

EXHIBIT 2**Sales Projections, Collections, Purchases and Payments**

Monthly sales projections (in dozens of cookies):

January	The year you were born
February	The first four digits of your phone number
March	The first four digits of your Spartan ID
April	The last four digits of your Spartan ID

You have stopped production of cookies at year end to facilitate the expansion of the business.

Therefore, you expect to have no uncollected accounts receivables, unpaid accounts payable,

Or raw material inventories at January 1, the beginning of your budget period.

Collections on Sales:

	Percentage
Cash sales are collected in the month of sale.	60%
Credit sales collected in the next month after sale	25%
Credit sales collected in the second month after sale	15%

Production:

The company produces complete batches of the cookies daily. No work-in-process is maintained.

Raw materials:

The company plans to maintain an ending inventory of raw materials at the end of each month calculated as a percentage of raw materials production needs for the next month.

Desired ending raw materials inventory percentage:	10%
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Payment for Raw Materials:

Percentage

Paid in the month of purchase	25%
Paid in the month following purchase	45%
Paid in the second month following purchase	30%

Finished goods:

The company plans to maintain an ending inventory of finished goods at the end of each month calculated as a percentage of sales needs for the next month.

Desired ending finished goods percentage:	5%
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See Exhibit 1 for information regarding raw material costs, manufacturing overhead, and operating expense.