



Reporting and Transparency and why they matter.



Most service companies don't want you to see the financial details. Where the money went, what was sold, how much they got paid, what is the buy rate on the loan, which products they did not share with you, what fees they charged and kept.

The truth is they don't want to be accountable and the more you know the more you will expect. F&I is a highly profitable revenue stream that should come with expectations and transparency.

How quickly and routinely do you know the answers to these questions?

- What F&I products were sold and what profit was produced?
- What did you earn off of all of the products sold?
- What is your average F&I profit per deal funded?
- What are you paying your service company over time and are they outproducing the cost of their service?
- Is the profit compared to any type of standard and is it good or not?
- What is your true split after fees and products that are not shared?

Remember, this should be your most profitable revenue stream and you should be in the know!


Sample Sale Recap

Does the detail of your sale show everything along with a simple total?

Amount Financed Detail		F&I Profit Detail					ACH Detail	
		Retail	Cost	Profit	Dealer Share	DURF Share	Withdrawal to DURF	
Base Unit+Options	44,800.00	1,608.00	1,608.00	1,206.00	402.00		402.00	
Trade in allowance	8,000.00	1,800.00	900.00	900.00	675.00	225.00	1,125.00	
Trade payoff	6,000.00	850.00	200.00	650.00	487.50	162.50	862.50	
Other fees	0.00	2,200.00	1,100.00	1,100.00	500.00	500.00	1,650.00	
UCC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
F&I (excludes reserve)	5,600.00	800.00	400.00	400.00	300.00	100.00	500.00	
Cash Down	10,000.00	0.00	0.00	0.00	0.00	0.00	0.00	
Dealer prep	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Sales Tax	1,750.00	0.00	0.00	0.00	0.00	0.00	0.00	
Total Amount Financed	\$40,200.00	\$7,258.00	\$2,600.00	\$4,658.00	\$3,218.50	\$1,419.50	\$4,039.50	= \$1,419.50 + \$2,600.00

Sample Accounting Recap

Does your service company optionally show how to record the entire sale in a format that complies with 20 groups and generally accepted accounting principles?



Sale Accounting Detail				
	Debit	Credit	Class	Notes
Cash to Dealer	41,808.00		Asset	Includes Amount Financed + Finance reserve
Base unit		43,000.00	Revenue	
Options		1,800.00	Revenue	
Used Inventory	8,000.00		Asset	Trade in Acquired
Used Inventory loan pending payoff		6,000.00	Liability	Trade in loan payoff
Bank/title fees	-		Cost of Goods Sold	
F&I Reserve		1,608.00	Revenue	
F&I Product Sales Retail		5,650.00	Revenue	
F&I Product Sale Cost	2,600.00		Cost of Goods Sold	
F&I Product Sale Remittals		2,600.00	Liability	to be remitted by DLR Financial after ACH transaction below
F&I outsourcing Commission	1,439.50		Cost of Goods Sold	
F&I outsourcing Payable		1,439.50	Liability	will be paid to DLR Financial through ACH below
Cash Down pmt	10,000.00		Liability	
Dealer Prep fee		-	Revenue	
Sales Tax Due		1,750.00	Liability	the dealership must remit sales tax
Cost of Unit	42,500.00		Cost of Goods Sold	
Unit Inventory		42,500.00	Asset	to remove the sold unit from inventory
Total	\$106,347.50	\$106,347.50	\$0.00	+/-
ACH Accounting Detail				
	Debit	Credit	Class	Notes
F&I Product Sale Remittals	2,600.00		Liability	
F&I outsourcing Payable	1,439.50		Liability	
Cash		4,039.50	Asset	
Total	\$4,039.50	\$4,039.50	\$0.00	+/-

Expect More, Make More!

Contact us today!