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BONSIGNORI FAMILY ESTATE ACCOUNTING 1461-1632

Abstract: The paper investigates the Bonsignori accounts that are in the archives of the University of Kansas, Spencer Research Library. The file contains 133 documents and bound books relating to the affairs of the Filippo Bonsignori family between 1455 and 1632. The most important documents deal with accounting and administration of Filippo Bonsignori's will. The time period involved (1455 to 1632) permits some study of the developments in accounting methods used in fulfilling fiduciary responsibilities. The paper provides insight into the history of Florentine estate accounting.

The history of the city of Florence has been more closely examined than that of any other city. Apart from the intrinsic fascination of the city's rich cultural tradition, much of the magnetic force that continues to attract historians emanates from the city's seemingly inexhaustible archival resources. Based on the existing evidence, Florentines were remarkable record-keepers. In documents ranging from historical chronicles to personal accounts, they recorded the events of their lives. Their documents have survived in such quantity and variety that today the city's archives have few rivals that can yield as many secrets of their pasts.

Despite continuing scholarly activities, there are still vast collections of documents which have not yet been charted and classified.¹ In addition to the documents in Italy a large number of copies have been scattered all over the world. The archives that are owned by Spencer Research Library of the University of Kansas are a good example of the extent of the Florentine record-keeping tradition which stressed the maxim that "paper costs little, and often it returns a good profit."²

The primary objective of this paper is to present the results of the investigations of the Bonsignori³ family accounts that are in the archives of the University of Kansas, Spencer Research Library.

The author wishes to thank the staff of Spencer Research Library, University of Kansas for their kind help and Daniel L. McDonald and Irene M. Gordon for their valuable criticism.

A brief description of the documents will be given, and an attempt will be made to relate these rather incomplete records to the already known development of Italian estate accounting.

Description of the Bonsignori Family Accounts

The records at the Spencer Research Library were obtained in 1969 through a broker in New York from Renzo Rizzi Company of Milan, Italy, a famous book dealer who mainly deals in manuscripts and archival materials. The file contains 133 documents and bound account books relating to the Bonsignori family of Florence during the period 1455 to 1632. The most interesting parts of the file are the records related to the administration of "L'Ospedale di San Paolo di Firenzi," a nursing home primarily serving the poor and the members of the church. The documents can be classified as follows:

- A. Five documents ranging from 1461 to 1487 about various affairs of the family with little relevance to accounting.
- B. Eighty documents and two bound booklets containing various letters and other information about Bonsignori family affairs during the 16th century. Among these letters are two letters signed by Angelo di Medici Visconte d'Assisi,⁴ who had been appointed by the Grand Duke to look at the Accounts and Affairs of the estate. One relates to granting permission for an insignificant family matter. The second letter addressed to the Grand Duke deals with the administration and auditing of the estate account.
- C. Seventeen documents relating to the 17th century (the last date being 1632) deal with various affairs of the family.⁵
- D. Five documents and bound booklets for the period of 1537-1602 relate to a house located in Via del Ramerino, San Simone, Florence.
- E. The balance of the documents concern the will of Filippo di Giovanni Bonsignori, dated December 19, 1461, which, in part, establishes a nursing home (San Francis) at the San Paolo Hospital located at the Piazza (Square) of Santa Maria Novella.⁶ The documents deal with the administration of the will after his death on September 10, 1476 until October 13, 1545, the settlement of the will.⁷ It is this group of documents that form the basis for this paper.

One of the most interesting aspects of Florentine life during the 15th century was the emphasis on charitable institutions. Of all the

forms of charity, none are perhaps more worthy of support or more necessary than those which make provision for the sick and helpless. The principle is now generally, if not universally, recognized in many countries; but the idea was a late development in the history of mankind. Already in the year 1293, the rulers of Florence reacquired the hospital of San Serbio and made it a public hospital.⁸ Probably the oldest hospital in the city was *Santa Maria Nuova* founded in 1285 by Folco Portinari, the father of Dante's Beatrice, and opened to the public in 1288.⁹

