

## THE OWNERS' ACCOUNTS IN THE EARLY DATINI COMPANIES

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### Abstract

The research is devoted to the early accounts of the owners of Francesco Datini's companies. It is claimed that the accounts of the owners (partners) of the medieval companies represented the ordinary personal accounts, which did not differ much from the personal accounts of the third parties. It is established that the procedures of comparison of the accumulated debit and credit totals were held periodically, as a rule, at the discretion of the accountant. It allowed observing the real state of the settlements. The real examples confirm that in the accounts of the medieval owners related to the mentioned companies both the credit and the debit balance could take place. The balance of the closed account forwarded to the new account was not always registered as the first entry in the account and could be placed in any sequence in it.

**Keywords:** Datini, Avignon, owner account, balance determination

**JEL code:** M410, N830.

### Introduction

In chapter 12 of the treatise Luca Pacioli, "the father of accounting", writes: "You will begin your journal with the name of the Lord, and the first entry will be for the first item in your inventory, namely the cash on hand. To understand how to enter your inventory in the ledger and in the journal, you must consider two further terms, the first called Cash and the other Capital. Cash means your cash on hand. Capital means the total of your present possessions. When any mercantile ledger and journal is commenced, Capital must always be entered as creditor. Cash must always be a debtor (i.e. have a debit balance)" (Yamey, 1994, 53). Modern researchers in the early books of both double and single-entry bookkeeping of the 14th and 15th centuries try to find such an approach of the beginning of keeping ledgers. As a rule, they were about to face disappointment. In the book of the Venetian merchant of Andrea Barbarigo there is no record recommended by Pacioli. On the folio 2 we find the opening balance, in which the account of the owner acts as an ordinary personal account. The researches of the Francesco Datini company, in which double-entry started to be used after 1383 and after 1394 it is possible to observe the full-scale double-entry bookkeeping, testify the absence of the opening balance.

So, in all companies the account of the company owners were always considered as simple accounts of the third party. In this paper, we study the maintenance of the records in the accounts of owners. Such accounts were kept in terms of single-entry bookkeeping, but they already solved three issues: accounting of settlements with debtors and creditors, cash accounting and financial result calculation.

## Review of Prior Literature

Many authors wrote about the enterprises and companies of Francesco Datini. Even more authors described his biography or his archives, which are stored in the State Archive of Prato (Tuscany, Italy). There is a special group of authors who studied the archives according to the publications or materials prepared for them by other researchers. But there are very scientists who really explored Datini's archives with the purpose to reproduce a picture of the genesis and the development of accounting. The first group includes: Nigro (2010), Andrei, Baker, Sargiacomo (2017), and Sargiacomo, Servalli, and Andrei (2012), Sangster, Stoner, De Lange, O'Connell, Scataglini-Belghitar (2014), Sangster (2016).

The collective monograph by Nigro and his colleagues allows one to get acquainted with the whole life story of Francesco Datini and his business. Its pages describe all the major events of each of Datini's companies in different parts of Europe. It also provides a very interesting description of many figures, who were in charge of his businesses and who accompanied him through life. The monograph allows gaining an impression about the political and social phenomena characteristic for those times.

We would take a risk to claim that Andrei, Baker, Sargiacomo and Servalli never worked in the archives. Although they wrote much about the researches of Besta and Ceccherelli, which were, as a rule, carried out on the basis of the materials prepared by Corsani.

Sangster and his partners filled up the scientific turnover with the information on the early application of the memorandum book – “Recordanze” – described by Pacioli (Pacioli, 1494) in chapters 35 and 36. The authors expressed the opinion that a copy of Recordanze is kept in the Datini's archives, the records of which were transferred to the General Ledger. It should be noted here that Sangster is one of the very few accounting historian who has repeatedly visited the archives of various cities in Italy and who has directly worked with the Datini books.

Del Lungo (1897), Livi (1910), Nicastro (1914), Origo (1957), Hyde (1979) and Jouanique (1996) make the second group of authors. The first three authors directly worked in archives. However their researches were limited by the general descriptions of or studies on Datini's business and personal correspondence. However they have done a lot for systematization of the archival items. Another tree authors carried out the descriptions of the biography and archives without any analysis of the account books.

The third group consists of such authors as Besta (1909), Ceccherelli (1913; 1914a; 1914b; 1939), De Roover (1937; 1956), Martinelli (1974), Hoskin and Macve (1986; 1988), Goldthwaite (2015). Concerning this group of researchers it should be noticed at once that it includes the authoritative scientists. It is believed that Besta was the first who mentioned the Datini archives. However, he claimed (Besta, 1909, 318) that he used the materials, which were prepared specially for him by Corsani. Ceccherelli was the first who insisted on the Tuscan origin of double-entry bookkeeping and for these purposes he addressed to Datini's archives. Nevertheless he used Corsani's materials too. It is impossible to say that de Roover did not work with the medieval account books. However, in both translated works of de Roover, in which much attention is paid to the archives in general, practically all the references are also addressed to Corsani. Martinelli devoted several pages to the Datini archives. The examples given by him, as a rule, are turned to the researches of Corsani, Melis, de Roover and Zerbi. Particular interest to the archives of Prato was shown by the distinguished contemporary academics Hoskin and Macve, who supported the logic of their scientific constructions with earlier papers of Hyde, Melis, de Roover and Zerbi. Goldthwaite is recognized as an authoritative researcher of early accounting. However, while describing the accounts of the Datini company, he addresses the reader to paper of Arlinghaus: "The set of some thirty-five interrelated books dating from 1367 to 1373 that survive for Francesco

Datini's company at Avignon have been exhaustively studied by Franz-Josef Arlinghaus, who broke them down into eight different types" (Goldthwaite, 2015, 617).

