

Chart of Difference between Losses and Expenses

Basis of Difference	Losses	Expenses
Meaning	The is that amount which is left after deduction of total expenses from the total revenue of the particular period.	Expenses mean the amount spent by the business for running the business operation. The expenses are also known as Revenue Expenditure.
Method of Calculation	"Loss = Revenue - Expenses & losses" (If amount of Expenses is more)	Total the all expenses
Dependency on Each other	It is dependent on Expenses. if expenses more then a loss is more and vice versa.	It is not dependent on loss.
Categories	1. Gross Loss 2. Operating Loss 3. Net Loss	1. Direct Expenses 2. Indirect Expenses
Need to calculate	Calculation of the amount of losses is needed to know the performance of the business	Calculation of the amount of Expenses is needed to know the profit or losses of the business for the particular period.