|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Sales Budget** | | | | |
| Periods | 1st 2020 | 2nd 2020 | 3rd 2020 | 4th 2020 | Total |
| Sales unit | 60,000 | 75,000 | 80,000 | 95,000 | 310,000 |
| Price per unit | $950 | $950 | $950 | $950 | $950 |
| Total sales revenue | $57,000,000 | $71,250,000 | $76,000,000 | $90,250,000 | $294,500,000 |
|  |  |  |  |  |  |
|  | **Production Budget** | | | | |
| Periods | 1st 2020 | 2nd 2020 | 3rd 2020 | 4th 2020 | Total |
| Ending finished goods | 15,000 | 16,000 | 19,000 | 19,000 | 69,000 |
| Sales unit | 60,000 | 75,000 | 80,000 | 95,000 | 310,000 |
| Total units accounted for | 75,000 | 91,000 | 99,000 | 114,000 | 379,000 |
| Beginning finished goods | 12,000 | 15,000 | 16,000 | 19,000 | 62,000 |
| Units produced | 63,000 | 76,000 | 83,000 | 95,000 | 317,000 |
|  |  |  |  |  |  |
|  | **Direct Material Purchases Budget** | | | | |
| Periods | 1st 2020 | 2nd 2020 | 3rd 2020 | 4th 2020 | Total |
| Teak wood per unit | 6 | 6 | 6 | 6 |  |
| Units produced | 63,000 | 76,000 | 83,000 | 95,000 | 317,000 |
| Total teak wood required | 378,000 | 456,000 | 498,000 | 570,000 | 1,902,000 |
| Ending DM inventory | 136,800 | 149,400 | 171,000 | 171,000 | 628,200 |
| Total teak wood accounted for | 514,800 | 605,400 | 669,000 | 741,000 | 2,530,200 |
| Beginning MD inventory | 113,400 | 136,800 | 149,400 | 171,000 | 570,600 |
| Teak wood purchased | 401,400 | 468,600 | 519,600 | 570,000 | 1,959,600 |
| Cost per metre | $80 | $80 | $80 | $80 |  |
| **Teak wood purchased** | **$32,112,000** | **$37,488,000** | **$41,568,000** | **$45,600,000** | **$156,768,000** |
|  |  |  |  |  |  |
| Periods | 1st 2020 | 2nd 2020 | 3rd 2020 | 4th 2020 | Total |
| Marble per unit | 0.5 | 0.5 | 0.5 | 0.5 |  |
| Units produced | 63,000 | 76,000 | 83,000 | 95,000 | 317,000 |
| Slabs of mable required | 31,500 | 38,000 | 41,500 | 47,500 | 158,500 |
| Ending DM inventory | 11,400 | 12,450 | 14,250 | 14,250 | 52,350 |
| Total marble accounted for | 42,900 | 50,450 | 55,750 | 61,750 | 210,850 |
| Beginning DM inventory | 9,450 | 11,400 | 12,450 | 14,250 | 47,550 |
| Marble purchased | 33,450 | 39,050 | 43,300 | 47,500 | 163,300 |
| Cost per slab | $600 | $600 | $600 | $600 |  |
| Marble purchased | $20,070,000 | $23,430,000 | $25,980,000 | $28,500,000 | $97,980,000 |
|  |  |  |  | **Total** | **$254,748,000** |
|  |  |  |  |  |  |
|  | **Direct Labour Budget** | | | | |
| Periods | 1st 2020 | 2nd 2020 | 3rd 2020 | 4th 2020 | Total |
| Direct labou hours per unit | 4 | 4 | 4 | 4 |  |
| Units produced | 63,000 | 76,000 | 83,000 | 95,000 | 317,000 |
| Direct labour hours required | 252,000 | 304,000 | 332,000 | 380,000 | 1,268,000 |
| Cost per direct labour hour | $25 | $25 | $25 | $25 |  |
| Total direct labour cost | $6,300,000 | $7,600,000 | $8,300,000 | $9,500,000 | 31,700,000 |
|  |  |  |  |  |  |
|  | **Overhead Budget** | | | | |
| Periods | 1st 2020 | 2nd 2020 | 3rd 2020 | 4th 2020 | Total |
| Variable overhead costs per direct labour hour | $10 | $10 | $10 | $10 |  |
| Direct labour hours | 252,000 | 304,000 | 332,000 | 380,000 | 1,268,000 |
| Total variable overhead costs | $2,520,000 | $3,040,000 | $3,320,000 | $3,800,000 | $12,680,000 |
|  |  |  |  |  |  |
| Fixed overhead costs per direct labour hours | $1 | $1 | $1 | $1 |  |
| Direct labour hours | $252,000 | $304,000 | $332,000 | $380,000 | $1,268,000 |
| Total fixed overhead costs | $250,000 | $250,000 | $250,000 | $250,000 | $1,000,000 |
|  |  |  |  |  |  |
| Total overhead allocated | $2,770,000 | $3,290,000 | $3,570,000 | $4,050,000 | $13,680,000 |
| Payment of Muf OH |  |  |  |  | $14,680,000 |
|  |  |  |  |  |  |
|  | **Selling and Administrative Expenses Budget** | | | | |
| Periods | 1st 2020 | 2nd 2020 | 3rd 2020 | 4th 2020 | Total |
| Fixed selling and admin expense (exclude Depn) | $45,000 | $45,000 | $45,000 | $45,000 | $180,000 |
| Depreciation expenses | $5,000 | $5,000 | $5,000 | $5,000 | $20,000 |
| Variable selling and admin expense | $600,000 | $750,000 | $800,000 | $950,000 | $3,100,000 |
| Total | $650,000 | $800,000 | $850,000 | $1,000,000 | $3,300,000 |
|  |  |  |  | Paid expense | 3,280,000 |