The authors, who directly worked with the archival materials, can be referred to the fourth group: Corsani (1922), Bensa (1923, 1925), Melis (1954, 1962, 1972), Zerbi (1936, 1952).

Due to the recent research and publications about the Datini archives, a century later, the name Corsani, is heard again (Kuter 2017; Aleinikov 2017). Bensa is known not only for the first-hand investigation of the archives, but also for his individual conclusions in this sphere. In particular, long before de Roover (Roover, 1956), he expressed the opinion on the emergence of double-entry bookkeeping simultaneously in several trading centres.

Zerbi, a Lombard by origin, was probably looking not for the proofs of the double-entry bookkeeping application in accounting, but on the contrary, for its denial. He touched upon the issues of cash accounting in his paper work by disclosing the fact of the absence of cash account and that cash-book was kept instead of it (Zerbi 1952, 131-136).

The number of Melis's publications totalled up to 133 papers. In his famous capital research (Melis, 1950) the Datini archives are not mentioned at all. Their first mentioning appears in 1953 in the work (Melis, 1953), which was called "Nell'Archivio Datini di Prato. La documentazione più remota del giornale a partita doppia (1403)". If we refer to the aforementioned work of 1950, then out of it it is obvious that Melis found the early double-entry bookkeeping in the Second Alberti's company (1304–1406). Improving the status of his own researches is a distinctive feature of the prominent Italian scientist.

His first detailed work devoted to Datini's archives appeared in 1954 (Melis, 1954a) and its translation into English arouse a little bit later in the same year (Melis, 1954b).

A number of important publications were carried out in the subsequent years (Melis, 1956, 1958, 1962b). However, the main merit of the researcher consists in maintaining the integrity of the archives. In all of the account books he personally put down the numbers of the preserved pages. In 1962 he published an equally important work "Aspetti della vita economica medievale studi nell'archivio Datini di Prato" (Melis, 1962), in which he described each company. In the relevant tables Melis indicated the duration of the companies' activities, the names of their partners and managers, the amount of capital, the overall profit and its distribution among the partners, the number of the account books relating to each company according to the nomenclature.

In his book (Melis, 1972) he placed the photocopies of accounts from the account books and their translations into modern Italian language over many companies of Italian merchants, including the ones that are being preserved in the archives.

Assessing the research of Melis after more than ten years of work in the archives of Italy, and first of all in the archives of Francesco Datini, paradoxically, it has to be noted that the authoritative scientists did not disclose all the secrets that are still being stored in archival documents. The findings of the researchers of the Kuban State University regarding the early Trial balances, the early financial statements, depreciation and impairment, the early "Profits and Losses" accounts, profit distribution, creating the reserves out of profit and their use and the early adjusting entries place hopes in the feasibility of the further studies.

### Statement of Basic Materials

As is known, G. Corsani (1922, 71-72), was one of the first to explore Datini's archives, to describe the practice of keeping the accounts in the form of a paragraph in the early companies of F. Datini in Avignon. R. de Roover used this example twice: in 1937 and in 1956. In the first case the article was published in French (de Roover, 1937, 274), in the second – in English. In particular, in the collective monograph "Studies in the History of Accounting", published under the editorship

of Littleton and Yamey, he wrote: "In the beginning of his career, while still residing in Avignon, Datini followed the prevailing Tuscan practice and kept his books in single entry, the ledger having split accounts, debits in front and credits in the rear, as in the del Bene and Peruzzi ledgers already mentioned. This form, which belongs to a transitional stage between the paragraph and the bilateral forms, is found in the *libro giallo A*, or ledger A bound in yellow [leather], of Datini's mercery business in Avignon (1367-1372). In an inscription on the front page, after the usual invocation to God, the Virgin, and the Saints, the book-keeper states explicitly that he intends to record systematically all entries involving a debit up to folio 150 and all those involving a credit from folio 151 onward to the end on folio 300. 17 Thus the debit of Niccolo di Bono's and Puccio Ricci's account is found on folio 2 verso and the credit on folio 151. To close the account, the total of the debit, or florins 270 14s. 8d. *di camera*, papal currency, was transferred from folio 151 to folio 2 and deducted from the total debit; the remaining balance was then collected in cash" (Rover, 1956, pp. 140-141).

In the lower part of Figure 1 there are the accounts (Prato, AS, D. №2, c. 2v and c. 151r(2)), in which this fragment was registered.

