and the discipline reminders. Open this tab weekly. It is your P&L.

# Where Creators Break the System

Three failure modes account for ninety percent of creator bookkeeping breakdowns. If you know they are coming, you can plan around them.

## **Personal purchases mixed in.**

You use a business credit card for a personal Uber because it is easier. Six months later you have \$2,400 of personal charges on the business card and you cannot remember which is which. Fix: never mix. If you accidentally do, correct within a week - reimburse the business from personal, or flag it as an owner-draw. Do not let it accumulate.

## **Cash sponsor deals not logged.**

A sponsor sends you \$500 via Zelle. It hits your personal bank account. Twelve months later the sponsor's accounting sends a 1099-NEC to the IRS for that \$500 - and you have no matching revenue on your return. This creates an IRS notice. Fix: log every cash-equivalent payment the same day, regardless of the channel it came through.

## **Mileage estimated once a year.**

You sit down in March and try to reconstruct your business mileage for the prior calendar year. The IRS does not accept reconstructed mileage under audit. Fix: log per-trip, in the moment. Use an app. Fifteen seconds each time.

# When to Graduate to QuickBooks

This spreadsheet system works up to a specific set of thresholds. When you cross one, migrate to QuickBooks (or Xero, or FreshBooks - QuickBooks is the default because most bookkeepers know it). Graduate on any of these five triggers.

Trigger	Why the spreadsheet stops working
<b>Revenue crosses \$150,000</b>	Transaction volume overwhelms spreadsheet discipline. Sponsor volume creates AR tracking need. Sales-tax complexity likely appears.
<b>You elect S-corp</b>	S-corp payroll requires W-2 issuance, quarterly 941 filings, and formal reasonable-compensation documentation. QuickBooks (or a payroll provider) is required infrastructure.
<b>You hire an employee</b>	Payroll obligations - withholding, unemployment, workers' comp - do not fit in a spreadsheet. You need real payroll software integrated with your books.
<b>You carry inventory</b>	Merch, physical books, print inventory. Cost of goods sold accounting and physical inventory tracking exceed spreadsheet capability. Inventory features in QuickBooks are the reason to move.
<b>Your bookkeeper requests it</b>	Once you have a professional bookkeeper, they will want to work in the tool they know best. Fight this and you will pay them 30% more in hours to work in your system. Move.

The migration is mechanical. Export your Revenue Log and Expense Log to CSV, import into QuickBooks using the standard import template, verify the Chart of Accounts translates cleanly, and cutover at month-end. Budget half a day. The discipline you built in the spreadsheet transfers.

*The medium changes. The habits stay. That is what this reference is for.*

*Educational reference. Not tax, legal, or investment advice. Consult a qualified professional for your specific situation.*

© The Baratelli Institute . [baratelliinstitute.com](http://baratelliinstitute.com)