

How to complete a Accounts Payable Ledger in California

Vendor payables with invoice/due dates, amounts paid, and auto-computed outstanding balance.

What this form is for

The Accounts Payable Ledger tracks every dollar your business owes to vendors and suppliers, showing invoice dates, payment due dates, amounts paid, and remaining balances. Lenders require this ledger to assess your short-term liabilities, cash-flow discipline, and vendor-payment history during credit underwriting.

Before you start

- All unpaid and recently paid vendor invoices for the reporting period, organized by vendor name
- Purchase orders or signed vendor agreements that confirm payment terms (net 30, net 60, etc.)
- Bank statements or check registers showing payment dates and amounts for invoices you have already paid
- Your general ledger or accounting software export that lists current accounts payable balances
- Any vendor statements or aging reports that reconcile what you owe versus what vendors claim you owe

Step-by-step

1. Enter each vendor name in alphabetical order or by vendor account number if your system uses one. Group all invoices from the same vendor together for clarity.
2. For each invoice, record the invoice number exactly as it appears on the vendor bill. This allows lenders to trace and verify individual transactions.
3. Input the invoice date and the payment due date based on the vendor's stated terms. California lenders pay close attention to whether you honor net-30 or other standard terms, as late payments signal cash-flow stress.
4. Enter the original invoice amount in the appropriate column. This is the total billed before any payments you have made.
5. Record the amount paid to date in the next column, along with the date of payment. If you made partial payments, list each one or sum them clearly.
6. Calculate the outstanding balance by subtracting the amount paid from the original invoice amount. Most templates auto-compute this field; verify the formula is correct.
7. At the bottom of each vendor section or the entire ledger, include a subtotal row that sums outstanding balances. This gives lenders an instant snapshot of total accounts payable.

8. Add a final row for the grand total of all amounts owed across all vendors. This figure should match the accounts payable line on your balance sheet.

9. Sign and date the ledger, then attach a brief note explaining any past-due invoices or disputes with vendors.

What lenders look for

- Banks compare your ledger total to your balance sheet accounts payable balance; mismatches raise red flags and delay approval, so reconcile these figures before submission.
- Highlight or annotate any invoices more than 60 days past due and explain the reason, such as a billing dispute or negotiated extended terms, rather than letting underwriters assume cash problems.
- California lenders expect timely payments to critical suppliers; chronic late payments suggest working-capital shortages and may disqualify you from favorable loan terms.