

# Quarterly Financial Summary

Department: Research & Development

This report outlines the budget allocations and expenditures for Q1. The department spent a significant portion on prototyping and testing new AI models. The remaining funds were directed toward cloud infrastructure and developer salaries.

Key Highlights:

- Increased spending on GPU clusters by 30%
- Decrease in outsourced services due to hiring freeze
- 2 new patents filed related to model compression

Category	Budget (USD)	Spent (USD)	Remaining
AI Model R&D	100,000	85,000	15,000
Cloud Services	50,000	47,000	3,000
Salaries	200,000	190,000	10,000
Miscellaneous	10,000	2,000	8,000

## Project Update: Natural Language Processing Pipeline

### Overview:

In Q1, the team initiated the design and development of a scalable NLP pipeline focused on document classification and entity recognition. The system integrates OCR processing, transformer-based models, and a modular API interface.

### Milestones Achieved:

- Completed integration with OpenAI's GPT models for summarization.
- Achieved 92% F1 score on entity extraction task.
- Deployed a beta version internally for contract document analysis.

### Next Steps:

- Extend support to multilingual documents.
- Optimize inference time for large document sets.
- Begin compliance and security audits for production deployment.