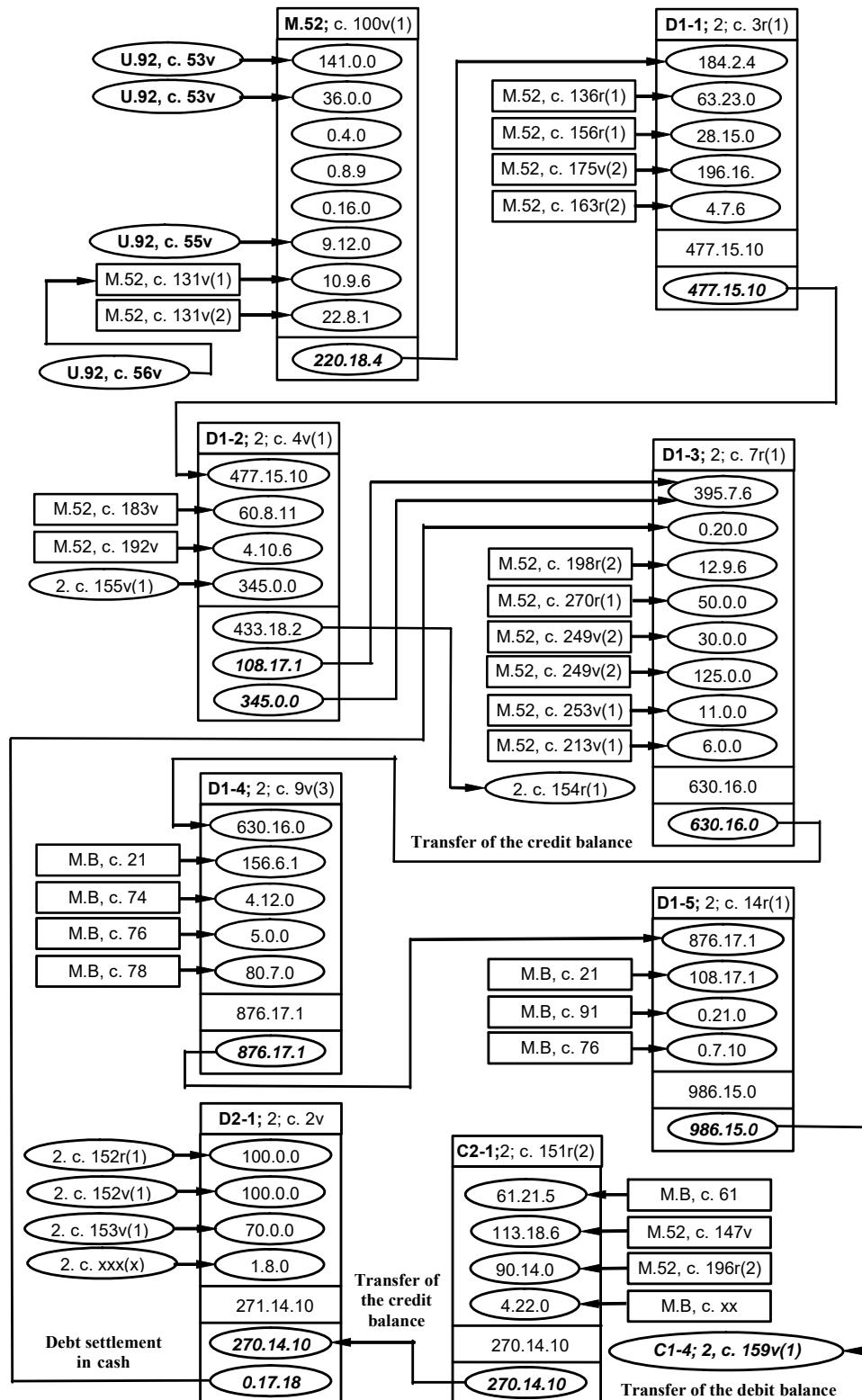


Figure 1. The debit balance determination in the account of the partner Toro di Berto, Francesco Datini's company in Avignon (1367–1368)

Initially, this example has interested us by the fact of the debt repayment in cash. The authors tried to find the sum 0.17.18 in the book "Entrata e Uscita" (Prato, AS, D. №92). However, it turned out that the mentioned amount did not directly go to the cash register, but "on March 31 1368 s. 21 d. 5 affiorini Taro di Berto, Datini's partner, got for us in Florence from Michele di Bono and Piero Ricci as they gave in this book at c. 2 ... ". Therefore, the collected receivables of Nicolò di Bono e Puccio Ricci turned into the payables of Taro di Berto to the company.

The account of one of the company's owners could not but attract our interest as there was a great desire to check on the widespread belief that the account of the owner (second party) was considered as the usual personal account of the third party in relation to the first party (company) at those times.

It is known that personal accounts for settlements (with debtors and creditors) were the first accounts to appear. Martinelli (1977, 191–192) wrote the following about them: "... case of Francesco Datini from Prato is remarkable. He established a branch-office in Avignon, where from 1366 until 1401 he kept his books according to the old form, that is he used accounts with mingled sections; he introduced in his ledgers the new "Venetian method" only in 1401".

