



# FloQast Variance Analysis

FloQast Variance Analysis is a capability offered with FloQast Close for Finance and Accounting teams who need to manage business and budgetary performance through Flux and Budget variance analysis.

## A Rushed Effort To Deliver Insight With Variance Analysis

Variance Analysis aids strategic decision-making with performance insights. It detects errors and fraud before Financial Statement completion. ERPs provide comparative reports, but teams spend hours manipulating spreadsheets. Efficient report generation expedites analysis, leading to more time spent giving CFOs vital insights for performance evaluation, decision-making, risk management, stakeholder communication, and goal measurement.

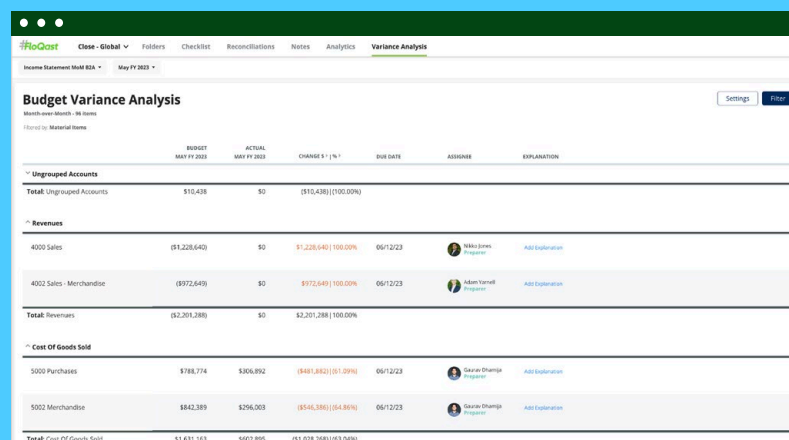
## Tell the Variance Story With Confidence

FloQast Variance Analysis offers a comprehensive and easy-to-use solution for Accounting teams to perform two types of analysis more effectively: Flux Analysis to identify variances between current and previous periods and Budget Variance Analysis to identify variances between current periods and budgeted amounts. Now, accountants can identify material variances, understand the underlying causes, and take action to reduce risk and improve financial decision-making. And the CFO can now craft the story of business performance.

## Key Features

### Automated Reports and Scoping

FloQast Variance Analysis automatically generates reports by integrating directly with your Close and ERP. Teams are no longer at the mercy of ever-changing trial balance updates with variance reports that update automatically. Automate scoping with materiality thresholds set by accounting teams by dollar and percent fluctuations. FloQast helps accounting and finance teams bridge the gap for faster and more accurate explanations of budgetary variances.



The screenshot shows the FloQast interface for a Budget Variance Analysis report. The report is titled "Budget Variance Analysis" and is for the period "March-over-March - 36 Items". It is filtered by "Material Items". The report displays a table with columns: BUDGET, ACTUAL, CHANGE \$, % CHG, QTR DATE, ASSIGNED, and EXPLANATION. The data is organized into sections: Ungrouped Accounts, Revenues, and Cost Of Goods Sold. Each section shows a total and then breaks down into specific items with their respective budget, actual, and change values.

	BUDGET	ACTUAL	CHANGE \$	% CHG	QTR DATE	ASSIGNED	EXPLANATION
<strong>Ungrouped Accounts</strong>							
Total Ungrouped Accounts	\$10,438	\$0	(\$10,438)	(100.00%)			
<strong>Revenues</strong>							
4000 Sales	(\$1,228,640)	\$0	\$1,228,640	100.00%	06/12/23	Mike Jones	Add Explanation
4002 Sales - Merchandise	(\$972,649)	\$0	\$972,649	100.00%	06/12/23	Adam Farrell	Add Explanation
Total Revenues	(\$2,201,289)	\$0	\$2,201,289	100.00%			
<strong>Cost Of Goods Sold</strong>							
5000 Purchases	\$788,774	\$306,892	(\$481,882)	(61.09%)	06/12/23	Debra Chapp	Add Explanation
5002 Merchandise	\$842,389	\$296,203	(\$546,186)	(64.84%)	06/12/23	Debra Chapp	Add Explanation
Total Cost Of Goods Sold	\$1,631,163	\$603,095	(\$1,028,068)	(63.04%)			

