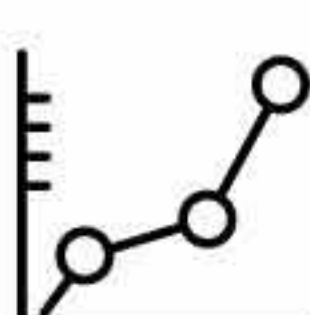


Calendar Year vs Fiscal Year



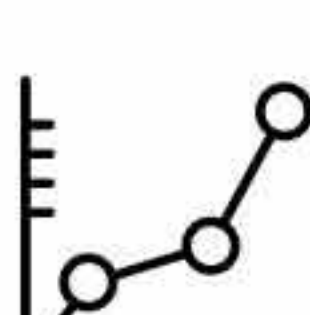
#1. Meaning

Calendar Year



It is a fixed time period of consecutive 365 days based on the Gregorian calendar, which starts from 1st January to 31st December.

Fiscal Year



The fiscal year is a period of consecutive 12 months, where businesses can choose its start date as per their preference.

#2. Relevance

Calendar Year



It is useful in a normal life undertaking.

Fiscal Year



It is used by the businesses to prepare its business accounting, financial reporting and tax reporting.

#3. Period

Calendar Year



It begins from 1st January to 31st March.

Fiscal Year



It can begin from any day of the year but it should follow the consecutive 12 months from the start date. (ex. 1st April 2019 to 31st March 2020).

#4. Tax Reporting

Calendar Year



The calendar year tax reporting is very simple.

Fiscal Year



It is complicated as compared to the calendar year.

#5. MNC's Financials

Calendar Year



It is simple in case of the calendar year reporting.

Fiscal Year



In the case of MNC, it is very time consuming and also increases the operational cost of the business.

#6. Comparison of Financials

Calendar Year



It is easy to compare the financial of two companies in the case of the calendar year.

Fiscal Year



A comparison between the two companies' financial is difficult if they follow different fiscal years.