As it has been described above, the book was divided into two parts: in the first half there were placed the debtors' accounts, in the second one (starting with carta 150) – the creditors' accounts. Two accounts were opened for the second and third parties – the one in the first half of the cash-book (accounts receivable) and the second one – in its second part (accounts payable).

The first debit accounts of the owners Toro di Berto and Francesco Datini were placed on the page Prato, AS, D. №2, c. 3r (Figure 2): the account of Toro was above and the account of Francesco – below.

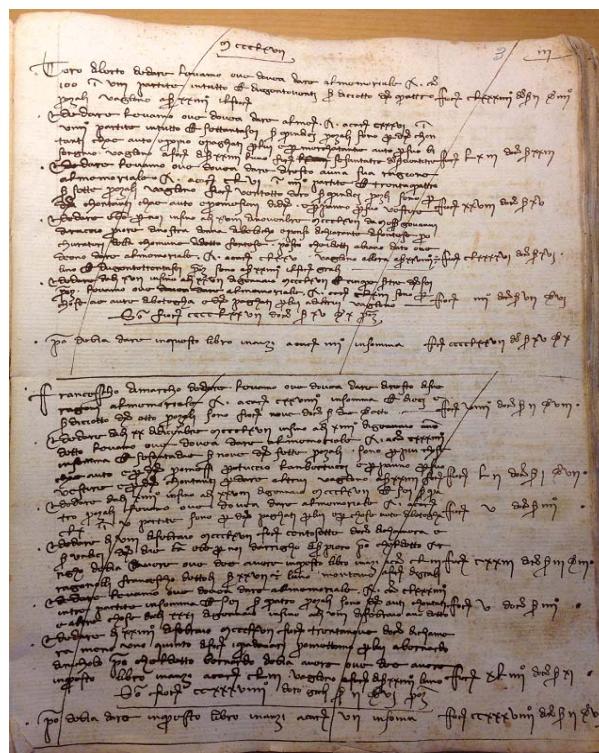


Figure 2. The accounts of the owners Toro di Berto and Francesco Datini on Prato, AS, D. №2, c. 3r (the Datini company in Avignon, 1367–1368)

Table 1 provides the translation of the first debit account of Toro di Berto. As follows from the translation of the account and Figure 1, all of the 5 records in the account were created in Memoriale "A" (Prato, AS, D. №52). Regarding this, it is interesting to study in detail the process the first indicator compilation (f. 184s. 2 d. 4), transferred from the account c. 100v (1) in Memoriale. The photocopy of the account is given in Figure 3 and its translation – in Table 2.

As stated in the first entry in the Toro di Berto account, the indicator (f. 184 s. 2 d. 4) represents the conversed summary of 8 entries, which equalled lb. 220 s. 18 d. 4 of Provence in Memoriale "A" at c. 100. The peculiarity of the calculations is that the entries in the Memorial were kept in the currency of the transaction (in this case in the currency of Provence) and the records of the systematic accounting in the General Ledger – in florins in gold.

An example of a currency conversion is shown in Table 3.

Table 1. The translation of the account Prato, AS, D. №2, c. 3r(1)

1367	
Toro di Berto <b>must give</b> , we took from when he should have given in the Memorial A at c. 100 in 8 entries for a total sum of lb. 220 s. 18 d. 4 of Provence they are worth s. 24 for florin	f. 184 s. 2 d. 4
And he <b>must give</b> , we took from where he should have given in the Memorial A at c. 136 in 9 entries for a total of lb. 76 s. 15 of Provence they are for cash he had himself and paid to him and for merchandises he had for himself, they are worth in florins of s. 24 each f. 63 <i>d'oro</i> s. 23	f. 63 s. 23
And he <b>must give</b> , we took from where he should have given for balance of one account of him in the Memorial A at c. 156 in 4 entries lb. 34 s. 7 of Provence they are worth f. 28 of gold s. 15 of Provence they are for cash he got and was promised he would have got and for cloth for dressing himself	f. 28 s. 15
And he <b>must give</b> , he got for us until November 18 1367 from messer Giovanni di Ruccio prior of Our Lady of Beloche and Ponso di Charante di Fontese, curate of the commune of the aforementioned Fontese as they gave where they should have given in the Memorial A at c. 175, they are worth at s. 29½ each lb. 286 of Provence they are at s. 24 for each florin of Grali	f. 196 s. 16
And he <b>must give</b> from January 17th to 27 1367 lb. 5 s. 3 d. 6 of Provence we took from where they should have given in the Memorial A at c. 163 they are for several things he got from the workshop and money paid on his behalf to other people	f. 4 s. 7 d. 6
The total sum is f. 477 <i>d'oro</i> s. 15 d. 10 of Provence	
As he <b>must give</b> in this book at c. 4 f. 477 <i>d'oro</i> s. 15 d. 10	

