NADA ACADEMY

FROZEN CAPITAL: WARRANTY CLAIMS RECEIVABLE

			Page	Colm	Line
YTD Warranty Sales					
Service Warranty Sales	+	528,763	5	YTD	12
Parts Warranty Sales	+	573,490	5	YTD	12
Body Shop Parts Warranty Sales	+	NA		YTD	
Body Shop Service Warranty Sales	+	NA		YTD	
	+	0		YTD	
	+	0		YTD	
	+	0		YTD	
	+	0		YTD	
Total YTD Warranty Sales	=	1,102,253			
Statement Month	÷	8			
Average YTD Warranty Sales	=	137,782			
Factor	×	25.0%			
Your Guide	=	34,445 A			

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

Warranty Claims Receivable	2,950
Your Guide	34,445 A
Frozen Capital	31,495

NADA ACADEMY

FROZEN CAPITAL: PRE-OWNED INVENTORY

				Page	Colm	Line
YTD Pre-Owned Sales *(without F&I)*	+	22,124,096		2	YTD	2
YTD Pre-Owned Gross Profit *(without F&I)*	-	2,113,272		2	YTD	2
YTD Inventory Adjustments *(+/- as on statement)*	±	954,697		2	YTD	8
YTD Pre-Owned Cost of Sales	=	20,965,521				
Statement Month	÷	8				
Average Month Pre-Owned Cost of Sales	=	2,620,690				
Factor	×	1.0		Guide = 1.0		
Your Guide	=	2,620,690	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		2779540		1	Asset	22,23
Your Guide	-	2,620,690	A			
Frozen Capital		158,850				

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FROZEN CAPITAL: PARTS & ACCESSORIES INVENTORY

				Page	Colm	Line
YTD Parts & Accessories Sales *(exclude gas, oil, grease and tire inventories)*	+	2,905,780		2	YTD	2
YTD Parts & Accessories Gross Profit *(exclude gas, oil, grease and tire inventories)*	-	977,876		2	YTD	4
YTD Inventory Adjustments *(+/- as on statement)*	±	7,712		1	YTD	29
YTD Parts & Accessories Cost of Sales	=	1,920,192				
Statement Month	÷	8				
Average Month Parts & Accessories Cost of Sales	=	240,024				
Factor	×	1.5		Guide = 1.5		
Your Guide	=	360,036	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		370,181		1	Asset	28
Your Guide	-	360,036	A			
Frozen Capital		10,145				

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	+	869,463	5	YTD	7
Parts Repair Orders (ROs)	+	1,158,052	5	YTD	7
Parts Wholesale	+	192,059	1	YTD	1
Parts Counter Retail	+	117,335	1	YTD	5
	+	0		YTD	
	+	0		YTD	
	+	0		YTD	
	+	0		YTD	
Total YTD Parts, Service, and Body Shop Customer Labor and Parts Sales	=	2,336,909			
Statement Month	÷	8			
Average Month Parts & Accessories Cost of Sales	=	292,114			
Factor	×	50.0%	Guide = 50%		
Your Guide	=	146,057 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		211,415		Asset	
Your Guide	-	146,057 A			
Frozen Capital		65,358			

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	+	$158,850
Parts & Accessories Inventory	+	$10,145
Service, Parts, Body Shop A/R	+	$65,358
Total Frozen Capital	=	$234,353