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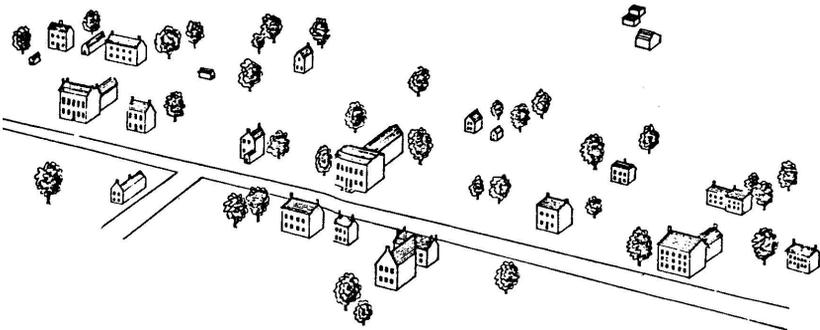
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SHAKER ACCOUNTING RECORDS AT PLEASANT HILL: 1830-1850

Abstract: Shakertown at Pleasant Hill, Kentucky was the third largest of nineteen Shaker communities which existed in eight states during the nineteenth century. Many of the accounting records used by the Pleasant Hill Shakers are still in existence. An analysis of these records indicates that the same care and attention to detail which came to be associated with the Pleasant Hill Shakers in agriculture, mechanics, and architecture is also evident in their accounting records.

THE VILLAGE OF PLEASANT HILL



“Let a stranger visit your country, and enquire . . . for your best specimens of agriculture, mechanics and architecture, and sir, he is directed to visit the Society of Shakers at Pleasant Hill.”

—Robert Wickliffe, Senate of Kentucky, January 1831

Shakertown at Pleasant Hill, Kentucky was the third largest of nineteen Shaker communities which existed in eight states during the nineteenth century. Other Shaker communities were founded in the New England states, New York, and Ohio. The Shakers were a religious group and were called Shakers because of the trembling which occurred during their religious dancing. The Shakers were also industrious and inventive people. Some of the many inventions attributed to the Shakers are the flat broom, wooden clothes pins, circular saws, and washing machines.

Shakertown at Pleasant Hill was established in 1805. By 1830, the community had grown to approximately 300 inhabitants. During the years 1820-1860, the Pleasant Hill Shakers were very prosperous in business. They were successful in the production and sale of farm animals, flat brooms, preserves, garden seeds, and herbs. They were also innovators in scientific farming, the propagation of farm animals, and development of agricultural implements. Pleasant Hill continued to prosper until the Civil War in the 1860s. After the Civil War, problems caused by the war and other changes taking place in America resulted in the weakening of the Pleasant Hill community to the point where it was eventually dissolved in 1910. Pleasant Hill has been restored to its early nineteenth century appearance by Shakertown at Pleasant Hill, Inc., a nonprofit, educational corporation. Shakertown at Pleasant Hill is listed in the National Register of Historic Places and has been declared a National Landmark by the Department of the Interior of the Federal Government.

Many of the accounting records used by the Pleasant Hill Shakers are still in existence. An analysis of these records indicates that the same care and attention to detail which came to be associated with the Pleasant Hill Shakers in agriculture, mechanics, and architecture is also evident in their accounting records.

Analysis of Pleasant Hill Accounting Records

Eight Pleasant Hill accounting journals and ledgers are included in The Filson Club Library Collection. The Filson Club, Louisville,

Kentucky, is a private, nonprofit organization dedicated to the preservation of Kentucky history. These records cover various periods from 1826-1910. Permission to photograph and quote from the Pleasant Hill accounting records has been received from The Filson Club. One additional Pleasant Hill account book is included in the University of Kentucky Library collection. Due to the voluminous nature of these records, this article is limited to an analysis of the available records for the period 1830-1850. This period covers the more prosperous years of Pleasant Hill Shakerism.

Use of Day Book (Journal)

Since many early American farmers and merchants bought and sold goods on credit, it was important that they maintain accounting records. Many of these records consisted mainly of personal accounts of debtors and creditors grouped together in a ledger book. When a business transaction involving credit took place, an entry was recorded directly to the related debtor or creditor's account. Some early American merchants, with large numbers of business transactions, would first record a business transaction in a day book (journal) before recording it in a ledger book. The use of a day book provided an accounting record where business transactions were recorded in chronological order of occurrence. The Pleasant Hill Shakers did use a day book for most of the period 1830-1850. An example of the Pleasant Hill day book for the period October 11-13, 1847 is shown in Figure 1.

