

16.2 **Cash Balance for Masson Corporation.** The Masson Corporation has a 60-day average collection period and wishes to maintain a \$5 million minimum cash balance. Based on this and the information below, complete the following cash budget. What conclusions do you draw?

MASSON CORPORATION Cash Budget (in millions)				
	Q1	Q2	Q3	Q4
Beginning receivables	\$120			
Sales	90	\$120	\$150	\$120
Cash collections				
Ending receivables				
Total cash collections				
Total cash disbursements	80	160	180	160
Net cash inflow				
Beginning cash balance	\$ 5			
Net cash inflow				
Ending cash balance				
Minimum cash balance				
Cumulative surplus (deficit)				