

# Accounting Historians Notebook

---

Volume 12  
Number 2 Fall 1989

Article 11

---

Fall 1989

## Three hundredth anniversary of Rigisches rechenbuch by Johann Wolck

Anna Szchita

Alicija Jaruga

Follow this and additional works at: [https://egrove.olemiss.edu/aah\\_notebook](https://egrove.olemiss.edu/aah_notebook)



Part of the [Accounting Commons](#), and the [Taxation Commons](#)

---

### Recommended Citation

Szchita, Anna and Jaruga, Alicija (1989) "Three hundredth anniversary of Rigisches rechenbuch by Johann Wolck," *Accounting Historians Notebook*: Vol. 12 : No. 2 , Article 11.

Available at: [https://egrove.olemiss.edu/aah\\_notebook/vol12/iss2/11](https://egrove.olemiss.edu/aah_notebook/vol12/iss2/11)

This Article is brought to you for free and open access by the Archival Digital Accounting Collection at eGrove. It has been accepted for inclusion in Accounting Historians Notebook by an authorized editor of eGrove. For more information, please contact [egrove@olemiss.edu](mailto:egrove@olemiss.edu).

# THREE HUNDREDTH ANNIVERSARY OF "RIGISCHES RECHENBUCH" BY JOHANN WOLCK

by

*Anna Szychita and Alicja Jaruga  
University of Lodz*

The birth and development of merchant accounting in Poland took place in feudalism like in other European countries and was closely connected with general economic development and with the development of trade and trade capital. In Poland in the second half of the fifteenth century and in the sixteenth century the full bloom of cultural, political and economic life took place. Large cities like Cracow, Gdansk and Torun flourished thanks to the trade carried out by merchant enterprises.

In Poland, in the first stage of merchant bookkeeping development, Gdansk played a significant part. In the period of the thirteenth through fifteenth centuries, the Baltic and the North Sea were the second (after the Mediterranean Sea) important center of world trade, and after the collapse of trade in the Mediterranean countries their role increased. In the sixteenth century, after Nurnberg and Antwerp, Gdansk achieved the third position as a trading city in North Europe.

In Poland, and especially in Gdansk, the majority of merchants who had big enterprises were of German origin, thus the Italian way of bookkeeping was not used directly until the second half of the seventeenth century and it was based on German bookkeeping. The greater part of merchant books was based on single entry bookkeeping even in the sixteenth century when the handbooks with double entry accounting appeared.

Erhart von Ellenbogen, Sebastian

Gamersfelder, Wolfgang Sartorius, Ambrose Leriche, Paul Hermling and Johann Gotfryd Martzen were citizens of Gdansk and authors of books on bookkeeping written in German in the period of the sixteenth through eighteenth centuries. The handbook written by Gamersfelder entitled "Buchhalten durch zwei Bücher nach italienischer Art und Weise" edited in Gdansk in 1570 is of the greatest didactic value among others edited up to the end of the nineteenth century.

Despite the handbooks on accounting and merchant arithmetics edited in Gdansk, many manuals in this field of foreign origin were used. One of them was a book by Johann Wolck entitled "Rigisches Rechenbuch worinnen nach der neusten und besten Art..." (the real principles of accounting as a noble art of bookkeeping) edited in George Matthias Nöller's printing house in Riga in 1687.

Johann Wolck was a penman and bookkeeper in St. Peter's School in Riga. His book of the pocket format (15.5 x 10 centimeters) was dedicated for his "dear pupils". The author expected that his work would be favorably utilized in his hometown and neighboring others.

Its first 367 pages encompass dedication, introduction and the lecture of merchant arithmetics. The next 16 pages constitute the vocabulary of Latin and Italian words which were frequently used in trade. In the last 14 pages the basic body of the knowledge of bookkeeping without exemplifying records has been presented.

Wolck dedicated his "brief and useful accounting book" to the Municipal Council of Riga while sending regards and thanks to 24 members of the Council.

Following the dedication, brief statements on an accounting science and approval from four professors (M. J. Breverus, M. Wittel, M. G. Müller, G. Guntesen) encompass four pages. Further pages encompass an introduction in which the author underlines the necessity of writing a book which should be helpful in gaining the merchant abilities. He advises this book as a manual of commercial arithmetic and bookkeeping.

In the part of the book in which the problems of merchant arithmetic are discussed, Wolck teaches how to compare Arabic and Roman numerals, how to use multiplication tables to 100, how to sum up by means of an abacus, how to solve mathematical problems based on fractions, and how to arrange relations. Next he considers the problems connected closely with trade and shows how to reduce coins, measure different units, calculate profit or loss, and settle taxes and discounts.

