



The following data about Hanssen sales corporation is available for year 2001.

11002

	May [Actual]	June [Actual]	July [Budget]
Cash sales	\$ 80,000	\$ 100,000	\$ 60,000
Credit sales	\$ 240,000	\$ 360,000	\$ 180,000
Total sales	\$ 320,000	\$ 460,000	\$ 240,000

Markup as % of cost of goods sold 25.00%

Estimate: % of credit sales that are uncollectible 5.00%

Of the credit sales that are collectible, % collected in the month of sale 60.00%

The remainder is collected in the month following the sale.

% of the next month's projected total sales purchased as inventory 70.00%

All purchases of inventory are initially on account.

% of purchases paid in the month of purchase 25.00%

The remainder is paid in the month following the purchase.

Compute

1 Hanssen's budgeted total cash receipts in July 2001

2 Hanssen's budgeted total cash payments in June 2001 for inventory purchases