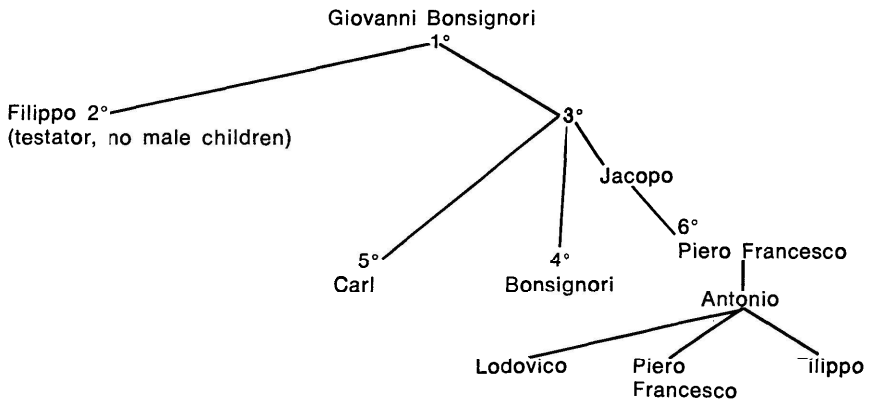
According to available records, in 1338 there were thirty hospitals in the city with more than a thousand beds for the accommodation of the poor and infirm.¹⁰ To the next century belongs San Paolo Hospital, founded in 1451; its portico is still an ornament of the Piazza di Santa Maria Novella. There is no doubt that Filippo Bonsignori's will is related to this well-known hospital of Florence because the location is given precisely in the testament.

The Estate of Filippo Bonsignori

Probably the most important document in the Bonsignori papers is the testament of Filippo Bonsignori which was drafted in Latin on December 19, 1461. It is basically a document that sets up a fund to support a nursing home within the hospital. The original of the testament must be missing because the Latin and Italian copies that are among the Bonsignori papers do not bear signatures and official certifications. It seems that these copies were made in order to simplify the administration of the will. For example, on the top of all copies of the testament the family tree illustrated in Figure 1 appears for the identification of the various parties related to Filippo Bonsignori. It should be mentioned that the family tree does not contain any female members because of the peculiar Florentine inheritance laws.¹¹

Filippo Bonsignori (testator) according to the Florentine records of galley movements was the Captain of two long galleys that were sent to meet Captain Filippo di Francesco Tornabuoni's galleys returning from Constantinople. Tornabuoni's galleys returned in December, 1461. Since during this time Venetians were at war with the Turks, they tried to prevent Florentines from trading with the enemy.¹² The exact date of Filippo Bonsignori's departure of December 7, 1461 and the date of the testament, December 19, 1461 simply cannot be considered as coincidence. It is highly probable that this testament was drafted before the dangerous mission. However, this point needs more research.

Figure 1
Family Tree of Filippo Bonsignori



Source: Kansas-Spencer MS 67:D(temp)f.1r.

Because the will made certain provisions for the minors and the executor, several complete accountings were made. The first accounting occurred on September 10, 1476, the day of Filippo's death. The second accounting was for the provision for the minors who became of age in 1480, and the third accounting came in 1490 with the appointment of a new executor. The final settlement of the estate, upon the demand of two grandsons of Antonio Bonsignori, Giovanni and Girolamo, on October 13, 1545 was a very good example of an outside auditor's work covering a period of nearly fifty-five years. A letter written to the Grand Duke by Angelo di Medici Viscontò D'Assisi, who had been appointed by the Grand Duke to look at the accounts and affairs of the estate, contains several observations and recommendations. He complains about the length of time, the multitude of persons involved in the administration, and the state of disorder of the accounts. He suggests preparation of the overall summary of the accounts according to "truth and equity." He adds that without such a document showing the current state of the affairs it is not possible to make any recommendation.¹³

Trust and Estate Accounting

The records of the Bonsignori family are basically related to a trust left by Filippo Bonsignori and therefore should be compared

with the modern estate and trust accounting. A thorough literature search on the history of estate accounting has revealed a rather limited bibliography.¹⁴ The function of estate or trust accounting differs fundamentally from that of commercial or industrial accounting. Commercial or industrial accounting is based on the equation:

$$\text{Assets} = \text{Equities (Claims).}$$

On the other hand, estate and trust accounting is based on accountability which means "to be answerable." In this case the above equation becomes:

$$\text{Assets} = \text{Accountability.}$$

The books of an executor are opened by debiting asset accounts with the valuations shown by the inventory and crediting a fiduciary "accountability" account called Estate Corpus or Trust Principal. According to the first entries made by Messr. Bonini, the first executor or administrator of the Filippo estate, this principle was observed. File 4B of the Bonsignori Family records contains the following entry on September 12, 1476, exactly two days after the death of Filippo Bonsignori:

