



Financial Report 2

Penelope LTD (SwEng Group 2)

School of PET

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1 Introduction

This report aims to compare the actual time spent on a project with the estimated time projected during the planning stage. The report analyzes the factors that have led to the deviation between the estimated time and the actual time spent on the project. The report also provides recommendations on how to improve the accuracy of future project duration estimations to ensure that projects are completed within the set time frame and budget. This report covers the first 23 weeks of the development period of “Fauna Finder” by Penelope LTD, which is equivalent to Week 1 of Autumn Term to Week 9 of Spring Term (inclusive). The first 21 weeks of the development period was covered in the first financial report, therefore this report will focus primarily on weeks 22 and 23. However, previous weeks variances may be used to observe any trends.

2 Variance

2.1 Calculation

$$\text{Variance} = \text{Projected Hours} - \text{Actual Hours}$$

The variance in the hours is calculated by subtracting the actual hours from the projected ones. This means a positive variance reflects the company not meeting the planned hours and a negative variance means the team exceeded the planned hours.

2.2 Actual vs. Projected Hours

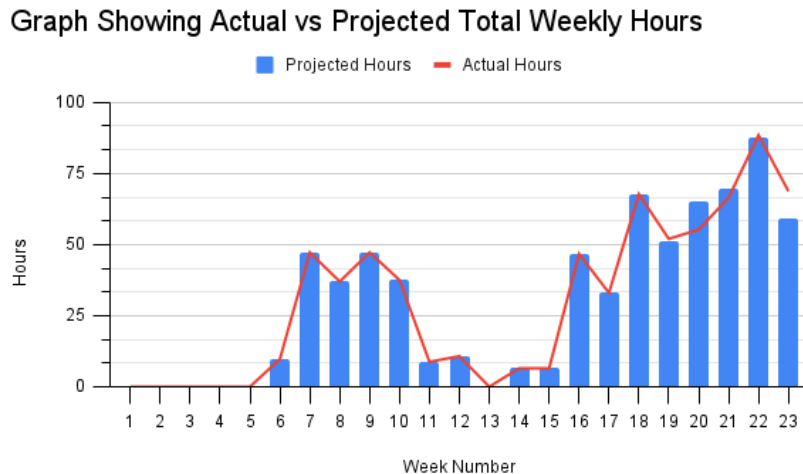


Figure 1: This graph provides an overview of how much work the team has done compared to how much was planned. It can be seen that on week 23 the team worked more than predicted.

2.3 Total Variance

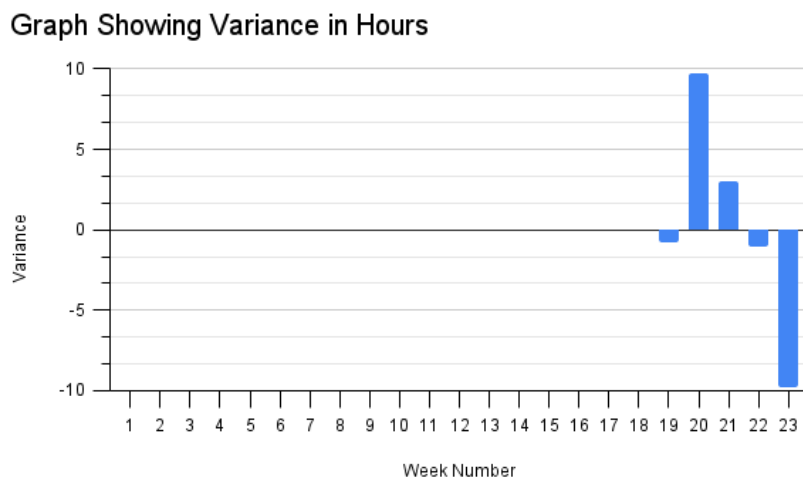


Figure 2: It is clear to see in this figure that there is a very large negative variance in the hours of week 23. This means the team has used more hours than what was planned for in this week. The total variance in week 22 is small enough to be ignored.

3 Department Variance

This section explores the variance in hours for each department to allow the company to adjust according to findings.