A review of the entries in the Pleasant Hill day book indicates the Shakers used standard bookkeeping practices of the period. References are made in the day book to debits (Dr.) and credits (Cr.). All debit entries in the day book are prefaced by the word "to" which indicates why the account was charged. All credit entries are prefaced by the word "by" which indicates how the account was settled.

The numbers to the immediate right of the dates in Figure 1 indicate that the Pleasant Hill Shakers used a numerical indexing system in their accounting ledger book. A review of the indexing system indicates that accounts of debtors and creditors were entered into the ledger book and numbered in chronological order of the first transaction. No attempt was made to alphabetize the listing of accounts. Also, accounts of debtors (accounts receivable) and creditors (accounts payable) were not categorized into two separate groups since, as with many early American merchants, continual exchange of goods between various parties could have

Figure 1. — Pleasant Hill Day Book (Journal) for October 11-13, 1847

Pleasant Hill Oct 1847			
R Evans Co.			
Oct 11	By repairing saddle for Levi	3.00	
209	" B new wagon saddles	30.00	23 00
209	To 13 1/2 lb coal	2.91	2 91
Thomas Curd Dr.			
11 168	To 1 pair of shoes for wife		1 50
Joseph Ficklin Dr.			
11 183	To Cash by Abner		1 00
W Munday Dr.			
207	To Cash in full on Settlement in May		23 41 1/2
Joseph Ficklin Dr.			
12 183	To Cash by Rufus		20 00
North Lot Dr.			
13 172	To work on Saw by Zachariah		37 1/2
Richard Evans Co.			
209	By Note assigned by Mr Crow on McWilliam		5 50

resulted in a debtor one day becoming a creditor the next day and vice versa.

The last entry recorded in Figure 1, a note for \$5.50 assigned by M. Crow on M. Willam and given to the Shakers by Richard Evans, is an example of how notes payable were used by early American merchants to expand the limits of trade. A creditor might receive a note receivable in settlement of an account receivable. The creditor would then give the note to someone else in exchange for goods. It was common in the 1800's for a note to circulate between many parties and take on the characteristics of paper money. The value of a note and its negotiability depended on the credit worthiness of its maker.

Annual Accounting

Many early American accounting records were not closed and balanced on a regular yearly basis. Accounting records did not have to be kept for income tax purposes; therefore, yearly balancing was not a crucial element in an accounting system. Also, many businesses were owned and operated by one person and did not have to prepare periodic reports for outsiders. For an organization like Pleasant Hill, however, where the village trustees had a fiduciary responsibility to village members, annual closing and balancing of accounting records assumed a more important position. Pleasant Hill accounting records still in existence for the period 1830-1850 were closed and balanced on an annual basis with a March 31 year-ending date. As shown in Figure 2, the Pleasant Hill Shakers sold \$17,966.76¼ of goods and services for the year ending March 31, 1841 and bought \$14,968.32 of goods and services for a net increase in assets during the year of \$2,998.44¼. A review of Figure 2 indicates that the Shakers not only kept track of cash receipts and cash disbursements for the year but also adjusted for changes in accounts receivable and accounts payable balances at the end of the year in order to get a more accurate picture of the net change in their assets for the year.

Income and Expense Accounting

Revenue and expense accounts are not commonly found in early American accounting records. Lack of a need to keep accounting records for income tax purposes and no need to prepare periodic reports for parties outside the business are cited again as the main reasons for the lack of income and expense accounting among early American businessmen.

Figure 2. — Annual Accounting at Pleasant Hill for the Year Ending March 31, 1841

Pleasant Hill (March 1841)		
	Received	Paid out
Amount brought up	- 12076 82 $\frac{1}{4}$	11965 61 $\frac{1}{2}$
Rec ^d for Seeds down the river	2693.16	
" on old led notes as days 102	- 329.87	
" on B. Co's note	538.50	3562 53
Paid for advertising garden seeds	5.00	
" for Seed paper	6.00	11 00
		<u>156393 5$\frac{1}{4}$ 11976 61$\frac{1}{2}$</u>
Sold in Settled accts in Ledger	351.88 $\frac{1}{4}$	
" in Unsettled do in Ledger	197652 $\frac{3}{4}$ 2327 41	
Bought in Settled Accts in Ledger	1790.61 $\frac{1}{2}$	
1844 " in Unsettled do in Ledger	1202.09	2992 70 $\frac{1}{2}$
April 4 amt. of Bought & Sold during the past year	17966 76 $\frac{1}{4}$	14968 32