*L'aredita dj filippo de avere addj 12 di setembre 1476 e
... da carlo da castelfranco . . . C 95 R 33 —*

(The estate of Filippo is credited on September 12, 1476 for the amount from Castelfranco Cart No. 95 33 florins)

The existence of this and similar entries shows the recognition of the trust as a separate entity and the systematic operation of a ledger system based on keeping account cards or folios. On the other hand, the general practice today is that liabilities are not recorded until the fiduciary pays them, thus reducing the total assets for which he is accountable. Of course, the fiduciary's accountability is increased if additional assets are discovered after the original inventory is completed. In this case, an account called Assets Subsequently Discovered is usually credited and asset accounts are debited. This account is a supplement to the Corpus account. The executor's responsibility as to corpus is also increased by any gains on the disposal of assets, because gains increase the total assets of the estate. On the other hand, his accountability is decreased by losses. When an asset is sold, the asset account is credited with the inventory value and the gain is credited to a Gain on Realization account.¹⁵ The executor's ac-

countability is decreased by payment of legacies, funeral expenses, and by the payment of liabilities incurred by the decedent.

Following the same logic nearly five hundred years ago Messr. Bonini made the following entry in his books.¹⁶

<i>La heredita di detto Filippo di dare adj 12 di settembre</i>	
<i>1376 R 1 y 56 . 17 . 6 per la spesa del mortorio uscita</i>	
25	R 1 56 . 17.6

The (Heredity account-estate) of said Filippo is debited on	
September 12, 1476 for the amount of R 1 y 56. 17. 6 for	
the burial expenses-exit book Carta No. 25	R 1 56 . 17.6

The fiduciary's accountability is decreased by the payment of legacies. One account "Legacies Paid" is usually sufficient even though there may be more than one legacy. If there are numerous legacies, it is desirable to use several accounts, such as Specific Legacies Delivered, General Legacies Paid, and so on. Messr. Bonini did almost the same thing with considerable detail except that burial expenses and legacies were carried in the same account and no distinction was made between general and specific legacies. However, detailed explanation of transactions were sufficient in this case because in the beginning the number of transactions were not too numerous. The following example prepared by the successor of Messr. Bonini indicates that Account No. 18 was used for legacies and other payments:¹⁷

<i>Lospedale apaghato per filippo p al chosto della</i>	R 9 5 . 11.9
<i>sipoltura d, s^a, maria novella conto 18</i>	R 21 1 —
<i>o rischuatoro altestamento a 18 mona</i>	R 100
<i>zinoba dona di filippo al chonto 18</i>	
<i>p iachopo buonsignoria a 18</i>	R 3 1 . 13.8

translated

Estate paid for Filippo	
for the cost of the tomb at the Santa Maria	
Novella Acct. No. 18	
to Mona Zinoba, wife of Filippo to Account 18	R 9 5 . 11.9
for collection according to the testament to 18	R 21 1
to Mona Zinoba, wife of Filippo to Account 18	R 100
to Jacopo Bonsignori (Filippo's brother) to 18	R 3 1 . 13.8

Modern accounting requires a fiduciary to maintain a clear distinction between principal cash and income cash. A special form of cash book is often used in order to keep this distinction. Messr.

Bonini's book closely follows this approach. He kept his cash book and assigned Ledger No. 1 (*carta 1*) for this purpose. It is also interesting to note, that the terminology used is precisely the same as that used in the modern charge and discharge statement. Messr. Bonini's 1490 statement contains the terms "I charge myself" and "I credit myself." He charged himself for inventory and collections (basically for collection of cash) and credited himself for expenses related to the estate. The ledger (*carta*) numbers used were 25 and 26 for expenses and No. 2 for income and principal.

According to the documents in File 4 C, before the death of Messr. Bonini (1493) the total debits and credits to the estate account were as follows:¹⁸

<i>entrata</i>	911 12 1282.	19-. Estate capital credit
<i>uschita</i>	1249 — 133.	11.8 Estate capital debit

Apparently Messr. Bonini made several mistakes and omissions during his long term as trust administrator. These mistakes are revealed in a summary prepared after his death. This summary first transfers Account No. 2 of Messr. Bonini to Account 17 and the expenses to Account 18. The following examples of this summary give the reader an idea about the nature of the credits to the principal account (all are cash receipts):¹⁹