3.1 Most Significant Department Variance

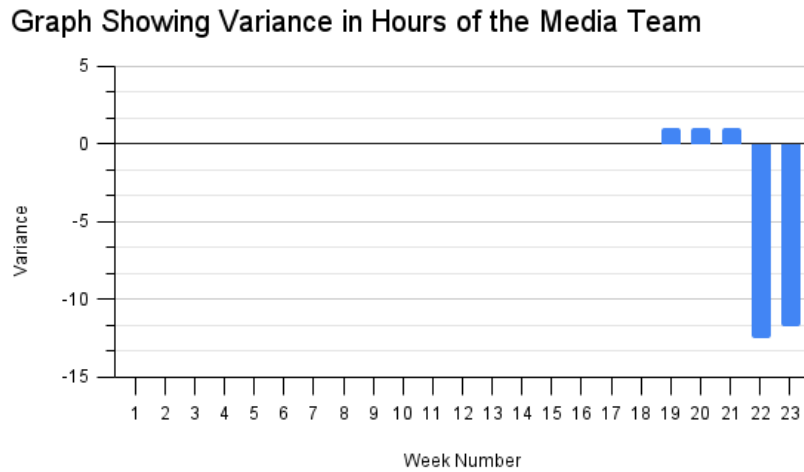


Figure 3: This figure shows a large negative variance in both weeks 22 and 23 for the media team. This can be explained by the amount of time the team is putting into designing the HTML tour. This part of the project was scheduled to happen later in the development period but since there was a team member free, it was decided by management to begin it.

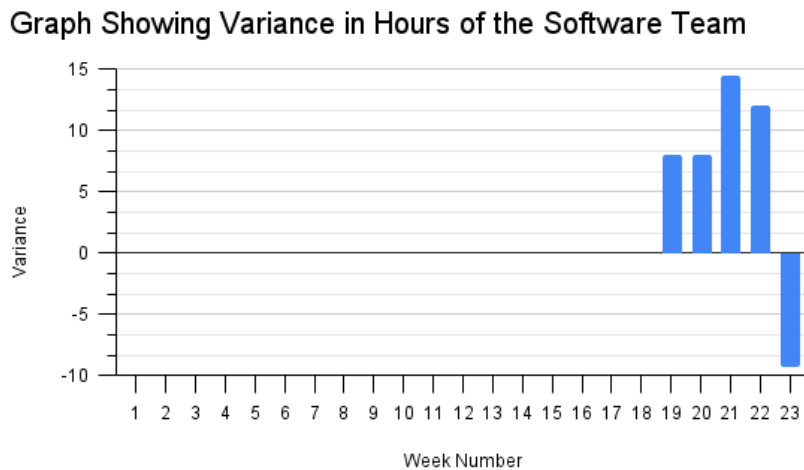


Figure 4: Once again there is large variances in the software team (positive for week 22 and negative for week 23). The negative variance in week 23 can be explained by the large amount of testing that was being carried out as well as team member whose main role does not involve software beginning to learn android.

3.2 Supplemental Department Variance

Found below are the graphs showing the remaining department's variance.

Graph Showing Variance in Hours of the Documentation Team

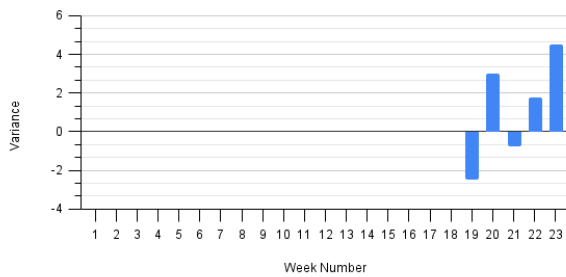


Figure 5: The variance in the documentation team is relatively small and can be ignored.

Graph Showing Variance in Hours of the Finance Team

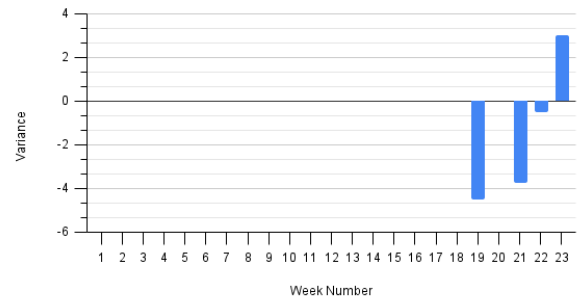


Figure 6: The variance in the finance team is relatively small and can be ignored.

