Budgeting Cycle

		Cash inflow		
	Beginning Accounts Receivable			
		Cash collected this period from this period sales		
-	Ending accounts receivable Percentage of ...			
		Sales		
Start				
		Cost of goods sold		
	Percentage of ...			
+	Ending finished goods			
=	Target	Cost of goods available for sale		
-	Beginning finished goods Known			
=		Cost of goods manufactured		
		-> Materials used	Labor	Overhead
	Percentage of ...			
+	Ending materials			
=		Materials needed		
-	Beginning materials Known			
=		Materials purchased		
	Percentage of ...			
-	Ending accounts payable			
=		Paid for this period's purchase	Direct labor costs; Cash part	
+	Beginning accounts payable; Known			Overhead Cash part
=		Cash paid for materials		