Configure Fiscal Year

What is a fiscal year?

A **fiscal year** (often abbreviated as FY) is a 12-month period used by businesses and organizations for accounting, financial reporting, and budgeting purposes. It does not necessarily align with the calendar year (January 1 to December 31) and can start and end at any time, depending on the organization's preference or regulatory requirements.

How are fiscal years typically defined in field services organizations?

Here are some ways in which fiscal years are defined in field services organizations and the reasons behind them:

- Seasonal demand considerations

  Some field services, such as HVAC maintenance, landscaping, or outdoor repair, have peak seasons (e.g., summer or winter). The fiscal year may end after the busiest season to provide a clearer view of financial performance during the most active period. E.g. An HVAC company might use a fiscal year that ends on September 30, following the summer cooling season when revenue is highest.

- Aligning with project cycles

  Many field services companies, such as construction or maintenance, have long-term projects that span months or even years. A fiscal year might be set to ensure projects are captured in a single reporting period, simplifying revenue recognition and expense tracking. E.g. A construction company might define its fiscal year to close at the end of a major project season, such as June 30, to account for projects completed in the spring.

How can I configure the fiscal year in Zoho FSM?

To set a fiscal year:

1. Navigate to **Setup** > **General** > **Organization Details**.
2. Under the **Fiscal Year** tab, click **Manage Fiscal Year**.
3. You can choose to set a [Standard](#) or [Custom](#) fiscal year.

Standard Fiscal Year

In this method, the year is divided into 12 calendar months. In Zoho FSM, by default, the fiscal year type chosen is Standard and is set to start from January.

For **Fiscal Year begins in**, choose the month from which you want the fiscal year to begin.

If you select a month other than January, then you need to choose the value for **Display Fiscal Year Based on Q-YYYY**. Choose **Starting Year** or **Ending Year** depending on whether you want to label the fiscal year based on the year from which the fiscal year starts or the year in which it ends.

Custom Fiscal Year

In this method, the year is divided into 52 weeks (or 364 days). Quarters always end on the same day of the week (e.g., Thursday), which simplifies weekly tracking.

To set the custom fiscal year, you need to provide the following values:

1. Use **Format** for defining the structure of your fiscal year. You can either go for a **Quarter Based** or **Year Based** structure.
   Each value under **Quarter Based** is in the format P1-P2-P3, where P1, P2, and P3 represent the number of weeks in the first, second, and third period of the quarter.
   Each value under **Year Based** is in the format Q1-Q2-Q3-Q4, where Q1, Q2, Q3, and Q4 represent the number of periods in the quarter.
2. Specify the **Start Date** on which you want the fiscal year to begin.
3. For **Display Fiscal Year Based on Q-YYYY**. Choose **Starting Year** or **Ending Year** depending on whether you want to label the fiscal year based on the year from which the fiscal year starts or the year in which it ends.
   Using the **Period display option**, you can choose how the periods will be labelled. You can either choose **Number by Year** or **Number by Quarter**. Refer to the preview for how the periods will be labelled in either case.
4. Surplus week add-on option.
   When the year is divided into 52 weeks, only 364 days will be used. The omitted day from each year can be accumulated over six years and then added as an extra week in any quarter or period. To do so, click **Add Surplus Week**. Select a **Period** to which you want to add the surplus week.

Click on **Preview in Calendar** to see how the custom fiscal year is structured based on the format you have chosen.

In the *Fiscal Year* page, under **Earlier years**, you can see the history of changes made to the fiscal year.

Where will the fiscal year be put to use?

The fiscal year will be used for determining the Fiscal Year/Quarter in the **Data & Time** filter of **Reports**.

Reports ▸ **Service Reports by Status**   ↻ Updated less than a minute ago   Export ⌄

⚏ Filters ⌄

| Data & Time | Created Time ⌄ | This Month ▲ | January 2025 | Apply | Clear Filter |

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Previous Fiscal Year
This and Previous Fiscal Year
This Fiscal Year
This and Next Fiscal Year
Next Fiscal Year
Previous Fiscal Quarter
This and Previous Fiscal Quarter

User   None ⌄   Show Details

Status ▲	Appo...	...ce Report Name	Problem Statement	Service Summary	Total ($)

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