

# How to complete a Accounts Payable Ledger in Ohio

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

## What this form is for

The Accounts Payable Ledger tracks all money your business owes to vendors and suppliers. Banks review this form during loan underwriting to assess your short-term liabilities and verify that your cash flow can cover outstanding debts alongside the new loan payments you're requesting.

## Before you start

- Unpaid vendor invoices with invoice numbers, dates issued, and due dates
- Records of partial payments made against each invoice, including payment dates and amounts
- Current vendor contact information and account terms (net 30, net 60, etc.)
- Your general ledger or accounting software export showing accounts payable activity for the reporting period
- Any vendor statements or aging reports that reconcile with your internal records

## Step-by-step

1. Enter the reporting period end date at the top of the ledger so the lender knows the snapshot date for all balances shown.
2. List each vendor alphabetically or by vendor ID number in the first column, including full legal business names as they appear on invoices.
3. For each vendor, record every outstanding invoice separately with its unique invoice number, invoice date, and original invoice amount in the designated columns.
4. Enter the payment due date for each invoice based on the vendor's terms, noting any early-payment discounts you may have forfeited.
5. In the "Amount Paid" column, record any partial or installment payments already made against each specific invoice, along with the date of payment.
6. Allow the form's formula to auto-calculate the outstanding balance by subtracting amounts paid from the original invoice total. Double-check these calculations manually for accuracy.
7. Subtotal the outstanding balances by vendor so the lender can see your exposure to each supplier relationship.
8. Sum all vendor subtotals to produce a grand total of accounts payable, which must match the accounts payable line on your balance sheet.

9. Note any disputed invoices, pending credits, or unusual payment arrangements in a remarks column or attached explanation sheet.
10. Under Ohio commercial law, include any invoices subject to mechanics liens or secured creditor claims separately, as these affect lender collateral priority.

## What lenders look for

- Banks compare your AP ledger total against your balance sheet and look for material discrepancies that suggest poor bookkeeping or hidden liabilities. Reconcile these documents before submission.
- Overdue invoices beyond 60 days raise red flags about cash flow problems. Be prepared to explain why payments are late and provide a catch-up plan if your aging is poor.
- Lenders calculate your current ratio and quick ratio using AP totals, so inflated or understated payables directly affect your creditworthiness and loan-to-value calculations.