Note: for cash flow forecasting, all estimates should include gst	Monthly cash receipts														
	Year 1			Year 2											
	October	November	December	January	February	March	April	May	June	July	August	September	October	November	December
Total monthly sales	$4,056	$4,300	$4,800	$5,500	$5,500	$6,050	$6,600	$6,930	$7,150	$7,700	$7,920	$8,030	$8,250	$8,470	$7,700
Total cash sales 40%	Not required			$2,200	$2,200	$2,420	$2,640	$2,772	$2,860	$3,080	$3,168	$3,212	$3,300	$3,388	$3,080
Total credit sales 60%	$2,434	$2,580	$2,880	$3,300	$3,300	$3,630	$3,960	$4,158	$4,290	$4,620	$4,752	$4,818	$4,950	$5,082	$4,620

The next step is for Joe to complete a table that calculates the cash collections from his credit sales. For the sales made on credit, Joe has worked out the average collection rate and has made a note in the following table:

% of sales receipts collected in month following the sale	60%
% of sales receipts collected in 2nd month following the sale	30%
% of sales receipts collected in 3rd month following the sale	10%

Applying the above percentages to his estimated sales for Year 2, Joe has been able to calculate the estimated "actual" cash receipts from sales.

Credit sales made		Monthly credit sales collected														
			Year 1		Year 2											
			November	December	January	February	March	April	May	June	July	August	September	October	November	December
Year 1	October	$2,434														
	November	$2,580	$1,460	$730	$243											
	December	$2,880		$1,548	$774	$258										
Year 2	January	$3,300			$1,728	$864	$288									
	February	$3,300				$1,980	$990	$330								
	March	$3,630					$1,980	$990	$330							
	April	$3,960						$2,178	$1,089	$363						
	May	$4,158							$2,376	$1,188	$396					
	June	$4,290								$2,495	$1,247	$416				
	July	$4,620									$2,574	$1,287	$429			
	August	$4,752										$2,772	$1,386	$462		
	September	$4,818											$2,851	$1,426	$475	
	October	$4,950												$2,891	$1,445	$482
	November	$5,082													$2,970	$1,485
	December	$4,620														$3,049
Total monthly credit sales collected					$2,745	$3,102	$3,258	$3,498	$3,795	$4,046	$4,217	$4,475	$4,666	$4,778	$4,891	$5,016

Now he has his monthly cash collections from credit sales, Joe adds these figures to his monthly cash sales to calculate the total cash collected for each month.

Total cash sales 40%	Not required	$2,200	$2,200	$2,420	$2,640	$2,772	$2,860	$3,080	$3,168	$3,212	$3,300	$3,388	$3,080
Total monthly cash collected	Not required	$4,945	$5,302	$5,678	$6,138	$6,567	$6,906	$7,297	$7,643	$7,878	$8,078	$8,279	$8,096