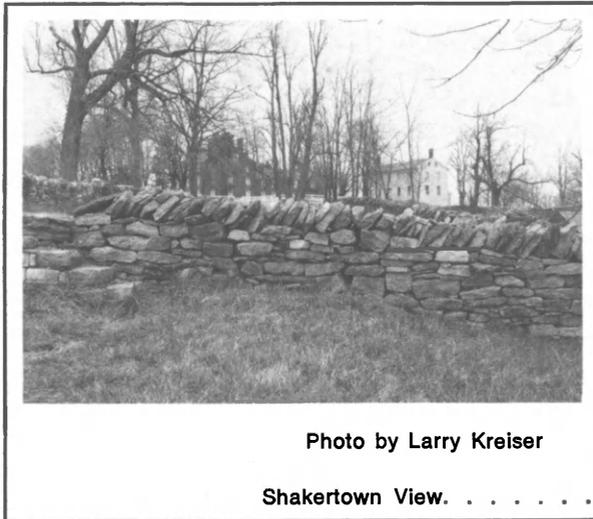


Photo by Larry Kreiser

Shakertown View.

The Pleasant Hill Shakers did not keep separate revenue and expense accounts in their accounting ledgers. They did, however, make yearly analyses which attempted in a rough way to correlate yearly expenses with revenues for the ventures they entered into each year. Figure 3 shows selected income and expense analyses for the year ended March 31, 1841. During the year, the Shakers made \$124.26¾ on leather transactions, \$1,074.07¾ from the sale of linseed oil, \$2,177.18 from the sale of hogs, \$1,570.50 from the sale of cattle, \$379.00 on horse transactions, and \$2,468.55 from the sale of garden seeds. Revenues from the sale of leather, cattle, horses, and garden seeds were consistently good throughout the period 1830-1850. Revenues from the manufacture and sale of linseed oil were extremely good during the late 1830's when linseed oil sold for \$1.00 to \$1.25 a gallon. During the 1840's linseed oil sales steadily declined until in 1850 the linseed oil mill was closed [Ham, 1955, pp. 197-198]. Income from the sale of hogs was consistently good during the period until 1848 when a prohibition against the use of hog meat was made mandatory in all Shaker communities. This prohibition eliminated one of the best sources of revenues for the Pleasant Hill Shakers [Ham, p. 189].

Figure 4 shows some additional income and expense analyses for the year ended March 31, 1842. Among the analyses shown, the Shakers made a net income of \$115.10½ on grass seed transactions, made \$26.78 on salt transactions, and paid out \$2,162.50 for 720% roods of stone fencing at \$3.00 per rood. A rood is a unit of length varying locally from five and one-half to eight yards. Over twenty miles of stone fencing was constructed around Pleasant Hill over a twenty-five year period from 1826 to 1852 [Ham, p. 136]. Figure 5 shows some of the stone fencing which still surrounds Shakertown at Pleasant Hill.

Physical Inventories

During the period 1830-1850, the Pleasant Hill Shakers were innovators in the use of scientific farming and in the propagation of sheep, cattle, and hogs. They introduced purebred shorthorn cattle into Central Kentucky and were frequently asked to judge at fine cattle shows. At various times they took physical inventories of their livestock and recorded the physical counts in their accounting records. As shown in Figure 6, over 4,000 animals and poultry were included in the physical inventory at June 1, 1841.

Figure 3. — Selected Income and Expense Analyses for the Year Ended March 31, 1841

Sold Leather during the past year	767 27 $\frac{1}{2}$
Paid for Slides	377.67 $\frac{1}{2}$
" for fish Oil	25.00
" for Bark	118.11 $\frac{1}{4}$
" Yeiser for tanning	132.00
Received from West Lot	879
	<u>123 21</u>
	643 99 $\frac{1}{2}$
	<u>12,426$\frac{1}{4}$</u>
Received for Oil during the past year	1944 75 $\frac{1}{2}$
Paid for flax seed	672.47 $\frac{1}{2}$
" for Oil Barrels	48.00
" for hauling & expenses	150.18 $\frac{1}{4}$
	<u>870 66$\frac{1}{2}$</u>
	1074 07 $\frac{1}{4}$
Rec ^d from the proceeds of the Slugs	2376 93
Bought 1 bow & some pigs	80.00
Expenses in selling pigs	119.75
	<u>199 75</u>
	2177 18
Rec ^d on sale of cattle in past year	2139 00
Paid Expenses on cattle	558 50
	<u>1570 50</u>
Sold Horses the past year amounting to	471 00
Bought Horses amounting to	98 00
	<u>379 00</u>
Garden seeds sold in Kentucky	282 45 $\frac{1}{2}$
" " sold down the river	2693 16
	<u>2975 59$\frac{1}{2}$</u>
Exp. on seeds in Kentucky	64.68 $\frac{1}{4}$
" on " down the river	442 36
	<u>507 04$\frac{1}{2}$</u>
	2468 55

