NADA ACADEMY

FROZEN CAPITAL: WARRANTY CLAIMS RECEIVABLE

			Page	Colm	Line
YTD Warranty Sales					
Service Warranty Sales	+	84,566	4	YTD	34
Parts Warranty Sales	+	110,358	4	YTD	55
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	=	194,924			
Statement Month	÷	8			
Average YTD Warranty Sales	=	24,366			
Factor	×	25.0%			
Your Guide	=	6,091 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	10,810
Your Guide	6,091 A
Frozen Capital	4,719

FROZEN CAPITAL: PRE-OWNED INVENTORY

			Page	Colm	Line
YTD Pre-Owned Sales *(without F&I)*	+	2,967,294	4	YTD	27
YTD Pre-Owned Gross Profit *(without F&I)*	-	9,752	4	YTD	28
YTD Inventory Adjustments *(+/- as on statement)*	±	0	4	YTD	30
YTD Pre-Owned Cost of Sales	=	2,957,542			
Statement Month	÷	8			
Average Month Pre-Owned Cost of Sales	=	369,693			
Factor	×	1.0	Guide = 1.0		
Your Guide	=	369,693 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		664158	1	Asset	23
Your Guide	-	369,693 A			
Frozen Capital		294,465			

FROZEN CAPITAL: PARTS & ACCESSORIES INVENTORY

					Page	Colm	Line
YTD Parts & Accessories Sales	+	976,493			4	YTD	78
(exclude gas, oil, grease and tire inventories)							
YTD Parts & Accessories Gross Profit	-	328,317			4	YTD	78
(exclude gas, oil, grease and tire inventories)							
YTD Inventory Adjustments *(+/- as on statement)*	±	344			4	YTD	70
YTD Parts & Accessories Cost of Sales	=	648,520					
Statement Month	÷	8					
Average Month Parts & Accessories Cost of Sales	=	81,065					
Factor	×	1.5			Guide = 1.5		
Your Guide	=	121,598	A				

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

				Page	Colm	Line
Parts & Accessories Inventory		237,514		1	Asset	30,31
Your Guide	-	121,598	A			
Frozen Capital		115,917				

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	+	430,414		4	YTD	32
Parts Repair Orders (ROs)	+	266,001		4	YTD	52
Parts Wholesale	+	408,107		4	YTD	58,59
Parts Counter Retail	+	49,380		4	YTD	57
	+	0			YTD	
	+	0			YTD	
	+	0			YTD	
	+	0			YTD	
Total YTD Parts, Service, and Body Shop Customer Labor and Parts Sales	=	1,153,902				
Statement Month	÷	8				
Average Month Parts & Accessories Cost of Sales	=	144,238				
Factor	×	50.0%		Guide = 50%		
Your Guide	=	72,119	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		49,470		1	Asset	7
Your Guide	-	72,119	A			
Frozen Capital		22,649				

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	+	$4,719
Pre-Owned Vehicle Inventory	+	$294,465
Parts & Accessories Inventory	+	$115,917
Service, Parts, Body Shop A/R	+	$0
Total Frozen Capital	=	$415,100