

Revenue Variance Analysis Report

Report Overview

Reporting Period: Q1 2024
Prepared By: Finance Department
Date: 28-June-2024

Summary Table

| Revenue Source | Budget (\$) | Actual (\$) | Variance (\$) | Variance (%) |
|-----------------|----------------|----------------|----------------|--------------|
| Product Sales | 500,000 | 530,000 | +30,000 | +6% |
| Service Revenue | 200,000 | 190,000 | -10,000 | -5% |
| Other Income | 30,000 | 34,000 | +4,000 | +13% |
| Total | 730,000 | 754,000 | +24,000 | +3.3% |

Variance Explanations

Product Sales (+6%)

- Higher-than-expected demand for new product line.
- Successful marketing campaigns contributed to increased sales.

Service Revenue (-5%)

- Delayed completion of key client projects.
- Reduction in renewal contracts from existing customers.

Other Income (+13%)

- One-time receipt from asset disposal.
- Increased interest income from higher cash balances.

Action Plan

- Accelerate project timelines to recover service revenue shortfall.
- Enhance customer retention strategies for service contracts.
- Continue investment in high-performing marketing channels.

Important Notes

- Revenue variance analysis highlights areas of over- or under-performance compared to budget.
- Regular variance reporting enables timely management action and resource allocations.
- Accurate categorization and timely data collection improve report reliability.
- Detailed explanations for variances foster transparency and accountability.