



CASH DAYS' SUPPLY

Cash		6,009,299	1	Asset	1
Contracts in Transit	+	0	1	Asset	3
Vehicle Receivables	+	482,851	1	Asset	8
Market Securities	+	0	1	Asset	
Net Cash Available	=	<u>6,492,150</u> A			

YTD Total Expenses		3,156,683	1	YTD	56
YTD <u>Service Sales</u>	+	1,226,938	5	YTD	41
YTD <u>Service Gross</u>	-	871,527	5	YTD	42
YTD Total Cost of Labor	=	355,411			
YTD Total Expense & Cost Of Labor	=	3,512,094			
Statement Month	÷	8			
Average YTD Total Expense and Cost of Labor		<u>439,012</u> B			

Net Cash Available		6,492,150 A			
Average YTD Total Expense and Cost of Labor	÷	439,012 B			
Cash Months' Supply	=	14.79			
Number of Days in a Month	×	30			
Cash Days Supply	=	<u>444</u>			Guide = 90



INVENTORY FLOORPLAN GAP (Trust Position)

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New Vehicle Inventory		5,655,446	1	Asset	20-22
Holdback Receivable	+	32,605		Asset	
Total Inventory Value	=	5,688,051			
Notes Payable: New Vehicle	-	5,898,043	1	Liab	1
Inventory Floorplan Gap	=	<u>-209,992</u>			

Note:

Most of you will have a negative number which may indicate an Out Of Trust position. Do not be alarmed...yet. There may be a common explanation.



CONTRACTS IN TRANSIT DAYS' SUPPLY

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Contracts-in-transit			482,851
Current Month New Retail Sales Dollars		2,124,818	
Current Month Pre-Owned Retail Sales Dollars	+	824,655	
Sub total Current Month New & Pre-Owned Retail Sales	=	÷	2,949,473
Months' Supply of Contracts-in-Transit		=	0.164
Number of Days in Month		×	30
Days Supply of Contracts-in-Transit		=	<u>5</u>

1	Asset	8
2	Month	1
2	Month	1

Guide = 3



WORKING CAPITAL

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MOST MANUFACTURERS

Total Current Assets		17,406,424	1	Asset	49
LIFO Reserve (if listed as a deduct from current assets)	+	0	1	Asset	
Current Liabilities	-	7,404,536	1	Liab	19
Current Portion of Long-Term Debt (if memo)	-	37,604	1	Liab	7
Working Capital	=	9,964,284			

Working Capital Guide (OEM Provides)		0	1	Memo	
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LIFO only is added back to current assets if it reduced current assets.
 Current Portion of LT Debt will be 0 if included in Current Liabilities. Only deduct it if a memo adjacent to the Long Term Debt below the Total Current Liabilities.

GENERAL MOTORS STATEMENTS

Total Current Assets and Working Assets		0	1	Asset	
LIFO Reserve	+	0	1	Asset	
Current Liabilities and Deferred Taxes	-	0	1	Liab	
Working Capital	=	0	1	Memo	

Working Capital Guide (OEM Provides)		0	1	Memo	
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PARTS, SERVICE AND BODY SHOP ACCOUNTS RECEIVABLE

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Current Month Parts, Service, and Body Shop Customer Labor and Parts Sales. See Note			
Service Customer Pay	+	99,846	5 Month 7
Parts Repair Orders (ROs)	+	111,661	5 Month 7
Parts Wholesale	+	0	Month
Parts Counter Retail	+	0	Month
	+	0	Month
<i>Total Current Month Parts, Service, and Body Shop Customer Labor and Parts Sales</i>		=	<u>211,507</u> A

Parts, Service and Body Shop Accounts Receivable		64,177	1 Asset 9
<i>Total Current Month Parts, Service, and Body Shop Customer Labor and Parts Sales</i>	÷	<u>211,507</u> A	
Months' Supply of Parts, Service, and Body Shop Accounts Receivable	=	0.30	
Number of Days in the Month	×	<u>30</u>	
Days' Supply of Parts, Service, and Body Shop Accounts Receivable	=	<u>9</u>	Guide = 15 Days

Note: You need to go to the gross profit analysis section of your income statement. Where the detail of HOW you made your money resides. The four customer pay items listed are the minimum. You might have a body shop (paint & metal). You might have express lanes seperated for parts and service. The extra lines allow you to customize for your operation.



WARRANTY CLAIMS RECEIVABLE DAYS' SUPPLY

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Current Month Parts, Service, and Body Shop Warranty Sales. See Note			
Service Warranty Sales	+	337,009	5 Month 9&12
Parts Warranty Sales	+	328,601	5 Month 9&12
Body Shop Parts Warranty Sales	+	0	Month
Body Shop Service Warranty Sales	+	0	Month
	+	0	Month
<i>Total Current Month Parts, Service, and Body Shop Warranty Sales</i>	=	665,610 A	

Warranty Claims Receivable		32816	1 Asset 12
<i>Total Current Month Parts, Service, and Body Shop Warranty Sales</i>	÷	665,610 A	
Months' Supply of Warranty Claims Receivable	=	0.05	
Number of Days in the Month	×	30	
Days' Supply of Warranty Claims Receivable	=	<u>1.479064317</u>	

Guide

Note: The extra lines allow you to customize for your operation.
 You need to go to the gross profit analysis section of your income statement where the detail of HOW you made your money resides.
 Your OEM may have an maintenance plan that runs through warranty.
 If you are selling a 3rde party extended service plan, this should be part of your customer receivables.

7.5 Days or 25% of Month
 15 Days or 50% of Month
 30 Days or 100% of Month



This calculation is in your workbook and it is below. This calculation is optional. We will discuss Vehicle Receivables during our live session but the calculation can be very misleading dependant what your operation "parks" in the account. Examples include fleet deals, dealer transfers and wholesale units at the auction not yet paid for.

