

How to complete a Accounts Receivable Aging Report in Texas

Color-coded aging buckets (Current, 1-30, 31-60, 61-90, 91-120) with per-customer totals and grand totals.

What this form is for

Lenders and credit managers use the Accounts Receivable Aging Report to evaluate how quickly your customers pay and whether outstanding invoices are collectible. Banks review this report during loan applications and renewals to assess working capital health and the quality of receivables you may pledge as collateral.

Before you start

- Export or pull a complete accounts receivable ledger from your accounting software showing all open invoices with original invoice dates and current balances.
- Confirm your reporting date (typically month-end) so all aging calculations measure days outstanding from that single cutoff date.
- Verify customer names match exactly as they appear in your general ledger to avoid confusion during reconciliation.
- Have documentation ready for any disputed invoices, partial payments, or credit memos issued during the period.
- Know your standard payment terms (Net 30, Net 60, etc.) since lenders compare your aging buckets against your stated credit policy.

Step-by-step

1. Enter the report date at the top and confirm the reporting currency (USD unless you have foreign receivables).
2. List each customer with outstanding balances in the left-hand column, alphabetically or by account number as your system requires.
3. For every customer, sort their open invoices into the correct aging bucket by calculating days outstanding from the report date back to each invoice date: Current (0-30 days), 1-30 (sometimes labeled 31-60), 31-60, 61-90, and 91-120 or over-120 days past due.
4. Enter the dollar total for each customer in each applicable aging column, leaving blanks or zeros where no invoices fall into that timeframe.
5. Sum each customer's row to produce a per-customer total receivable in the far-right column.
6. Calculate column totals at the bottom for each aging bucket so the lender can see aggregate exposure in each category.

7. Compute the grand total of all receivables and cross-check it against your general ledger AR control account balance on the same date.
8. Apply color-coding (green for Current, yellow for 31-60, orange for 61-90, red for 91-plus) to help highlight collection risk visually.
9. Attach brief notes if large past-due amounts have payment plans in place or are under dispute, especially in Texas where mechanic's lien deadlines and prompt-payment statutes may affect collectibility timelines.

What lenders look for

- Banks watch the percentage of receivables over 60 days old; anything above 15-20 percent of total AR signals collection problems and reduces borrowing-base eligibility.
- Concentration risk matters: if one or two customers represent more than 25 percent of your AR, lenders discount those receivables or require additional guarantees.
- Avoid submitting reports with math errors or totals that do not reconcile to your balance sheet; discrepancies trigger immediate red flags and delay underwriting.