Assignment 1: Budget Planning and Control Due Week 8 and worth 200 points Before approaching this assignment, be sure that you have watched the following video: • Wiley (2011, September 28). Budgetary planning featuring Babycakes \*full video\* [Video file]. Retrieved from https://www.youtube.com/watch?v=frh3I2rVDzs Babycakes, a specialty bakery, is the company that will be considered for all parts of your budget planning and control report. For this assignment, you will develop a 3–4-page paper in which you address the following. 1. Briefly discuss the ways a realistic budget will benefit the owner of Babycakes versus no budget at all. Be sure to use Babycakes as the company and any specific product details in your explanation. 2. Prepare a sales budget for the LA Babycakes store for the fourth quarter of 2016. Present the number of units, sales price, and total sales for each month; include October, November, and December, and the total for the quarter. Use one half of the Valentine’s Day sales as the basis for a usual day in the new quarter. Use 30 days for each month. Calculate the total sales for each month for October, November, and December. 3. Create three new products, one for each of the three holiday seasons in the fourth quarter. Estimate the sales units, sales price, and total sales for each month. Describe the assumptions used to make these estimates. Include an overview of the budget in the report, presenting the actual budget as an appendix with all the data and calculations. Add these amounts to your sales budget. 4. The owner of Babycakes is interested in preparing a flexible budget rather than the static budget she currently uses. She does not understand why, when sales increase, her static budget often shows an unfavorable variance. Explain how a flexible budget will overcome this problem. Use the details of your newly prepared budget for the fourth quarter of 2016 to address her concern. 5. Imagine that Babycakes is facing a financial challenge that is causing the actual amount of money that it spends to become significantly more than its budgeted amount. Include a discussion of your own unique cause of the overspending. Explain the corrective actions needed to address these challenges. 6. Integrate relevant information from at least three quality academic resources in this assignment. Note: Please do not use your textbook as an academic resource. Also, Wikipedia and other similar websites do not qualify as quality academic resources. You have access to Strayer University’s Online Library at https://research.strayer.edu and the iCampus University Library Research page at https://icampus.strayer.edu/library/research. Your assignment must follow these formatting requirements: • Be typed, double-spaced, using Times New Roman font (size 12), with 1-inch margins on all sides; references must follow APA or school-specific format. Check with your professor for any additional instructions. • Include a cover page containing the title of the assignment, the student’s name, the professor’s name, the course title, and the date. The cover page and the reference page are not included in the required page length. • An abstract is not required. The specific course learning outcomes associated with this assignment are as follows: • Assess how accounting tools and techniques influence business planning, decision-making, and control. • Evaluate financial accounting tools and techniques that convert financial accounting data into information for decision-making.