OHIO · STATE-AWARE GUIDE

How to complete a Balance Sheet in Ohio

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

What this form is for

This form presents a snapshot of your business's financial health on a specific date by listing everything you own and owe. Banks require it for loan applications, credit reviews, and annual covenants to assess your ability to repay debt.

Before you start

- Most recent bank statements for all business checking, savings, and money-market accounts
- Current values for accounts receivable, inventory, equipment, vehicles, and real estate
- Outstanding loan balances, credit card statements, accounts payable aging reports, and any other debts
- Copies of asset purchase documents or recent appraisals for major property or equipment
- Your prior-year balance sheet if you have one, to ensure consistency and catch errors

Step-by-step

1. Enter the report date at the top, typically the last day of a month or your fiscal year-end. This date determines which transactions count.

2. List current assets first: cash in bank accounts, accounts receivable expected within 90 days, inventory at cost or lower-of-cost-or-market, and prepaid expenses like insurance. Total this section.

3. Record long-term or fixed assets: equipment, vehicles, furniture, buildings, and land. Show original cost, then subtract accumulated depreciation to get net book value. Total fixed assets.

4. Add current assets and fixed assets together for total assets. This line must match total liabilities plus equity at the bottom.

5. Under current liabilities, enter debts due within one year: accounts payable, credit cards, lines of credit, current portions of long-term loans, accrued payroll, and Ohio state tax obligations.

6. List long-term liabilities next: loans, notes, or mortgages with repayment periods beyond twelve months. Show only the principal balance, not future interest.

7. Total all liabilities by adding current and long-term sections together.

8. Calculate owner's equity: retained earnings from prior periods, current-year profit or loss, and any capital contributions or withdrawals. In Ohio, if you are an LLC, label this as member equity rather than shareholder equity.

9. Add total liabilities and total equity. Confirm this sum equals total assets. If not, review each line for errors or omissions.

10. Sign and date the completed form. Many lenders require a notarized statement that the information is accurate.

What lenders look for

- Underwriters calculate your current ratio by dividing current assets by current liabilities. Aim for 1.5 or higher to show you can cover short-term obligations comfortably.
- Double-check that asset values are realistic and supported by documentation. Inflated inventory or equipment figures raise red flags and can disqualify your application.
- Reconcile this balance sheet to your tax return and profit-and-loss statement. Significant discrepancies signal poor record-keeping or potential fraud.