

# Variance Analysis Budget Statement

Department: Operations

Period: Jan 2024 - Mar 2024

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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
<b>Total</b>	<b>141,000</b>	<b>142,900</b>	<b>+1,900</b>	<b>+1.3%</b>	

## 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.