



| WARRANTY CLAIMS RECEIVABLE DAYS' SUPPLY   |   |                          | Page | Colm  | Line |
|---|---|--------------------------|------|-------|------|
| Current Month Parts, Service, and Body Shop Warranty Sales. See Note  |   |                          |      |       |      |
| Service Warranty Sales  | + | 54,564                   | 6    | Month | 27   |
| Parts Warranty Sales  | + | 58,804                   | 6    | Month | 45   |
| Body Shop Parts Warranty Sales  | + | 0                        |      | Month |      |
| Body Shop Service Warranty Sales  | + | 0                        |      | Month |      |
|   | + | 0                        |      | Month |      |
|   | + | 0                        |      | Month |      |
|   | + | 0                        |      | Month |      |
|   | + | 0                        |      | Month |      |
| <i>Total Current Month Parts, Service, and Body Shop Warranty Sales</i>   | = | 113,368                  | A    |       |      |
| Warranty Claims Receivable  |   | 16122                    | 1    | Asset | 16   |
| <i>Total Current Month Parts, Service, and Body Shop Warranty Sales</i>   |   |                          |      |       |      |
| <i>Shop Warranty Sales</i>  | ÷ | 113,368                  | A    |       |      |
| Months' Supply of Warranty Claims Receivable  | = | 0.14                     |      |       |      |
| Number of Days in the Month   | × | 30                       |      |       |      |
| Days' Supply of Warranty Claims Receivable  | = | 4.27                     |      |       |      |
| <u>Guide</u>  |   |                          |      |       |      |
| Note: The extra lines allow you to customize for your operation.  |   | 7.5 Days or 25% of Month |      |       |      |
| You need to go to the gross profit analysis section of your income statement where the detail of HOW you made your money resides. |   | 15 Days or 50% of Month  |      |       |      |
| Your OEM may have an maintenance plan that runs through warranty.   |   | 30 Days or 100% of Month |      |       |      |
| If you are selling a 3rde party extended service plan, this should be part of your customer receivables.                          |   |                          |      |       |      |
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This calculation is in your workbook and it is below. This calculation is optional. We will discuss Vehicle Receivables during our live session but the calculation can be very misleading dependant what your operation "parks" in the account. Examples include fleet deals, dealer transfers and wholesale units at the auction not yet paid for.

**VEHICLE RECEIVABLE DAYS' SUPPLY**

|   |   |            | Page | Colm  | Line      |
|---|---|------------|------|-------|-----------|
| YTD New Vehicle Sales Dollars                   |   | 31,010,131 | 3    | YTD   | 1         |
| YTD Pre-Owned Vehicle Sales Dollars             | + | 20,321,064 | 3    | YTD   | 1         |
| YTD New and Pre-Owned Vehicle Sales Dollars     | = | 51,331,195 |      |       |           |
| Statement Month                                 | ÷ | 4          |      |       |           |
| Avg YTD New and Pre-Owned Vehicle Sales Dollars | = | 12,832,799 |      |       |           |
| Vehicle Receivable                              |   | 540,874    | 7    | Asset | 55        |
| Avg YTD New and Pre-Owned Vehicle Sales Dollars | ÷ | 12,832,799 |      |       |           |
| Months' Supply of Vehicle Receivable            | = | 0.042      |      |       |           |
| Number of Days in the Month                     | × | 30         |      |       |           |
| Days' Supply of Vehicle Receivable              | = | 1.26       |      |       | Guide = 3 |

**VEHICLE RECEIVABLES SHOULD NOT AGE !**