<i>della charlo bonsignori chonto 17 . R trentatre</i>	R 33 — —
<i>della m^a zinoba difilippo chonto 17 R quindici</i>	R 15 — —
<i>della m^a zinoba detta chonto. 17 R ciento</i>	
<i>cinquantasotto e y 3 9.8 chonte</i>	R157 3 9 .8
<i>della detta R cinquecentoquarantacinque</i>	R545 — —

translated:

from Carlo Bonsignori Account 17 R thirty three	R 33 — —
from Mona Zinoba of Filippo Account 17 R fifteen	R 15 — —
from the above Zinoba Account 17 R one hundred	
fifty seven and 3. 9.8	R157 3 9.8
from Mona Zinoba (the above) five hundred forty	
five, Account 17	R545 — —

There is a striking difference between the credits to the estate account and the debits that were given on the previous pages. In addition to the amounts given in numbers, each amount was also given in writing. The slashes that appear on letters Rs were made by using a different ink because the amounts that appear in this summary (15 credits, 23 debits) were transferred from the *cartas* (ledgers) and these slashes indicate these transfers.

Another important fact that is revealed by this summary relates to omissions. Messr. Bonini left a number of accounts that gave only the descriptions of various assets (i.e. golden thread, pearls, etc.) but did not attach any value to these assets. The new accountant, after giving a list of assets added a note to the summary, "*della scritta di mano di Messr. Bonini*" which means "from the handwritten records of Messr. Bonini." However, he was not able to give any amount for these and omitted them from the totals of the debits and credits. Credits totalled 1291 4.3 and debits totalled 1380 4. 3. 7 showing an excess of debits over credits.

Two more items in this summary deserve a short discussion. One of them is related to the operation of a bakery which incurred expenses amounting to 64 florins. The new accountant did not include this amount in the total because there was no account kept by Messr. Bonini for this purpose. This fact was given in a note within the main text of the summary. The second refers to the fact that some information was obtained from the *catasto* 44 records. After the passage of a law in 1427, Florence began taxing its citizens on the basis of their assets and liabilities. These returns were called *catasto*. A cross check of records in Account 2 and the *catasto* information (*catasto* No. 44) of Franconi, as supplied by Carlo, resulted in a difference of 56. — .16 which was credited as a correction.²⁰ Finally, in one case, an amount of 8 florins that was paid to the Priest of Chiesa Bibbiana (or Barbiano)²¹ was referred to as a doubtful payment and was not entered in the total. Apparently this amount was a part of the 48 florins payment made to the same priest.

Financial Position as of October 13, 1545

The financial position statement as of October 13, 1545 measures approximately 16 by 22 inches (Figure 2). The front section gives debits and credits to the above mentioned accounts No. 2 for Principal and Nos. 25 and 26 for expenses. The right side *partito entrata* entry portion contains twenty-eight items and the *uscita* exit portion, the left hand gives 43 items. Since the credit items were explained with great care and detail, the accountant ran out of space and two items (i.e. 28 and 29) were carried to the blank space under the debits (expenses) side of the statement. Due to length of the time period and the condition of accounts left by Messr. Bonini and other accountants, the preparer of this last statement was very cautious about the transactions mentioned in the previous statement. He entered all the information left by Messr.

Figure 2
Summary of the Estate Account

Handwritten ledger table with multiple columns containing entries, dates, and numerical values. The text is written in cursive and includes various account descriptions and financial figures.

Bonini as well as his reasons for corrections. Items 18, which is not completely legible, 19, 20, and 21 relate to the omission of information in Account No. 3 which refers to gold, pearl, and *cafasto* information concerning basically the personal effects of Filippo and his wife. The information in item 23 reveals that Mona Zinobia, Filippo's wife, died in 1486 and some of her property was left to the estate of her husband.

The debit side of this statement contains 43 items without a chronological order. Items are given with a short explanation. However, the exact day, month and year of the expenses were stated clearly. Apparently these expenses were more easily verifiable than the identification of the estate assets. Most of the items are of similar nature, payment to various persons in accordance with the testament. A majority of these payments were made for burial expenses, assistance to the S. Barbiana Church, and to immediate family members. Some items, especially items 39 and 40, occurred in 1476 but were entered after the transactions of 1481. For example,

38 Payment to S. Barbiana Church on October 6, 1481, 76 3. 16 followed by

39 Payment to Mona Zinobia October 7, 1476, 400 — — clearly shows the efforts of the accountant to find omitted accounts.

