

# How to complete a Balance Sheet in Florida

Itemized balance sheet with current/long-term assets, liabilities and owner's equity.

## What this form is for

Banks and lenders require a balance sheet to see your business's financial position at a specific point in time. This snapshot shows what you own (assets), what you owe (liabilities), and your owner's equity, helping underwriters determine creditworthiness and loan capacity.

## Before you start

- Most recent business bank statements for all checking, savings, and money-market accounts
- Current accounts receivable aging report listing customer invoices owed to you
- Inventory valuation records showing cost of goods on hand at current replacement value
- List of all business debts including credit cards, loans, lines of credit with current balances and creditor names
- Recent statements for any retirement accounts, investments, or securities held by the business
- Depreciation schedules and original purchase documents for equipment, vehicles, and real estate
- Accounts payable report showing amounts you currently owe suppliers and vendors

## Step-by-step

1. Enter the statement date at the top. Choose your most recent month-end date so figures align with your profit-and-loss statement period.
2. List current assets in order of liquidity. Start with cash and cash equivalents, then accounts receivable, inventory, and prepaid expenses. Total this section.
3. Record long-term or fixed assets. Include property, equipment, vehicles, and intangible assets like patents at original cost, then subtract accumulated depreciation. For Florida real estate, use the current assessed value from your county property appraiser if you own the premises.
4. Add current assets and long-term assets together for your total assets line. Double-check this calculation.
5. List current liabilities due within twelve months. Include accounts payable, credit card balances, current portion of long-term debt, accrued payroll, and sales tax payable to the Florida Department of Revenue.
6. Enter long-term liabilities for obligations beyond one year, such as mortgages, equipment loans, and multi-year notes payable. Show only the remaining principal balance.
7. Total all liabilities by adding current and long-term sections together.
8. Calculate owner's equity. For sole proprietors and partnerships, this is your capital account. For Florida corporations and LLCs, break out paid-in capital, retained earnings, and current-year profit or loss

separately.

9. Verify the fundamental equation balances: Total Assets must equal Total Liabilities plus Owner's Equity. If these do not match, review every line for errors.

## What lenders look for

- Underwriters calculate your current ratio (current assets divided by current liabilities) and want to see at least 1.2 to 1, proving you can cover short-term obligations without selling fixed assets.
- Never inflate asset values or hide liabilities. Banks verify major figures through tax returns, and discrepancies trigger immediate application rejection or fraud concerns.
- Strong balance sheets show growing equity over time and manageable debt-to-equity ratios below 2 to 1, signaling you are not overleveraged.