VEHICLE RECEIVABLE DAYS' SUPPLY

		Page	Colm	Line
YTD New Vehicle Sales Dollars	14,213,403	2	YTD	2
YTD Pre-Owned Vehicle Sales Dollars	+ 7,256,073	2	YTD	2
YTD New and Pre-Owned Vehicle Sales Dollars	= 21,469,476			
Statement Month	÷ 8			
Avg YTD New and Pre-Owned Vehicle Sales Dollars	= 2,683,685 A			
Vehicle Receivable	3,525	1	Asset	8
Avg YTD New and Pre-Owned Vehicle Sales Dollars	÷ 2,683,685 A			
Months' Supply of Vehicle Receivable	= 0.001			
Number of Days in the Month	× 30			
Days' Supply of Vehicle Receivable	= 0.04			

Guide = 3

VEHICLE RECEIVABLES SHOULD NOT AGE !



FROZEN CAPITAL: WARRANTY CLAIMS RECEIVABLE

YTD Warranty Sales

Service Warranty Sales	+	337,009	5	YTD	9&11
Parts Warranty Sales	+	328,601	5	YTD	9&11
Body Shop Parts Warranty Sales	+	0		YTD	
Body Shop Service Warranty Sales	+	0		YTD	
	+	0		YTD	
	+	0		YTD	
	+	0		YTD	
	+	0		YTD	
Total YTD Warranty Sales	=	665,610			
Statement Month	÷	8			
Average YTD Warranty Sales	=	83,201			
Factor	×	25.0%			
Your Guide	=	20,800			A

Your Factor for Warranty Claims Receivable is : 25.0% if paid weekly
 50.0% if paid semi-monthly
 100.0% if paid monthly

Warranty Claims Receivable	32,816
Your Guide	20,800 A
Frozen Capital	12,016



ACADEMY

FROZEN CAPITAL: PRE-OWNED INVENTORY

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YTD Pre-Owned Sales <i>(without F&I)</i>	+	7,256,073	2	YTD	2
YTD Pre-Owned Gross Profit <i>(without F&I)</i>	-	710,522	2	YTD	4
YTD Inventory Adjustments <i>(+/- as on statement)</i>	±	82,172	2	YTD	8
YTD Pre-Owned Cost of Sales	=	6,627,723			
Statement Month	÷	8			
Average Month Pre-Owned Cost of Sales	=	828,465			
Factor	×	1.0		Guide = 1.0	
Your Guide	=	828,465			A

NADA Guide for Pre-Owned Vehicle Inventory is 1 month's supply or less at cost.
A Factor of 1.0 = 1 Month supply.

Pre-Owned Vehicle Inventory		51	1	Asset	23&24
Your Guide	-	828,465			A
Frozen Capital		<u>828,414</u>			



FROZEN CAPITAL: PARTS & ACCESSORIES INVENTORY

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YTD Parts & Accessories Sales <i>(exclude gas, oil, grease and tire sales)</i>	+	2,083,826	2.0	YTD	2
YTD Parts & Accessories Gross Profit <i>(exclude gas, oil, grease and tire gross profit)</i>	-	688,110	2	YTD	4
YTD Inventory Adjustments (+/- as on statement)	±	208,784	2	YTD	8
YTD Parts & Accessories Cost of Sales	=	1,604,500			
Statement Month	÷	8			
Average Month Parts & Accessories Cost of Sales	=	200,563			
Factor	×	1.5			Guide = 1.5
Your Guide	=	300,844			A

NADA Guide for Parts & Accessories Inventory is 45 days supply or less at cost.
A Factor of 1.5 = 45 days supply.

Parts & Accessories Inventory		347,955	1	Asset	29
Your Guide	-	300,844			A
Frozen Capital		<u>47,111</u>			



FROZEN CAPITAL: SERVICE, PARTS AND BODY SHOP ACCOUNTS RECEIVABLE

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YTD Parts, Service, and Body Shop Customer Labor and Parts Sales. See Note			
Service Customer Pay	+	729,743	5 YTD 7
Parts Repair Orders (ROs)	+	830,425	5 YTD 7
Parts Wholesale	+	371,519	5 YTD 1
Parts Counter Retail	+	316,931	5 YTD 5
	+	0	YTD
<i>Total YTD Parts, Service, and Body Shop Customer Labor and Parts Sales</i>		=	2,248,618
Statement Month	÷	8	
Average Month Parts & Accessories Sales	=	281,077	
Factor	×	50.0%	Guide = 50%
Your Guide	=	140,539 A	

Days' Supply of Parts, Service and Body Shop Accounts Receivable should not exceed 50% of the Current Month's retail and wholesale parts, service and body shop customer paid sales or 15 days. Guide of 15 days = one half of a month or 50%.

Parts, Service and Body Shop Accounts Receivable		64,177	1 Asset 9
Your Guide	-	140,539 A	
Frozen Capital		<u>76,362</u>	

Note: You need to go to the gross profit analysis section of your income statement. Where the detail of HOW you made your money resides. The four customer pay items listed are the minimum. You might have a body shop (paint & metal). You might have express lanes seperated for parts and service. The extra lines allow you to customize for your operation.



TOTAL FROZEN CAPITAL

Your calculation outputs from the previous tabs will automatically fill in each li
If you have a red (negative) number, place a zero (0) on the line.

Warranty Claims Receivable	+	\$12,016
Pre-Owned Vehicle Inventory	+	\$0
Parts & Accessories Inventory	+	\$47,111
Service, Parts, Body Shop A/R	+	\$0
Total Frozen Capital	=	<u>\$59,127</u>