

INSTRUCTIONS FOR COMPLETING STATEMENT OF FINANCIAL CONDITION FOR BUSINESSES

The Statement of Financial Condition for Businesses included in this packet provides the Department of Revenue's Division of Collections with credit and statistical information that will be utilized in evaluating the financial position of your business. Every item of the financial statement must be completed and should reflect accurate statements and amounts. If an item is not applicable to your business, insert "N/A." An incomplete Statement of Financial Condition for Businesses will **not** be considered.

The Statement of Financial Condition for Businesses is presented in four segments. Instructions have been provided only for items requiring further clarification. Most of the requested items are self-explanatory and need no further interpretation.

Ownership Information (Items 1-7)

Please verify the federal employer identification number in Item 5 and the social security number(s) of the owner(s) in Item 7 to make sure they are correct.

Item 7 must be completed for any type of ownership indicated in Item 3. Sole proprietorships must report the individual owner's name, partnerships must report **all** partners' and/or general partner's names, and corporations must report the names of **all** corporate officers. Attachments may be used as necessary.

Section I—General Financial Information (Items 8-15)

All information recorded in this section should be verified for accuracy. The Department of Revenue may conduct an inquiry to substantiate this information.

If the business is a partnership, the Statement of Financial Condition for Businesses must be completed for partnership assets and liabilities, and a separate Statement of Financial Condition for Individuals must be completed for each general partner.

Item 10 should include **all** credit cards owned by the business.

Item 13 should include all life insurance policies owned by the business, such as Key-man Life Insurance.

Item 14 should report any extraordinary situations such as recent transfers of assets, court proceedings and anticipated changes in business income. If your business has recently filed for bankruptcy, you **must** disclose the court and bankruptcy case number.

Section II—Asset and Liability Analysis (Items 16-29)

This section resembles a balance sheet and should reflect accurate amounts.

Item 16 should report **actual** cash on hand, not cash in banks or other financial institutions.

Item 21 should report the current market value of business vehicles as determined in an automobile "blue book" or by other property valuation sources.

Item 25 should report all debts owed by your business.

Items 26 and 27 should report all delinquent federal and state business taxes.

Item 28 should report totals for all entries made in each column.

Section III—Income and Expense Analysis (Items 29-47)

This section must report **all** sources of income and **all** business expenses **directly attributable** to the production of income. Depreciation is **not** deemed as an out-of-pocket expense and should **not** be included in the expense summary. Additional lines have been provided for reporting income and/or expense items not already itemized in Section III. Each entry should be verified for accuracy. The Department of Revenue may request supportive documents to substantiate this information.

Item 29 must reflect an operating period of 12 months.

Item 30 must report the business' method of accounting (i.e., cash or accrual).

Item 36 should report total income from all income sources listed under Items 31-35.

Item 48 should report total expenses from all liability sources listed under Items 37-47.

Certification (Items 50-51)

Signature certifies that statements and entries contained in the Statement of Financial Condition and/or accompanying schedules are correct to the best knowledge and belief of the undersigned.

Items 50 and 51 must provide signature by a duly authorized representative, owner, partner or corporate officer along with the applicable date signature was posted.

STATEMENT OF FINANCIAL CONDITION FOR BUSINESSES

(If additional space is needed, attach separate sheet.)

1. Name and address of business	2. Business phone number ()
4. Name and title of person being interviewed	3. Type of ownership <i>(check appropriate box)</i> <input type="checkbox"/> Sole proprietor <input type="checkbox"/> Other <i>(specify)</i> <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation
5. Federal employer identification number	6. Type of business and number of employees

7. Information about owner, partners, officers, major shareholders, etc.

Name and Title	Effective Date	Home Address	Phone Number	Social Security Number	Total Shares or Interest

SECTION I—GENERAL FINANCIAL INFORMATION *(If sole proprietor, include assets and liabilities of owner.)*

8. Latest filed Kentucky income tax return ▶	Form	Tax year ended	Net income before taxes
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9. Bank accounts *(List all types of accounts including payroll and general, savings, certificates of deposit, etc.)*

Name of Institution	Address	Type of Account	Account Number	Balance
TOTAL <i>(Enter in Item 17)</i> ▶				

10. Bank credit available *(Lines of credit, etc.)*

Name of Institution	Address	Credit Limit	Amount Owed	Credit Available	Monthly Payments
TOTALS <i>(Enter in Items 24 or 25 as appropriate)</i> ▶					

11. Location, box number and contents of all safe deposit boxes rented or accessed

SECTION I—GENERAL FINANCIAL INFORMATION *(continued)*

12. Real property

Brief Description and Type of Ownership	Address <i>(Include county and state)</i>
a.	
b.	
c.	
d.	

13. Life insurance policies owned with business as beneficiary

Name Insured	Company	Policy Number	Type	Face Amount	Available Loan Value
TOTAL <i>(Enter in Item 19)</i>					➤

14. Additional information regarding financial condition *(Court proceedings, bankruptcies filed or anticipated, transfers of assets for less than full value, changes in market conditions, etc.; include information regarding company participation in trusts, estates, profit-sharing plans, etc.)*

15. Accounts/notes receivable *(Include loans to stockholders, officers, partners, etc.)*

Name	Address	Amount Due	Date Due	Status
TOTAL <i>(Enter in Item 18)</i>				➤

SECTION II—ASSET AND LIABILITY ANALYSIS

(a)	(b)	(c)	(d)	(e)
Asset or Liability	Description	Cur. Mkt. Value	Liabilities Bal. Due	Amt. of Mo. Pymt.
16. Cash on hand				
17. Bank accounts				
18. Accounts/Notes receivable				
19. Life insurance loan value				
20. Real property	a.			
	b.			
	c.			
	d.			
21. Vehicles (<i>Model, year and license</i>)	a.			
	b.			
	c.			
22. Machinery and equipment (<i>Specify</i>)	a.			
	b.			
	c.			
23. Merchandise inventory (<i>Specify</i>)	a.			
	b.			
24. Other assets (<i>Specify</i>)	a.			
	b.			
25. Other liabilities (<i>Include notes and judgments</i>)	a.			
	b.			
	c.			
	d.			
	e.			
	f.			
	g.			
26. Federal taxes owed				
27. State taxes owed				
28. TOTAL				

SECTION III—INCOME AND EXPENSE ANALYSIS

29. The following information applies to income and expenses during the period _____ to _____		30. Accounting method used	
Income		Expenses	
31. Gross receipts from sales, services, etc.		37. Materials purchased	
32. Gross rental income		38. Net wages and salaries	
33. Interest		39. Rent	
34. Dividends		40. Installment payments	
35. Other income (<i>Specify</i>)		41. Supplies	
		42. Utilities/Telephone	
		43. Gasoline/Oil	
		44. Repairs and maintenance	
		45. Insurance	
		46. Current taxes	
		47. Other (<i>Specify</i>)	
36. TOTAL	▶	48. TOTAL	▶
		49. Net difference (<i>Item 36 minus Item 48</i>)	▶

CERTIFICATION—Under penalties of perjury, I declare that to the best of my knowledge and belief this statement of assets, liabilities and other information is true, correct and complete.

50. Signature

51. Date