

Average: 13-Month

The 13-month average is calculated using the prior year's ending amount plus the 12 end-of-month amounts from the current year. The 13-month average will be more representative of the year than a simple average of the beginning-of-the-year and end-of-the-year amounts.

Below are two examples of the 13-month average and the average of the end-of-the-year amounts. Example 1 is for an entity with a December 31 year end. Example 2 is for an entity with a fiscal year of July 1 through June 30.

<i>Example 1</i>				<i>Example 2</i>			
		Average for Calendar Year January 1 through Dec. 31				Average for Fiscal Year of July 1 through June 30	
		13-Month Average Using Amounts for Dates Shown	Average Using Two Amounts: Beginning and End of Year Only			13-Month Average Using Amounts for Dates Shown	Average Using Two Amounts: Beginning and End of Year Only
	<u>Date</u>				<u>Date</u>		
1	Dec 31, 2021	\$ 55,000	\$ 55,000		Jun 30, 2021	\$ 65,000	\$ 65,000
2	Jan 31, 2022	\$ 60,000			Jul 31, 2021	\$ 60,000	
3	Feb 28, 2022	\$ 70,000			Aug 31, 2021	\$ 50,000	
4	Mar 31, 2022	\$ 80,000			Sep 30, 2021	\$ 55,000	
5	Apr 30, 2022	\$ 75,000			Oct 31, 2021	\$ 50,000	
6	May 31, 2022	\$ 70,000			Nov 30, 2021	\$ 45,000	
7	Jun 30, 2022	\$ 65,000			Dec 31, 2021	\$ 45,000	
8	Jul 31, 2022	\$ 60,000			Jan 31, 2022	\$ 50,000	
9	Aug 31, 2022	\$ 50,000			Feb 28, 2022	\$ 50,000	
10	Sep 30, 2022	\$ 55,000			Mar 31, 2022	\$ 55,000	
11	Oct 31, 2022	\$ 50,000			Apr 30, 2022	\$ 55,000	
12	Nov 30, 2022	\$ 45,000			May 31, 2022	\$ 60,000	
13	Dec 31, 2022	\$ 45,000	\$ 45,000		Jun 30, 2022	\$ 60,000	\$ 60,000
	Total	\$ 780,000	\$ 100,000		Total	\$ 700,000	\$ 125,000
Average (Total / 13)		\$ 60,000		Avg (Total / 13)		\$ 53,846	
Average (Total / 2)		----- >	\$ 50,000	Avg (Total / 2)		----- >	\$ 62,500