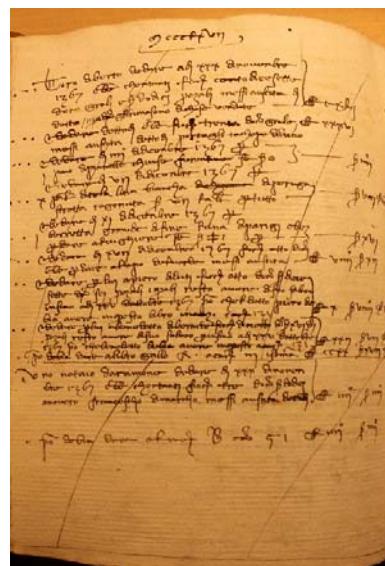


Figure 3. Memoriale "A" (Prato, AS, D. №2, c. 100v(1)), the preparation of the first indicator in the account of Toro di Berto, the Datini's company in Avignon, 1367–1368

Table 2. The translation of the account Prato, AS, D. №52, c. 100v(1)

1367	
Toro di Berto <b>must give</b> on November 30 1367 as he got in cash f. 117 <i>d'oro</i> Grali and s. 12 of Provence as in Uscita on the same day, for many goods sold	f. 141
And he <b>must give</b> on the same day he got f. 30 <i>d'oro</i> Grale, put in Uscita on the same day, Iacopo di Duccio gave him	f. 36
And he <b>must give</b> on December 4th 1367 for 1 pair of Florentine <i>pianelle</i> s. 4	s. 4
And he <b>must give</b> on December 7 1367 for 10 of white thigh linen cloths of Perugia at s. 7 for each cloth	s. 8 d. 9
And he <b>must give</b> on December 11th 1367 for 1 large fine woolen cap of Paris to be given to Liughiere	s. 16
And he <b>must give</b> on December 17th 1367 f. 8 <i>d'oro</i> to be given to Lapo de Fuerde as in Uscita	f. 9 s. 12
And he <b>must give</b> for him to Piero di Duti f. 7 <i>d'oro</i> s. 17 d. 6 of Provence he still should have for his wage until October 25th 1367 as the said Piero <b>must have</b> in this book at c. 131	f. 10 s. 9 d. 6
And he <b>must give</b> for him to Benedetto di Berardo f. 18 <i>d'oro</i> s. 16 d. 1 he still should have for his wage until October 25 1367 as Benedetto <b>must have</b> in this book at c. 131	f. 22 s. 8 d. 1
As he <b>must give</b> in the Yellow Book A at c. 3	f. 220 s. 18 d. 4

The first, the second and the sixth entries were transferred from the corresponding pages to "Entrata e Uscita" and they indicate the cash receipt of Toro di Berto from the cash register. The seventh and the eighth records were entered in the same Memoriale "A". Meanwhile the seventh entry finds confirmation on carta 56v in "Entrata e Uscita". The third, the fourth and the fifth entries were directly made in the Memorial "A".

**Table 3. The currency conversion indicators**

Account in Memoriale Prato, AS, D. №52	Sum		Conversion rate
	In Memoriale	In Account Prato, AS, D. №2, c. 3r(1)	
100v(2)	220.18.3	184.2.4	0.83
136r(1)	76.15.10	62.23.0	0.83
156r(1)	34.7.0	28.15.0	0.83
175v(2)	240.0.0	196.16.0	0.82
163r(2)	5.3.6	4.7.6	0.83

Thus, it can be stated that five out of eight records in the Memorial were entered by means of double entry method, when the other three records – using single entry. The accumulated amount in the account in Memoriale (f. 220 s .18 d. 4 of Provence) (in conversion – f. 184 s .2 d. 4) was transferred to the General Ledger. The remaining four indicators were similarly calculated in the Memorial. The accumulated total in the first account (f. 477 d'oro s .15 d. 10) was brought forward to the continuation of the account Prato, AS, D. №2, c. 4v(1). The translation of the mentioned account will help to understand the features of its accounting (Table 4).

Four debit entries do not require any comments. The attention should be drawn only to the fact that the accounting was conducted simultaneously in different currencies. The entries in the lower part (in the credit of the account) are of special interest. The first entry indicates that the sum of f. 433 d'oro s. 18 d. 2 accumulated from the credit accounts was transferred from the debit of the credit account 154r (2). This is a very important point, which disproves the view that the balance in the personal accounts was calculated simultaneously with the closure of the General Ledger. As the example shows, the accumulated totals were periodically compared on the debit and credit sides (placed in different parts of the book), the smallest total was determined and was transferred to the account with the higher total. After that the balance was calculated by settling the accounts with a particular person.