|  |  |  |  |  |  |
|  | **Ending Finished Goods Inventory Budget** | | | |  |
| Periods | 1st 2020 | 2nd 2020 | 3rd 2020 | 4th 2020 |  |
| Ending finished goods inventory | 15,000 | 16,000 | 19,000 | 19,000 |  |
| Direct material |  |  |  |  |  |
| Teak wood per unit | $480 | $480 | $480 | $480 |  |
| Marble per unit | $300 | $300 | $300 | $300 |  |
| Direct labour | $100 | $100 | $100 | $100 |  |
| Allocated overhead |  |  | 926.32 | $4\*11.58 |  |
| Cost per unit |  |  |  |  |  |
| Ending finished goods inventory |  |  |  | $17,600,080 |  |
|  |  |  |  |  |  |
|  | **Cost of Goods Sold Budget** | | | |  |
| Periods | 1st 2020 | 2nd 2020 | 3rd 2020 | 4th 2020 |  |
| Sales unit | 60,000 | 75,000 | 80,000 | 95,000 |  |
| Beginning finished goods inventory | 12,000 | 15,000 | 16,000 | 19,000 |  |
| Unit cost | $750 | $926.32 | $926.32 | $926.32 |  |
|  |  |  |  |  |  |
| Finished goods produced and sold this quarter | 48,000 | 60,000 | 64,000 | 76,000 |  |
| Unit cost | $926.32 | $926.32 | $926.32 | $926.32 |  |
| COGS | $53,463,360 | $69,474,000 | $74,105,600 | $88,000,400 |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  | **Cash Budget** | | | |  |
| Periods | 1st 2020 | 2nd 2020 | 3rd 2020 | 4th 2020 | Total |
| Cash receipts |  |  |  |  |  |
| Cash sales | $28,500,000 | $35,625,000 | $38,000,000 | $45,125,000 | $147,250,000 |
| Credit sales from last month |  | $17,100,000 | $21,375,000 | $22,800,000 | $61,275,000 |
| Credit sales from the month before last month | $3,300,000 |  | $9,975,000 | $12,468,750 | $25,743,750 |
| Total cash receipts | $31,800,000 | $52,725,000 | $69,350,000 | $80,393,750 | $234,268,750 |
|  |  |  |  |  |  |
| Cash payments |  |  |  |  |  |
| Direct materials purchased this month | $26,091,000 | $30,459,000 | $33,774,000 | $37,050,000 | $127,374,000 |
| Direct materials purchased last month | $7,371,000 | $26,091,000 | ik$30,459,000 | $33,774,000 | $97,695,000 |
| Wages and salaries | $6,300,000 | $7,600,000 | $8,300,000 | $9,500,000 | $31,700,000 |
| Fixed overhead w/o depreciation | $250,000 | $250,000 | $250,000 | $250,000 | $1,000,000 |
| Variable overhead | $2,520,000 | $3,040,000 | $3,320,000 | $3,800,000 | $12,680,000 |
| Fixed selling and admin w/o depreciation | $45,000 | $45,000 | $45,000 | $45,000 | $180,000 |
| Varaible selling and admin expense | $600,000 | $750,000 | $800,000 | $950,000 | $3,100,000 |
| Dividend expenses | $500,000 | $500,000 | $500,000 | $500,000 | $2,000,000 |
| Equipment |  |  | $200,000 |  | $200,000 |
| Interest expense | $600,000 | $600,000 | $600,000 | $600,000 | $2,400,000 |
| Tax expenses | $569,857 | $0 | $0 | $0 | $569,857 |
| Total cash payments | $44,846,857 | $69,335,000 | $78,248,000 | $86,469,000 | $278,898,857 |
|  |  |  |  |  |  |
| Changes in cash | -$13,046,857 | -$16,610,000 | -$8,898,000 | -$6,075,250 | -$44,630,107 |
| Beginnign cash balance | $250,000 | $200,000 | $200,000 | $200,000 |  |
| Ending cash balance | -$12,796,857 | -$16,410,000 | -$8,698,000 | -$5,875,250 |  |
|  |  |  |  |  |  |
|  | **Profit and Loss Pro Forma** | | | |  |
| Periods | 1st 2020 | 2nd 2020 | 3rd 2020 | 4th 2020 | Total |
| Sales revenue | $57,000,000 | $71,250,000 | $76,000,000 | $90,250,000 | $294,500,000 |
| COGS | $53,350,476 | $69,256,892 | $73,845,403 | $87,657,229 | $284,110,000 |
| Gross CM | $3,649,524 | $1,993,108 | $2,154,597 | $2,592,771 | $10,390,000 |
| Other expenses |  |  |  |  |  |
| Fixed selling and admin expense | $50,000 | $50,000 | $50,000 | $50,000 | $200,000 |
| Variable selling and admin expense | $600,000 | $750,000 | $800,000 | $950,000 | $3,100,000 |
| Bad debt expenses |  |  | $1,425,000 | $1,781,250 | $3,206,250 |
| Dividend expenses | $500,000 | $500,000 | $500,000 | $500,000 | $2,000,000 |
| Interest expense | $600,000 | $600,000 | $600,000 | $600,000 | $2,400,000 |
| Total expenses | $1,750,000 | $1,900,000 | $3,375,000 | $3,881,250 | $10,906,250 |
| Net profit before tax | $1,899,524 | $93,108 | -$1,220,403 | -$1,288,479 | -$516,250 |
| Tax expense | $569,857 | $27,932 | -$366,121 | -$386,544 | -$154,875 |
| Net profit after tax | $1,329,667 | $65,175 | -$854,282 | -$901,935 | -$361,375 |