



Risqué Tabulations

Specialized Bookkeeping for Unique Businesses

*Running a business in the adult industry presents unique financial challenges. Rather than allowing those challenges to lead you into financial chaos, we hope to provide you with some pointers that turn challenges into opportunities. Regardless of your line of work, **these five common mistakes can quietly drain your profits or expose you to risk.** Here's how to protect yourself and your business.*

Five Bookkeeping Mistakes Adult Industry Entrepreneurs Make

If you've ever been turned away by a bank, banned from an ad platform, or given the stink-eye by a "professional" when explaining your business, you're not alone. As adult industry professionals ourselves, we understand the unique challenges you face.

This guide outlines five of the most common mistakes we see adult industry entrepreneurs make with their bookkeeping — and how to avoid them without incurring significant costs or compromising your privacy.

You already work hard enough — let's make your bookkeeping one less thing to worry about.

Mistake #1: Mixing Personal and Business Transactions

It's tempting to use one card for everything, especially when traditional business accounts are hard to get because you fall in the high-risk category. **But mixing expenses makes bookkeeping more complicated.**

Why It Hurts

Mixing personal and business transactions within the same bank account makes it difficult to separate the two. **It is also a major trigger for IRS scrutiny.** If you're audited, it becomes much harder to prove that your business expenses are legitimate deductions. For example, you may know that half of the cosmetics you bought in a single purchase are for performances and half for personal use. Still, it's not obvious to an outsider.



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The Fix

Open a dedicated account used solely for business. If you can't open a formal business account yet, most banks allow you to open a second personal account. Keep receipts and note the purpose of each transaction. You can also create a simple spreadsheet with columns for date, category, payee, purpose, and amount.

Quick Takeaway

Maintaining separate accounts yields cleaner records, reduces stress, and lowers audit risks.

Mistake #2: Ignoring Tax Set-Asides

You get paid, pay bills, and by month-end, taxes are an afterthought. You might not even know how much is owed.

Why It Hurts

Nothing derails progress like an unexpected tax bill. Failing to set aside money for taxes could mean you are unable to pay them on time. This can result in penalties and unwanted attention from the IRS. Your business already receives enough negative scrutiny without adding the IRS to the mix.

The Fix

Set aside 25–30% of your net income (after expenses) into a dedicated tax account. Create automated transfers to ensure consistency; one easy way to do this is to set up a recurring bank transfer to a dedicated account. When you shop, make separate transactions for business and personal items. Splitting receipts so you can create a reimbursement transaction later is frustrating and risks losing deductions.



Quick Takeaway

Treat taxes like rent — non-negotiable and always paid first.

Mistake #3: Doing It Yourself... for Too Long

Relying on manual lists or scattered spreadsheets only works for so long. Manual systems are challenging to maintain and prone to errors. However, even if you diligently record every detail, you still need to know much more than just your income and expenses.

Why It Hurts

Without the kind of sophisticated reporting that accounting software provides, you can't make informed decisions or easily present financials to professionals. Organizing this information later can be time-consuming and overwhelming, especially if you wait until the reports are needed to start compiling them.

The Fix

If your business is straightforward and has a low transaction volume, you can experiment with free bookkeeping spreadsheet templates. These are a set of interconnected spreadsheets that typically include a chart of accounts, income and expense tracking, and basic reports such as a balance sheet and income statement. **However, in addition to a lack of data security and bank integration, they don't scale well.** Once you have multiple income streams, recurring expenses, or invoicing needs, it's best to move to accounting software.

QuickBooks Simple Start and **QuickBooks Solopreneur** automate data entry, pull in bank transactions, and generate professional reports — saving you hours. Plus, sharing information with your tax pro is seamless.

Quick Takeaway

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Spreadsheets teach good habits. Accounting software builds real businesses.

Mistake #4: Not Tracking Cash

In 2024, about 16% of U.S. sales were made in cash. In the adult industry, that number is often much higher. However, the money you receive is still considered income, and the cash you spend is still an expense. **It must be tracked.**

Why It Hurts

Missing cash records can lead to incomplete books, resulting in an incomplete picture of your financial health. You might also find yourself in trouble with the IRS if you can't produce a cash log to support what you reported on your taxes. **Even honest mistakes can hurt you during audits, loan applications, or financial aid reviews.**

The Fix

Develop a routine for logging cash received and spent. Use an app or spreadsheet to record the date, amount, and purpose of each transaction. For privacy, you can list "Cash Customer" instead of names. But for purchases, be detailed: include vendor, item, amount, and purpose. You should ***always*** keep receipts, and that is especially important when using cash.

Quick Takeaway

Track every dollar you earn and spend. What gets recorded gets deducted.



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Mistake #5: Depending on Professionals Who Don't Get It

Finding financial professionals who respect your work is challenging. Many avoid adult industry clients altogether or take them reluctantly. Even if a bookkeeper is genuinely kink-friendly, they still might assume your business operates just like any other business, not understanding the financial obstacles that are imposed due to stigma.

Why It Hurts

Perhaps feelings shouldn't enter into business, but it still hurts to hear someone say, "I wouldn't want to work with someone like you".

That aside, if your bookkeeper is working for you reluctantly or doesn't understand your business, **they may misclassify expenses or hesitate to ask key questions**. Worse, they might assume that a bookkeeper's implied promise of confidentiality is good enough, not understanding that even casual comments can have serious personal and professional consequences.

The Fix – Work With Pros Who Understand Both Sides of Your Business

When you choose a bookkeeper who understands the adult industry, you're not just hiring help — you're gaining a trusted ally who protects your privacy, respects your business, and helps it thrive.

That's exactly why we created **Risque Tabulations**. We combine first-hand industry experience with professional bookkeeping expertise to deliver:

- Clear, accurate books that save you time and money.
- Guaranteed confidentiality for you and your clients
- Responsive service tailored to your unique needs

Quick Takeaway

Work with a bookkeeper who speaks your language — and respects your world.

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