

# Problems

Obj | 2



✓ 3. Total direct materials purchases, \$3,894,830

## P13-1 Sales, production, direct materials purchases, and direct labor cost

The budget director of Royal British Furniture Company requests estimates of sales, production, and other operating data from the various administrative units every month. Selected information concerning sales and production for March is summarized as follows:

a. Estimated sales of William and Kate chairs for March by sales territory:

Eastern Domestic:

William	7,500 units at \$800 per unit
Kate	6,000 units at \$650 per unit

Western Domestic:

William	6,000 units at \$700 per unit
Kate	5,000 units at \$550 per unit

International:

William	2,500 units at \$600 per unit
Kate	1,000 units at \$350 per unit

b. Estimated inventories at March 1:

Direct materials:

Fabric	5,500 sq. yds.
Wood	13,700 lineal ft.
Filler	3,800 cu. ft.
Springs	3,500 units

Finished products:

William	1,500 units
Kate	300 units