**Table 4. The translation of the account Prato, AS, D. №2, c. 4v(1)**

1367		
Toro di Berto <b>must give</b> we found where he <b>should have given</b> in this book at c. 3 in 5 entries the sum of f. 477 d'oro of s. 24 each and s. 15 d. 10 of Provence	f. 477 s. 15 d. 10	
And he <b>must give</b> on January 31 1367 we found where he <b>should have given</b> as in the Memorial A at c. 183 in many entries, the total sum is f. 72 s. 8 d. 11 of Provence, they are florins	f. 69 s. 8 d. 11	
And he <b>must give</b> , we found where he should have given in the Memorial A at c. 192 in one entry f. 5 and s. 6 d. 6 of Provence they are worth	f. 4 s. 10 d. 6	
And he <b>must give</b> on March 10 <sup>th</sup> 1367 f. 345 d'oro <i>di Camera</i> he wrote to us to make a letter he got in Genoa from Tommaso di ser Manetto for Francesco Lapi, and for this money we arranged Luca Abati and Co. <b>must have</b> on this day as in this Book at c. 155	f. 345 d'oro <i>di Camera</i>	
He <b>gave</b> , as he had where he should have had, in this book at c. 154 the sum of f. 433 d'oro s. 18 d. 2	f. 433 s. 18 d. 2	
He gave as he <b>should give</b> in this book at c. 7 f. 108 d'oro <i>di Grali</i> and s. 17 d. 1 of Provence and f. 345 d'oro <i>di Camera</i> we will draw these florin in two entries	f. 108 s. 17 d. 1 f. 345 d'oro <i>di Camera</i>	

The record closing the account (He gave as he **should give** in this book at c. 7 f. 108 *d'oro di Grali* and s. 17 d. 1 of Provence and f. 345 *d'oro di Camera* we will draw these florin in two entries) confirms that two currencies were simultaneously applied to the account. However, in the new account (the continuation of the debit line) on c. 7r (1) (the credit line of settlements with Toro di Berto was closed by carrying forward the balance), the accountant wrote: "Toro di Berto **must give**, as we put away from where he should have given for balance of his account as in this book at c. 4 f. 108 *d'oro* at s. 24 each and s. 17 d. 1 of Provence and f. 345 *d'oro di camera* which are worth at s. 27 d. 6 each f. [empty] *d'oro* at s. 24 each, the total sum is florin *di grail*, f. 395 *d'oro* s. 7 d. 6 *di Grali*". Thus, further accounting will be maintained in a single currency.

As is seen in Figure 1, the accumulation of the total of the Toro di Berto account was performed in three more accounts (p.7r (1), c .9v (3), c. 14r (1)) in the debit line. Hence the study faced with an additional problem. These accounts were based on the data from Memoriale "B", which, to our great regret, was lost.

The final total in the debit partner line of the partner Toro di Berto equalled f. 986 *d'oro* s. 15. It turned out to be less than the corresponding total in the credit line on c. 159v (1). For that reason, the total of the debit line was transferred to carta 159v (1).

The process of preparing the totals in the credit line of the "Toro di Berto" accounts starts in the account carta 152v (2). Its scheme is shown in Figure 4.

In this account there are 8 entries, which were prepared in accounts of the Memorial "A". For example, the scheme shows the account 52, c. 92v (1), in which the first account indicator from the General Ledger was calculated. As in the previous cases here the currency was conversed. As mentioned above, by the time of comparison of the debit and credit line indicators, the credit total in the account 2, 154r (2) (the sum of f. 433 *d'oro* s 18 d. 2) was less than the corresponding indicator in the account 2, c. 4v (1), so, accordingly, it was transferred to the last account in order to balance it.

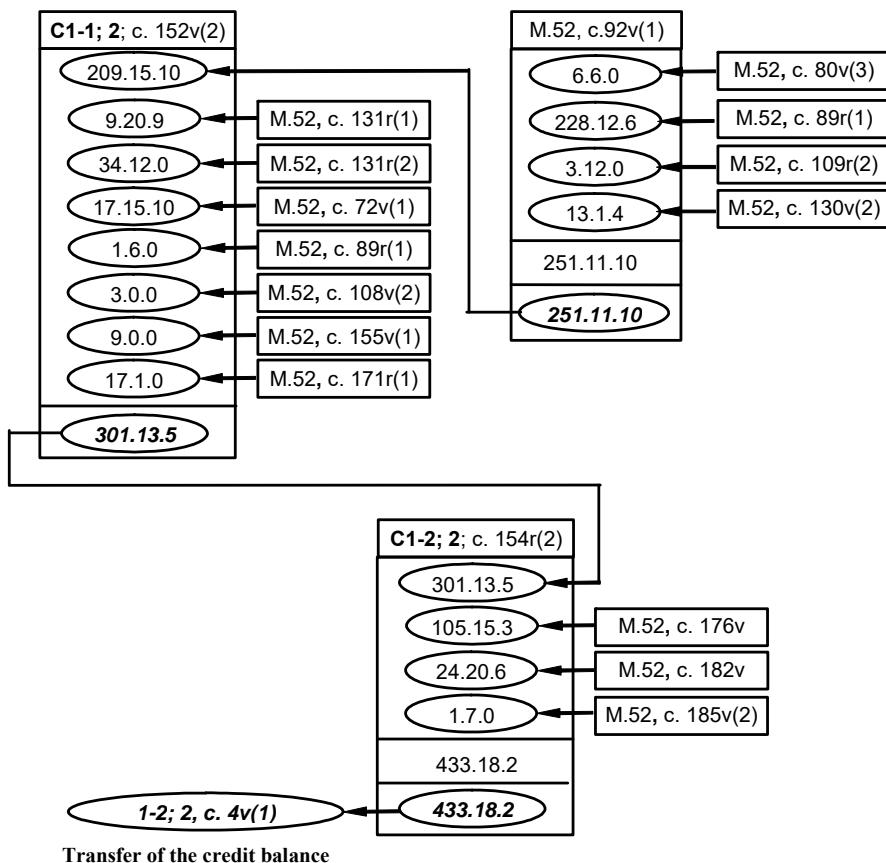


Figure 4. The first credit balance determination in the account of the partner Toro di Berto, Francesco Datini's company in Avignon (1367–1368)