## Deeper Insights with Transaction Level Details\*

FloQast Variance Analysis collects transaction details grouped by vendor or department, confirming completeness through reconciling subtotals. This ensures a complete data source for insightful explanations of material variances. Perform centralized variance analysis in FloQast so your team doesn't have to return to its ERP, manually set parameters, download the report, and pivot the data. In addition, reviewers can easily access the same underlying data that preparers used to draft the explanation. Seamlessly perform a vendor analysis to identify significant vendor-level fluctuations and track spending by department so your organization can operate as effectively as possible.

The screenshot shows the FloQast Flux Analysis interface. At the top, there's a navigation bar with 'Flux Analysis' selected. Below it, a summary table shows data for May FY 2023 and April FY 2023. The main part of the screen displays a table of transactions for '6600 Manufacturing Expenses'. The table has columns for Transaction ID, Date, Description, Vendor, and Amount. The data shows various transactions related to manufacturing expenses, including purchases of computers, software licenses, and other supplies.

Transaction ID	Date	Description	Vendor	Amount
6600 Total				\$16,422
Digital Supply Total				\$14,870
Transaction ID	Date	Description	Vendor	Amount
66000002702	05/04/2023	Purchased computers for office use	Digital Supply	\$1,325
66000002703	05/04/2023	Paid for computer accessories, keyboards and mice	Digital Supply	\$1,496
66000002703	05/04/2023	Purchased computer software licenses	Digital Supply	\$4,963
66000002703	05/04/2023	Paid for computer repair services	Digital Supply	\$4,881
66000002703	05/04/2023	Bought new servers for the company network	Digital Supply	\$2,244

## View Trends Graph & Trends Export\*\*

Variance Analysis Trends speeds up work and improves accuracy by providing quick access to account trends, avoiding wasted time on external reports. It offers a rolling 12-month trend for General Ledger accounts, aiding Flux Analysis with clear visuals and customizable Excel exports. Teams now have clear visuals of Flux variance trends to hone in on risks or opportunities for improved management.



## AI-Assisted Flux Explanations\*

AI-assisted Flux Explanations\* automatically scans transactional data, auto-detects variance drivers, and proposes Flux variance explanations for accountant review, saving countless hours. Now, accountants can set materiality thresholds, review variances, and curate generated explanations without headaches. Enabling accountants to complete more strategic rather than tactical work by interpreting the data at scale. Accountants are being asked to do more than ever with less staff, so they need tools to help automate their tasks wherever possible, including writing their variance explanations.

The screenshot shows the FloQast AI Explanations interface. It displays an AI-generated explanation for a variance in the '6600 Manufacturing Expenses' account. The explanation is drafted by AI and is intended for accountant review. The text of the explanation is as follows:

This explanation is drafted by AI. Always review AI explanation for accuracy.

**Explanation**

The Manufacturing Expenses account experienced a significant variance of -\$94,717, translating to a -12% change from January 2024 to February 2024. This variance is primarily attributed to the Production department, which accounted for a -13% change, driven by notable decreases in spending with key vendors such as Contract Manufacturer (-14%) and Hometown Contractors (-12%). The R&D and QA departments also contributed to the overall variance with -11% and -7% changes, respectively. Noteworthy transactions include a decrease in costs associated with chipset design, logistics, and technical support services, alongside an increase in software development and PCB fabrication expenses. This analysis highlights the dynamic nature of manufacturing expenses within

## Reduce Risk And Drive Better Decisions

Empower teams with advanced features and customizable reports for insights into risk, budget performance, and informed decisions. FloQast Variance Analysis is the ideal tool for accounting teams to reduce risk through timely detective controls, identify sources of real-time variances, and achieve strategic goals with data-backed recommendations.

\*NS Only for GA Release

\*\*TB Upload, Netsuite, Intacct only for GA Release

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