

Assignment for Monday, February 26th, 2001

Case:

SureCut Shears, Inc.

Questions:

Forecast SureCut's expected cash requirements for the remainder of calendar 1996. Assume that the recession continues and project sales at 85% of previous monthly projections; i.e., use 85% of sales forecast for July 1995 as a forecast for July 1996. Also project accrued taxes carefully; if taxes paid exceed the tax liability, do not make a payment.