NADA ACADEMY

FROZEN CAPITAL: WARRANTY CLAIMS RECEIVABLE

			Page	Colm	Line
YTD Warranty Sales					
Service Warranty Sales	+	219,659	6	YTD	27
Parts Warranty Sales	+	224,277	6	YTD	45
Body Shop Parts Warranty Sales	+			YTD	
Body Shop Service Warranty Sales	+	0		YTD	
	+	0		YTD	
	+	0		YTD	
	+	0		YTD	
	+	0		YTD	
Total YTD Warranty Sales	=	443,936			
Statement Month	÷	8			
Average YTD Warranty Sales	=	55,492			
Factor	×	25.0%			
Your Guide	=	13,873 A			

Your Factor for Warranty Claims Receivabl	25.0%	if paid weekly
	50.0%	if paid semi-monthly
	100.0%	if paid monthly

Warranty Claims Receivable	1,084
Your Guide	13,873 A
Frozen Capital	12,789

NADA ACADEMY

FROZEN CAPITAL: PRE-OWNED INVENTORY

			Page	Colm	Line
YTD Pre-Owned Sales *(without F&I)*	+	29,493,404	3	YTD	1
YTD Pre-Owned Gross Profit *(without F&I)*	-	1,484,700	3	YTD	1
YTD Inventory Adjustments *(+/- as on statement)*	±	0		YTD	
YTD Pre-Owned Cost of Sales	=	28,008,704			
Statement Month	÷	8			
Average Month Pre-Owned Cost of Sales	=	3,501,088			
Factor	×	1.0	Guide = 1.0		
Your Guide	=	3,501,088 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.

			Page	Colm	Line
Pre-Owned Vehicle Inventory		5915586	1	Asset	25,26
Your Guide	-	3,501,088 A			
Frozen Capital		2,414,498			

FROZEN CAPITAL: PARTS & ACCESSORIES INVENTORY

				Page	Colm	Line
YTD Parts & Accessories Sales	+	1,412,875		6	YTD	56
(exclude gas, oil, grease and tire inventories)						
YTD Parts & Accessories Gross Profit	-	465,759		6	YTD	56
(exclude gas, oil, grease and tire inventories)						
YTD Inventory Adjustments *(+/- as on statement)*	±	0		6	YTD	55
YTD Parts & Accessories Cost of Sales	=	947,116				
Statement Month	÷	8				
Average Month Parts & Accessories Cost of Sales	=	118,390				
Factor	×	1.5		Guide = 1.5		
Your Guide	=	177,584	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		123,969		1	Asset	27
Your Guide	-	177,584	A			
Frozen Capital		53,615				

NADA ACADEMY

FROZEN CAPITAL: SERVICE, PARTS AND BODY SHOP ACCOUNTS RECEIVABLE

			Page	Colm	Line
YTD Parts, Service, and Body Shop Customer Labor and Parts Sales. See Note					
Service Customer Pay	+	354,909	6	YTD	1,23,24
Parts Repair Orders (ROs)	+	409,108	6	YTD	6,47,48
Parts Wholesale	+	333,998	6	YTD	52
Parts Counter Retail	+	64,598	6	YTD	51
	+	0		YTD	
	+	0		YTD	
	+	0		YTD	
	+	0		YTD	
Total YTD Parts, Service, and Body Shop Customer Labor and Parts Sales	=	1,162,613			
Statement Month	÷	8			
Average Month Parts & Accessories Cost of Sales	=	145,327			
Factor	×	50.0%	Guide = 50%		
Your Guide	=	72,663 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%.

			Page	Colm	Line
Parts, Service and Body Shop Accounts Receivable		327,726	7	Asset	57
Your Guide	-	72,663 A			
Frozen Capital		255,063			

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

Transfer your calculation outputs to fill in each line below.
Then, calculate your Total Frozen Capital.
If you have a red (negative) number, place a zero on the line.

Warrant Claims Receivable	+	$0
Pre-Owned Vehicle Inventory	+	$2,414,498
Parts & Accessories Inventory	+	$0
Service, Parts, Body Shop A/R	+	$255,063
Total Frozen Capital	=	$2,669,561