



ACADEMY

FROZEN CAPITAL: WARRANTY CLAIMS RECEIVABLE

Page Colm Line

YTD Warranty Sales

Service Warranty Sales	+	460,998	5	YTD	12
Parts Warranty Sales	+	393,778	5	YTD	12
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	=	854,776			
Statement Month	÷	10			
Average YTD Warranty Sales	=	85,478			
Factor	×	25.0%			
Your Guide	=	21,369			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	10,484
Your Guide	21,369 A
Frozen Capital	<u>10,885</u>



FROZEN CAPITAL: PRE-OWNED INVENTORY

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YTD Pre-Owned Sales (<i>without F&I</i>)	+	15,455,287	4	YTD	18
YTD Pre-Owned Gross Profit (<i>without F&I</i>)	-	1,369,123	4	YTD	18
YTD Inventory Adjustments (+/- <i>as on statement</i>)	±	0		YTD	
YTD Pre-Owned Cost of Sales	=	14,086,164			
Statement Month	÷	10			
Average Month Pre-Owned Cost of Sales	=	1,408,616			
Factor	×	1.0			Guide = 1.0
Your Guide	=	1,408,616 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	2419698	1	Asset	
Your Guide	- 1,408,616 A			
Frozen Capital	<u>1,011,082</u>			

FROZEN CAPITAL: PARTS & ACCESSORIES INVENTORY

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YTD Parts & Accessories Sales	+	1,571,952	5	YTD	41
<i>(exclude gas, oil, grease and tire inventories)</i>					
YTD Parts & Accessories Gross Profit	-	464,192	5	YTD	42
<i>(exclude gas, oil, grease and tire inventories)</i>					
YTD Inventory Adjustments (+/- as on statement)	±	0		YTD	
YTD Parts & Accessories Cost of Sales	=	1,107,760			
Statement Month	÷	10			
Average Month Parts & Accessories Cost of Sales	=	110,776			
Factor	×	1.5			Guide = 1.5
Your Guide	=	166,164			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		258,483	1	Asset	28
Your Guide	-	166,164			A
Frozen Capital		<u>92,319</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	+	62,018	5	YTD	7
Parts Repair Orders (ROs)	+	78,572	5	YTD	7
Parts Wholesale	+	13,898	5	YTD	1
Parts Counter Retail	+	7,476	5	YTD	5
	+	0		YTD	
	+	0		YTD	
	+	0		YTD	
	+	0		YTD	
Total YTD Parts, Service, and					
Body Shop Customer Labor and Parts Sales		=	161,964		
Statement Month	÷	10			
Average Month Parts & Accessories Cost of Sales	=	16,196			
Factor	×	50.0%			Guide = 50%
Your Guide	=	8,098 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		15,069		Asset	
Your Guide	-	8,098 A			
Frozen Capital		6,971			

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	+	\$1,011,082
Parts & Accessories Inventory	+	\$92,319
Service, Parts, Body Shop A/R	+	\$6,971
Total Frozen Capital	=	<u>\$1,110,371</u>