Graph Showing Variance in Hours of the Marketing Team

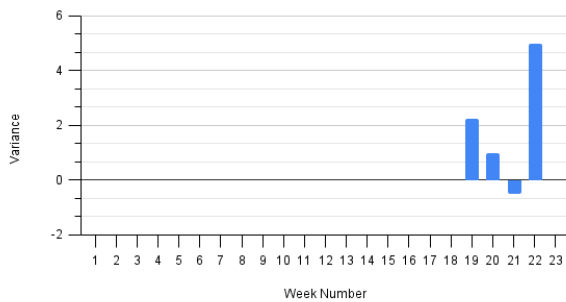


Figure 7: There is a large positive variance in the marketing team's hours for week 23. This is due to an overestimation in the amount of work that will be given/done by that team.

Graph Showing Variance in Hours of the Project Manager

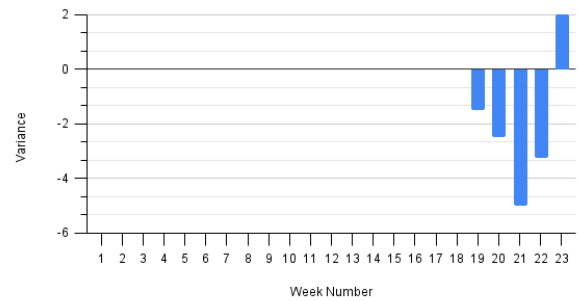


Figure 8: The variance in the project manager's hours is relatively small and can be ignored.

Graph Showing Variance in Hours of the QA

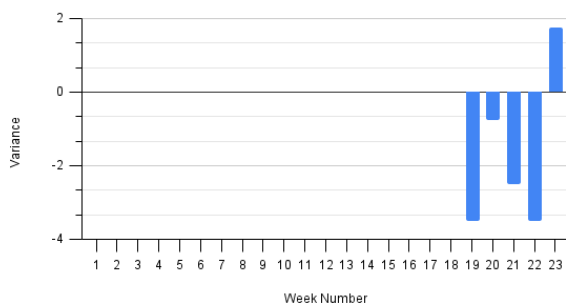


Figure 9: The variance in the QA team's hours is relatively small and can be ignored.

3.3 Most Significant Individual Variance

This section explores the variance in hours for each team member to allow the company to adjust according to findings.

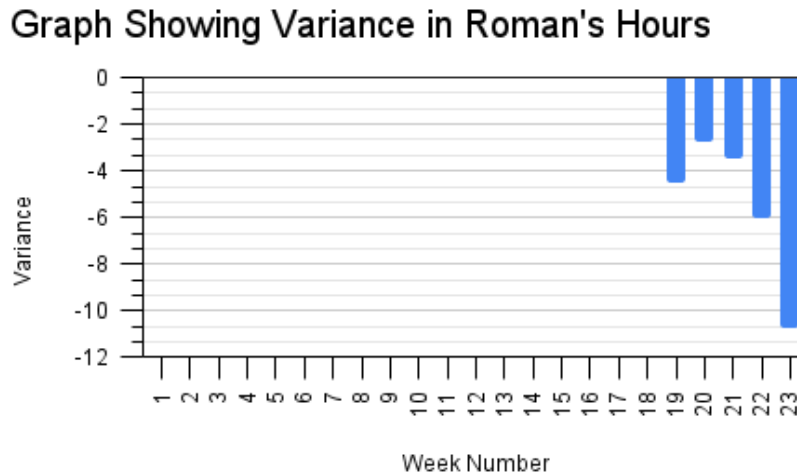


Figure 10: Roman's hours show the largest variance, this is because of the increased amount of testing that has been carried out during the past few weeks. This could be due to that during the planning stage, the time taken to do the testing was underestimated or maybe that Roman is doing a lot of testing now so that there is less to do later in the development period.

3.4 Supplemental Individual Variance

Found below are the graphs showing the remaining employees' variance.