In connection with the transfer of the balance and the closure of the account 2, c. 154r (1), in the second part of the General Ledger (Figure 5) a new account 2, c. 156v(2) was opened aiming to accumulate the total of Toro di Berto's accounts payable.

Most of the entries were entered in the accounts in the Memorial "B". However, the first account of the second credit line contains entries, both from Memoriale "B" and Memoriale "A". The first entry in the account was transferred from the account Memoriale "A" 52, c. 211r (1). The translation of the entries in the account is presented in Table 5. The amount calculated in Memoriale "A" was conversed in the account in the General Ledger.

The second credit line successively includes 4 accounts. At the date of comparison of receivables and payables the total of the credit line in the account 2, c. 159v (1) was f. 1036 d'oro s. 4 d. 4 (f. 1004 d'oro s 6 d .10 + f. 19 d'oro + f. 12 d'oro s. 21 d. 6). This is insignificant, but it exceeded the total of the debit line in the account 2, 14r (1) (f. 986 d'oro s. 15). Accordingly, the last indicator was transferred to the account with a larger amount. The last 4 entries in the account last in the line say:

– He **had** as he gave where he should give in this book at 14 months in 4 entries, sum of f. 986 d'oro s. 15;

– He **had** on September 28 1368 for rights on lb. 112 of goods of him we sold in our workshop, and he must give us s. 1 for lb., from October 25 1367 until September 17 1368 that is f. 4 *d'oro* Grali s. 16;

– He still **must have** f. 44 *d'oro* Grali s. 21 d. 4;

– The new account, that is us, had on his behalf on September 28 1368 f. 44 *d'oro* Grali and s. 21 d. 4 of Provence. So the new account of Toro **must have** where he **must have** in this book at c. 160, sum of f. 44 *d'oro* s. 18 d. 1.

