AVERAGING OF ACCOUNTS, OR THE EQUATION OF TIME AND VALUE.

To be accurate in the debiting or crediting Interest when settling an account, so that neither party may have any advantage as to the point of time, recourse is had to an absolute equitable average of both the days and amounts in question—*not by guess work*, but by the following unquestionable, clear and decisive calculations, which can always be proved by the lengthy process of Interest on each item.

RULE.—First put down the date, next the amount (omitting cents under 50c., and adding one dollar when over 50c.) then put down the number of days that intervene between the first date and the next in order, and so progress to the end, always bear in mind that the number of days in every case are calculated from the first date in the Account. You then multiply each separate amount, by the number of days so ascertained and set opposite to that amount, placing their product on the right hand side opposite each such calculation. When all this is done, you add the amount of the account under its proper head, and also the product of the calculations in like manner, and then divide the latter by the amount of the account, and the quotient will be the number of days forward from the first date, when that side of the account will average.

Of course the above has reference only to one side of the account. Each side must be calculated in the same way separately.

EXAMPLE No. 1.

I sold goods to James Harvey at different dates, and all at 3 mos. credit, and want to know the average date of the whole. Say sold on Jan. 10, $256.70; Jan. 19th, $134.20; Feb. 11th, $314.60; and April 19th, $127.30. *Answer.*—May 7th.

Jan. 10th . .	$257	
" 19th . .	134 × 9 =	1206
Feb. 11th . .	315 × 32 =	10080
Apl. 19th . .	127 × 99 =	12573
	$833	23859

) 23859 (28 Days from Jany 10th, is say Feb. 7th, when the average would be due, but to this must be added 3 month's credit which makes the am't actually due May 7th.

1666

7199

6664

535