

CASH DAYS' SUPPLY

Page Colm Line

| | | | | | |
|----------------------|---|---------------------|---|-------|--|
| Cash | | 9,129,318 | 1 | Asset | |
| Contracts in Transit | + | 2,219,009 | 1 | Asset | |
| Vehicle Receivables | + | 74,869 | 1 | Asset | |
| Market Securities | + | 0 | 1 | Asset | |
| Net Cash Available | = | <u>11,423,196</u> A | | | |

| | | | | | |
|---|---|------------------|--|-----|--|
| YTD Total Expenses | | 6,582,689 | | YTD | |
| YTD Service Sales | + | 2,705,492 | | YTD | |
| YTD Service Gross | - | 1,704,648 | | YTD | |
| YTD Total Cost of Labor | = | 1,000,844 | | | |
| YTD Total Expense & Cost Of Labor | = | 7,583,533 | | | |
| Statement Month | ÷ | 8 | | | |
| Average YTD Total Expense and Cost of Labor | | <u>947,942</u> B | | | |

| | | | | | |
|---|---|--------------|--|--|------------|
| Net Cash Available | | 11,423,196 A | | | |
| Average YTD Total Expense and Cost of Labor | ÷ | 947,942 B | | | |
| Cash Months' Supply | = | 12.05 | | | |
| Number of Days in a Month | × | 30 | | | |
| Cash Days Supply | = | <u>362</u> | | | Guide = 90 |



INVENTORY FLOORPLAN GAP (Trust Position)

Page Colm Line

| | | | | | |
|----------------------------|---|-------------------|---|-------|-------|
| New Vehicle Inventory | | 19,072,682 | 1 | Asset | 19-21 |
| Holdback Receivable | + | 138,498 | 1 | Asset | 13 |
| Total Inventory Value | = | 19,211,180 | | | |
| Notes Payable: New Vehicle | - | 20,237,342 | 1 | Liab | 1 |
| Inventory Floorplan Gap | = | <u>-1,026,162</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

Page Colm Line

| | | | |
|--|---|-----------|-----------|
| Contracts-in-transit | | | 2,219,009 |
| Current Month New Retail Sales Dollars | | 4,108,516 | |
| Current Month Pre-Owned Retail Sales Dollars | + | 2,858,591 | |
| Sub total Current Month New & Pre-Owned Retail Sales | = | ÷ | 6,967,107 |
| Months' Supply of Contracts-in-Transit | | = | 0.318 |
| Number of Days in Month | | × | 30 |
| Days Supply of Contracts-in-Transit | | = | <u>10</u> |

| | | |
|---|-------|-----|
| 1 | Asset | 3-4 |
| 2 | Month | 1 |
| 2 | Month | 1 |

Guide = 3

WORKBOOK PAGE 17



WORKING CAPITAL

Page Colm Line

MOST MANUFACTURERS

| | | | | | |
|--|---|-------------|---|-------|----|
| Total Current Assets | | 35,396,037 | 1 | Asset | 34 |
| LIFO Reserve (if listed as a deduct from current assets) | + | 0 | 1 | Asset | 31 |
| Current Liabilities | - | 24,445,036 | 1 | Liab | 32 |
| Current Portion of Long-Term Debt (if memo) | - | 22,981,138 | 1 | Liab | |
| Working Capital | = | -12,030,137 | | | |

| | | | | | |
|--------------------------------------|--|------------|---|------|----|
| Working Capital Guide (OEM Provides) | | 10,951,001 | 1 | Memo | 48 |
|--------------------------------------|--|------------|---|------|----|

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 | |
|--------------------------------------|--|---|---|------|--|



FIXED ABSORPTION

Page Colm Line

| | | | | | |
|---|---|--------------|---|-------------|--------|
| YTD Service Gross Profit | | 1,704,648 | | YTD | |
| YTD Parts Gross Profit | + | 977,876 | | YTD | |
| YTD Body Shop Gross Profit | + | 0 | | YTD | |
| YTD Total Fixed Operations Gross Profit | = | 2,682,524 | A | | |
| YTD Total Expense | ÷ | 6,582,689 | B | 1 | YTD 56 |
| Fixed Absorption Percentage | = | <u>40.8%</u> | | Guide = 60% | |

The reciprocal of your Fixed Absorption Percentage represents your New and Pre-Owned gross profit dependency to break even.

TOTAL APSORPTION

Page Colm Line

| | | | | | |
|--|---|--------------|---|--------------|--------|
| YTD Gross Profit Total Fixed Opeations | | 2,682,524 | A | | |
| YTD Pre-Owned Gross Profit | + | 2,113,272 | | YTD | |
| YTD Gross Profit Total | = | 4,795,796 | | | |
| YTD Total Expenses | ÷ | 6,582,689 | B | 1 | YTD 56 |
| Total Absorption Percentage | = | <u>72.9%</u> | | Guide = 100% | |

The reciprocal of your Total Absorption Percentage represents your dependency on New Vehicle gross profit to break even.

| | | |
|------------------------|-------|-------------|
| Fixed Absorption | 40.8% | Guide = 60% |
| Pre-Owned Absorption | 32.1% | Guide = 40% |
| New Vehicle Dependency | 27.1% | |

CASH DAYS' SUPPLY

Page Colm Line

| | | | | | |
|----------------------|---|--------------------|---|-------|-----|
| Cash | | 1,279,318 | 1 | Asset | 1 |
| Contracts in Transit | + | 2,219,009 | 1 | Asset | 3-4 |
| Vehicle Receivables | + | 74,869 | 1 | Asset | 8 |
| Market Securities | + | 0 | 1 | Asset | 5 |
| Net Cash Available | = | <u>3,573,196</u> A | | | |

| | | | | | |
|---|---|------------------|---|-----|----|
| YTD Total Expenses | | 6,582,689 | 1 | YTD | 56 |
| YTD <u>Service Sales</u> | + | 2,705,492 | 2 | YTD | 2 |
| YTD <u>Service Gross</u> | - | 1,704,648 | 2 | YTD | 4 |
| YTD Total Cost of Labor | = | 1,000,844 | | | |
| YTD Total Expense & Cost Of Labor | = | 7,583,533 | | | |
| Statement Month | ÷ | 8 | | | |
| Average YTD Total Expense and Cost of Labor | | <u>947,942</u> B | | | |

| | | | | | |
|---|---|-------------|--|--|------------|
| Net Cash Availabe | | 3,573,196 A | | | |
| Average YTD Total Expense and Cost of Labor | ÷ | 947,942 B | | | |
| Cash Months' Supply | = | 3.77 | | | |
| Number of Days in a Month | × | 30 | | | |
| Cash Days Supply | = | <u>113</u> | | | Guide = 90 |