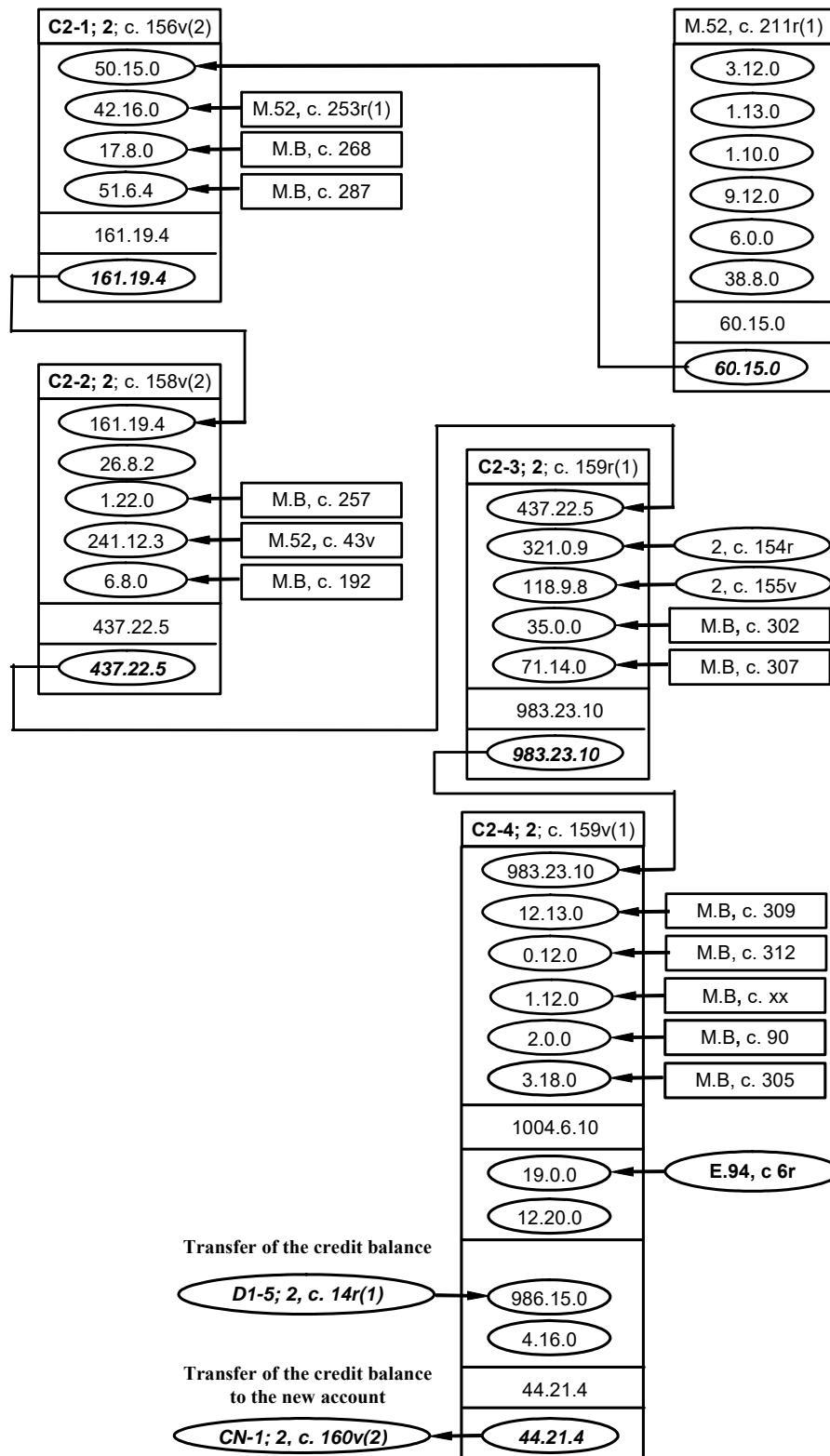


Figure 5. The credit closing balance determination in the account of the partner Toro di Berto, Francesco Datini's company in Avignon (1367–1368)

Table 5. The translation of the account Prato, AS, D. №52, c. 211r(1)

1367	
Toro di <b>must have</b> on February 21th 1367 for these things below taken from his old account	
21 old and poor vermilion cloth overcoats, the most part covered in light blue cloth f. 3 d'oro for all	f. 3 s. 12
5 ½ coarse new green cloths of Germany at s. 6 each	f. 1 s. 13
1 Florentine scale calibrated to the weight of the Court holding up to libs. 80	f. 1 s. 10
And he <b>must have</b> on March 10 1367 for 1 helmet [bacinetto] of the ones of Gentile with a large eyeshade and <i>caperone</i> in <i>cordovano</i> and covered eyeshade, which was of Martello Martelli for f. 8 d'oro	f. 9 s. 12
1 bad helmet of the ones of Gentile	f. 6
2 large steel chainmails, one braced and one not, for [...] f. 32 d'oro	f. 38 s. 8
The sum is f. 60 s. 15	
As he <b>must have</b> in the Yellow Book A at c. 156 f. 60 s. 15	

The result was carried forward to the new account in the credit line (2, with. 160v (2)). Hence, it is necessary to pay attention that quite often the balance, which was transferred to the new account, was not registered as the first entry in it, but in any order, which is confirmed by the photocopy of the account (Figure 6).

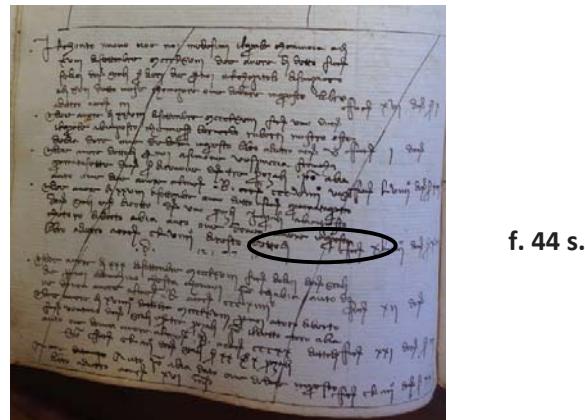


Figure 6. Photocopy of the account Prato, AS, D. №2, c. 160v(2)

Finally, the special attention deserves the fact that the account of the owner Toro di Berto in the first period had the debit balance, and in the second – in his accounts the credit balance was formed.

### Conclusion

The research is devoted to early accounts of the companies' owners.

It is established:

- The accounts of the owners (partners) in the medieval companies represented the ordinary personal accounts, quite similar to the personal accounts of the third parties.
- In the early Datini companies the bilateral accounts were applied, in which the debit was placed in the upper part of the debtors' account and the credit – under it. The opposite structure took place for the creditors' accounts.

- The main task solved by the early medieval accounting, in general, and by the Datini accounting, was the information support on the settlements with debtors and creditors.
- The references claim that the accounts were opened for every debtor and creditor the company did business with. Such situation requires specification. The accounts were opened twice for each person: for receivables and for payables.
- As a rule, the ledger was divided into two parts: in the first part the accounts receivable were and in the second part – the accounts payable. In the conditions of the early personalisation of the accounts the account with a debit balance were called as “Debtors”, and the accounts with a credit balance – “Creditors”.
- The paper disproves the current opinion that when closing the ledger there was determined smallest result, which was transferred to the account with the largest result in the other part of the book in order to calculate the debit or the credit balance. It was stated that such procedures were carried out periodically, as a rule, at the discretion of the accountant, which allowed to observe the real condition of settlements.
- It is confirmed with the real examples that both the credit and the debit balances could take place in accounts of the medieval company owners.
- The balance of the closed account brought forward to the new account was not always entered as the first record in the account, but could be placed in any sequence.

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