

# Variance Analysis Report

Annual Budget â€” FY 2023/2024

Category	Budgeted Amount	Actual Amount	Variance	Variance (%)	Remarks
Revenue	1,200,000	1,150,000	-50,000	-4.2%	Lower sales in Q4
Cost of Goods Sold	600,000	610,000	+10,000	+1.7%	Higher supplier costs
Gross Profit	600,000	540,000	-60,000	-10.0%	
Operating Expenses	350,000	340,000	-10,000	-2.9%	Cost-saving initiatives
Net Profit	250,000	200,000	-50,000	-20.0%	Revenue shortfall

## Important Notes:

- Variance analysis helps in identifying differences between budgeted and actual financial figures.
- Significant variances should be investigated and explained in the remarks section.
- This document supports effective decision-making and future budget planning.
- Consistent formatting enhances clarity and comparability across periods.
- All amounts are in base currency and represent annual totals unless otherwise specified.