

Variance Analysis Budget Statement

Department: Operations
Period: Jan 2024 - Mar 2024
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Date: April 10, 2024

Account	Budgeted Amount (\$)	Actual Amount (\$)	Variance (\$)	Variance (%)	Remarks
Salaries & Wages	120,000	122,500	+2,500	+2.1%	Unplanned overtime in March
Office Supplies	6,000	5,200	-800	-13.3%	Lower than expected usage
Utilities	8,500	9,400	+900	+10.6%	Rate increase effective Feb 2024
Travel & Transport	4,500	3,200	-1,300	-28.9%	Reduced trips due to policy change
Maintenance	2,000	2,600	+600	+30.0%	Unexpected equipment repair
Total	141,000	142,900	+1,900	+1.3%	

Summary

Overall, the actual expenditures slightly exceeded the budgeted amount due to increased maintenance and utilities costs. Key savings in office supplies and travel offset some of the overruns.

Important Notes

- Variance analysis helps management identify areas needing attention or adjustment.
- Positive variances (underspending) are not always favorable; context is important.
- Regular variance analysis contributes to better financial control and future budgeting accuracy.
- All significant variances should be explained with clear, concise remarks.
- This document serves as a basis for decision-making and accountability.