Johann Wolck seems to have treated the problems of merchant bookkeeping rules incidentally while presenting these rules very briefly in the chapter entitled "Kurtzer Unterricht des rechten italiänischen Buchhaltens" which can be translated as "The Brief Lecture of Real Italian Bookkeeping."

The author must have found other comprehensive papers in this field. He is not unlikely to learn from Gamersfelder's or Sartorius' books. These two authors had the purpose to transform Luca Pacioli's science to Poland. We can conclude that the aim of the author was to write a book in which the knowledge of bookkeeping was enclosed and which would be useful for the merchant and would be helpful for him in summing up for example the

payables or in recording any event in commercial books. It was not the intention of the author to produce a treatise. In the beginning of the chapter the author writes: "Everybody who intends to manage in trade rationally must have and use three books as follows:

1. Memorial or Kladda,
2. General Journal,
3. Capital or Ledger."

He indicates that besides these books the auxiliary books are: the book of invoices, costs, cash balance, and costing. Before opening ledger accounts, he advises making up an inventory, a list of money, commodities, debts and liabilities, but he does not indicate how to do it.

He teaches "The main book, in which every debtor and creditor has his own account, is on its left called Debit and on its right Credit. Whom I grant a loan is my debtor (Debitor). Who lends me money is my creditor (Creditor)."

The rules of how to enter the process of purchase or sale in the ledger are described at the beginning. The cases of purchase or sale with a profit or discount were also considered.

Next the author teaches how to use a bill of exchange. The bill of exchange in question is not a promissory note but a draft.

Another item stressed by Wolck was commission trade. A brief description of trade documents in commission trade and the way of recording in the commission system has been enclosed. Moreover, some indication of how to record an agent's commission or acceptance of a postponed loan is enclosed. Further records refer to the bookkeeping of purchase and sale events made by a broker.

The author took into consideration the problems of insurance of goods sent to other towns. It was very important because of the possibility of destruction, damage or theft during transportation. Especially

dangerous as shipping transport because of frequent piracy.

The merchants started to establish partnerships to diminish the risk connected with the dispatched goods. The older and most famous was a family partnership. The partnerships of merchants living even in different countries were known. These partnerships were based on the commission sale. A few merchants delivered the common commodities to their confidential agent who acted for them. Such agent dealt not only with commodities but with working capital as well. The agent bought commodities at his discretion and after selling them the profit was divided among partners.

Johann Wolck pays much attention to how the economic events should be correctly recorded in the framework of trade partnerships. He separately discusses the problem of a country's partnerships and partnerships with foreign capital. He shows the problem of bookkeeping in foreign companies dependent on:

1. whether we head this partnership, or
2. we are the member of a partnership headed by another person.

The understanding of bookkeeping rules in partnerships is difficult for contemporary readers because of the brief characteristic of these events and abbreviations which are not explained.

The description of the balancing of accounts and entry of final balance to the balance sheet follows the practice of double entry bookkeeping. All profits and losses should be recorded on the account called "profits and losses". On this account the final profit and loss as a result of trading activity should be stipulated and next should be carried to the account called "Capital" on its credit side in the case of a profit or on a debit side in the case of a loss. "Capital" is the last account in which the balance can be observed. The final merchant's activity connected with

bookkeeping should be the entering of final balance into the general balance.

### Summary

Johann Wolck's lecture on bookkeeping differs in its form from older ones. The author has not applied any examples of how to keep the bookkeeping documents (Memorial, General Journal, Auxiliary Books), but he has concentrated his attention to the description of account correspondence in a ledger referring to the economic activities connected with trade.

The short description and Wolck's way of bookkeeping demanded the general knowledge of trade transactions from the reader. He has not provided for the examples of transactions but he has used only the category of the groups of economic events.

The way to introduction of problems regarding merchant bookkeeping which differs from others is rather a merit than fault because the author managed to structure economic events and present in a brief form the bookkeeping principles of classified transactions. He achieved it by discussing the rules of bookkeeping as they pertain to liabilities to the supplier.

Wolck's book is not of as great didactic value as earlier books of Gdansk's accountants, but is an evidence of great interest among merchants who wanted to learn the proper Italian methods which were in demand. It is evident that the merchants in the seventeenth century dealt with very complicated trade events, so the broad knowledge in the field of finance and bookkeeping was necessary for them.