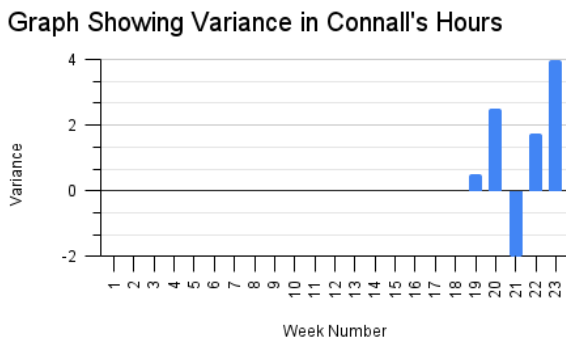


Figure 11: Connall's variance is relatively low.

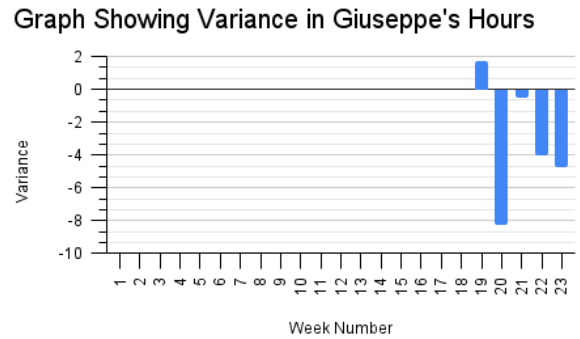


Figure 12: Giuseppe's variance is relatively low but should be observed as it appears to be increasing over weeks 21, 22 and 23.

Graph Showing Variance in Oscar's Hours

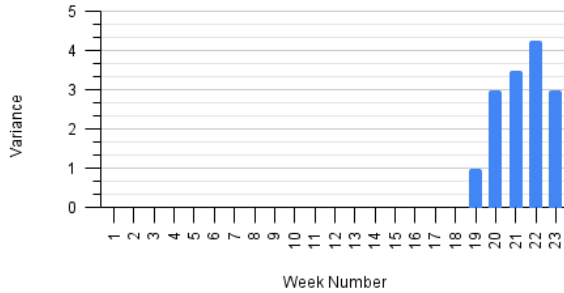


Figure 13: Oscar's graph shows a quite large positive variance. This is because marketing has had a very quiet few weeks. This should decrease in the future as it is scheduled for him and Dawid to start doing much more programming.

Graph Showing Variance in Alan's Hours

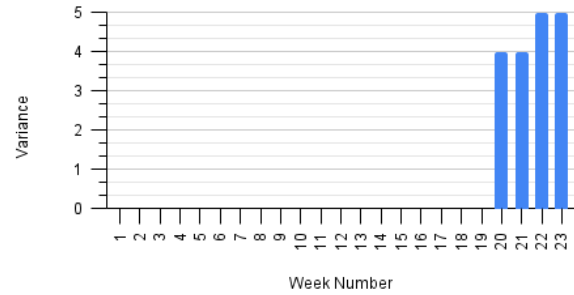


Figure 14: Alan's has a large positive variance as he has ceased communications over that last few weeks. The project manager has been notified.

Graph Showing Variance in Ophelia's Hours

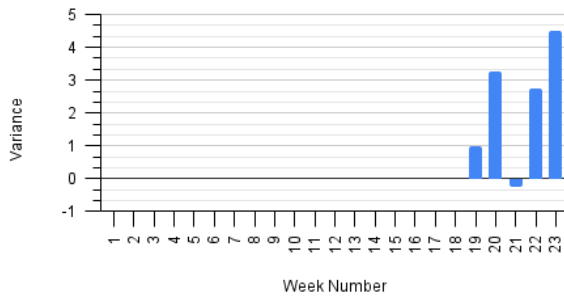


Figure 15: Ophelia has a slightly large positive variance as the amount of hours she and Tom did were reduced over the last couple weeks. This will change in the run up to the spring break as there is testing and integration scheduled to happen.