As can be seen from Figure 2 after corrections, the following totals were given as of October 13, 1545:

<i>heredita deavere</i>	R 2705	1464.	13.9 (credits)
<i>heredita dedaro</i>	R 1282	424.	11.5 (debits)
<i>L'aredita di Filippo a rimano</i>	R 1423	1040.	2.4 (remaining)

In approximately 55 years between Messr. Bonini's account keeping and the final report of the estate, several executors and accountants took over the job of administering the will. It is interesting to see that each change in the executorship of the estate meant a complete review of all the transactions since Filippo's death. The first day on the job each bookkeeper went back to the original will and copied the earlier transactions in full detail in order to limit his own accountability. But some of the earlier errors were not corrected until 1545 when two of the heirs requested the final settlement of the estate. The last accountant took his job very seriously and prepared a detailed final report which showed a balance of R 1423 1040. 2. 4. after corrections.

Certain entries on the back of this statement show a total of 1360 florins of credits between 1476 and 1545. The debits to the estate account total 626 florins.²² Only two transactions totalling 260 10 .2 related to one person, Ottaviano, are shown among the 43 items given in the last statement. Omitted transactions that took place between 1499 and 1545 apparently were discovered by this accountant. It is highly possible that these were included in another statement which is not in the file. If we add these amounts, the balance of the estate principal becomes as follows:

total credits	4065	1464	13.9
total debits	1908	434	13. —
remaining	2157	1030	— .9

Conclusion and Direction for Further Research

Although the Bonsignori documents are incomplete, they are valuable for two reasons. First, because of the length of the period covered by the documents, one can get a good idea of the development of accounting between 1461 and 1545. Various entries reflect developments in the procedures for administration of the estate, set up by Filippo Bonsignori. In addition to the day-to-day accounting aspects, the documents give a good case for the auditing of estate accounts. One after the other, accountants went back and searched for missing entries. In all situations their correcting entries were based on objective documents. Second, the documents can be used to structure the family history of the Bonsignoris. Since this family played certain roles in the political and economic life of Florence, such an investigation can be a valuable addition to the existing body of knowledge.²³

FOOTNOTES

¹Goldthwaite, p. 3.

²Goldthwaite, p. 4.

³There are several ways of spelling "Bonsignori." For uniformity we will use "Bonsignori" throughout this paper.

⁴MS 67(temp 4 D f. 26^R).

⁵It is interesting to note that among these documents there is a copy of a will of July, 1931 by Girolamo Bonsignori, the grandson of Ludovico Bonsignori.

⁶The actual location of the nursing home and the San Paolo Hospital is given in a map by Walther Limburger in his *Die Gebäude von Florenz*, see Kent (at the end no page number).

⁷These documents are placed in Files 1, 2, 3, 4 (A through H), and 5 in Box M567 at the Spencer Research Library.

⁸Scaife, pp. 179-180.

⁹Scaife, p. 180.

¹⁰Scaife, p. 182.

¹¹The general rule was: a man's property was divided equally among his "universal heirs"—normally, his sons without any special recognition of the oldest. Goldthwaite, pp. 256-257.

¹²Mallett, p. 69, and p. 166. This trip had two patrons, Paolo di Giovanni Machiavelli and Pietro di Niccolò Piaciti. The former accompanied Filippo Bonsignori and later he became one of the leading Florentine galley commanders. Mallett, p. 69 note 3.

¹³MS 67 (temp 4D f. 26r). This letter is a copy of the original and has no date. However a note on the upper left hand refers to "supplica per degli operai dallo spedale di Santa Pauli" which means "petition for the operations of the estate of San Paolo."

¹⁴Oschinsky, pp. 91-98; Parker in his article in the *Accounting Historians Journal* talks about the history of executorship accounting but gives no specific reference.

¹⁵Griffin, Williams and Larson, pp. 627-661.

¹⁶One gold florin was equal to 20 *soldi* and 240 *denari*. Since coins were used the totals give actual counts. See Goldthwaite, pp. 289-290 and de Roover, p. 149.

¹⁷MS 67: 1:1 (temp) p. 3.

¹⁸MS 67 (temp 4C).

¹⁹MS 67:1: (temp) p. 2 and p. 3.

²⁰MS 67:1:1 (temp) p. 2.

²¹The handwriting has several misspellings which make it difficult to identify this church.

²²MS 67:4A:7r (temp).

²³Goldthwaite gives a good investigation of four families of Florence. It is possible, through these family histories, to trace the underlying factors of accumulation of private wealth in Florence.

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