I need help with the question below. The response to this question is being evaluated on the basis of: understanding of concepts, computational correctness, thoughtfulness, and clarity. All necessary calculations must be clearly shown. Your response can be in either Word or Excel.

1. Answer both independent parts.
2. Dagwood Company manufactures three products (A,B,C). During the coming period, Dagwood expects to have 7,500 direct labor hours and 5,500 machine hours available. Given the following data, determine how much of each product Dagwood should produce (assume that Dagwood maintains no inventories of finished product). Direct labor cost is $28/hour.

A B C

Direct materials cost/unit $55 $86 $102

Variable overhead/unit $23 $40 $39

Fixed overhead/unit $52 $65 $74

Selling price/unit $240 $400 $460

Labor hours/unit 1.5 3.5 3

Machine hours/unit 1 2.5 3

Forecast demand in units 1,400 1,100 700

1. Sherman Company has a cash balance on January 1 of $123,484. Given the following data, compute Sherman’s budgeted cash balance on March 31. Round all amounts to the nearest dollar.

Past and budgeted future activity, in $000:

Sales Operating expense

November 1,526 425

December 1,491 400

January 1,388 408

February 1,295 395

March 1,456 416

April 1,422 399

Sherman has a gross profit of 40%, and has a policy of maintaining an inventory of 150% of expected next-month sales. Operating expenses are paid 80% in the current month, and 20% in the following month. Purchases of merchandise are paid for 50% in the current month, and 50% in the following month. All sales are on credit. Normal pattern of collections is: 40% in month of sale, 46% in following month, 10% in next following month, 4% uncollectible.