Graph Showing Variance in Tom's Hours

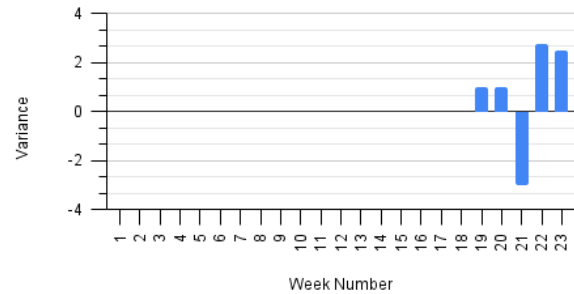


Figure 16: Tom's hours are relatively small and can be ignored.

Graph Showing Variance in Harry's Hours

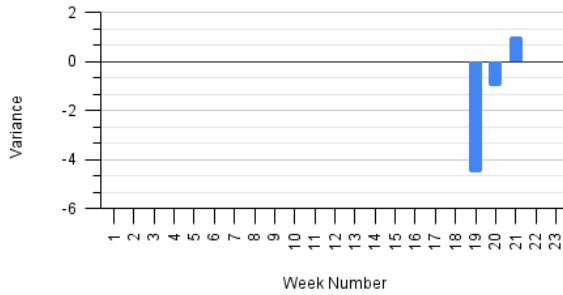


Figure 17: Harry's Variance is 0.

Graph Showing Variance in Ethan's Hours

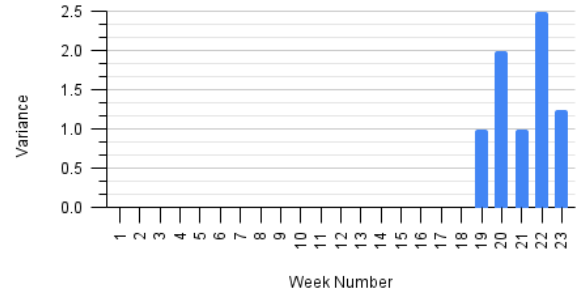


Figure 18: Ethan has a relatively small positive variance but this will change as th run up to the testing and integration plan deadline looms.

Graph Showing Variance in Dawid's Hours

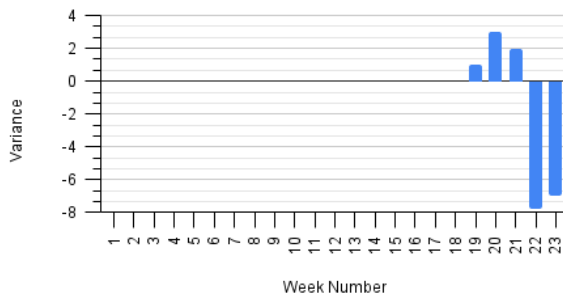


Figure 19: Dawid's variance shows a large negative discrepancy, this is due to him beginning to design the HTML tour and working on the 'about us' page of the app.

Graph Showing Variance in Ana's Hours

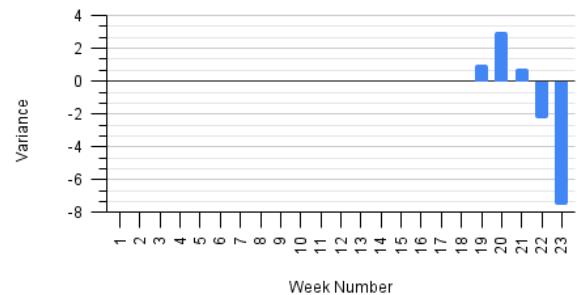


Figure 20: Ana has also began testing and drawing up some of the content for the HTML tour, hence why she is showing a large negative variance.

4 Contracts

The only other cost / source of income that can vary in the finances is the contracts placed / received from the other team. In the financial business plan we budgeted for £1000 income (for doing their contract) and a cost of £1100 (maximum, for contracted out work). These prices were based off of a verbal agreement with the other teams financial manager who was promptly ousted from his role. Once, the other team had restructured, we decided to charge £600 each, we offered them a 10% bonus if they delivered early (but this will be a separate payment). This is why there is a discrepancy with the initial signing payment (of 25%) in the cash flow. However, since its a relatively small amount and the cash in to the cash out still balances, this can mostly be ignored.

5 Conclusion

To summarise, looking at Figure 2, we see that the total variance in the hours spent on the project has mostly evened out. However, this should be observed carefully in the future as it is essential for the team to not 'overdraw' on our extra hours, as going bankrupt would be undesirable.