Figure 4. — Additional Income and Expense Analyses for the Year Ended March 31, 1842

Paid for Corn during the past year		505 54½	
Sold Corn		<u>38 00</u>	
			467 54½
Paid for work the past year	967.27		
.. for Clearcutting	<u>189.37½</u>		1157 64½
Received for Graps Seed		168 37½	
Paid for gathering Blue-graps seed		<u>53 27</u>	
			115 10½
Paid for Slays for worm fences	80.00		
.. A. Ballard for Post & rail fence	187.95		
.. Wash Lot for Do Do	<u>34.00</u>		3 01 95
Paid Mr. Bully for 344 Roods Stonefence			
.. Mr. Bride & Co 212 Do Do			
.. Mr. Bride & Co 131½ Do Do			
.. G & S Slays for 133½ Do Do			
	720% at 3.00 per Rood		2162 50
Paid for Extra work		<u>77 00</u>	
			2239 50
Paid for 52 Barrels Salt	165.72		
Recd. for hauling 770 Barrels	<u>192.50</u>	26 78	

Figure 5. — Stone Fencing Surrounding Shakertown at Pleasant Hill



Photo by Larry Kreiser

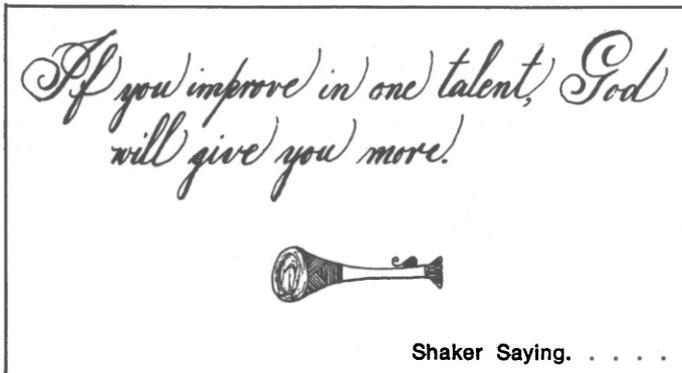


Figure 6. — Physical Inventory of Animals and Poultry — June 1, 1841

*The Number of Domestic Animals & Poultry in the
Church Order on June 1st 1841*

<i>Horses</i>	<i>46</i>
<i>Horned cattle</i>	<i>160</i>
<i>Hogs & pigs</i>	<i>464</i>
<i>Sheep & lambs</i>	<i>624</i>
<i>Turkeys old & young</i>	<i>164</i>
<i>Poultry old & young</i>	<i>2550 supposed</i>



Photo by Larry Kreiser

Shakertown Path.

Fixed Asset Accounting

Most early American accounting records consisted mainly of accounts receivable and accounts payable. Accounting records detailing the cost of other assets such as inventory and fixed assets were not common. The Pleasant Hill Shaker accounting records for the period 1830-1850 did not have continuing accounts related to inventory and fixed assets. The accounting records did, however, accumulate costs relating to these areas when the expenditures were made. Figure 7 is an example of how the Shakers accumulated the costs of a new office building which was started in 1839 and completed in 1841. Expenditures on the office building during the year ended March 31, 1840 amounted to \$1,551.44¼. An additional \$2,086.13½ was spent in the year ending March 31, 1841 to complete the building. A picture of the office building as it exists today is shown in Figure 8. The office building is similar in construction to the other Pleasant Hill buildings.

Management Accounting Notes

The Pleasant Hill Shakers acquired a good reputation for the production of quality products and for attention to detail. These attributes carried over to the Pleasant Hill accounting records during the period 1830-1850. On a number of occasions, analyses are included in the accounting records which are concerned with improving the efficiency of business operations. Some of these management accounting notes are included in Figure 9. In the first note, an analysis is made to determine the capacity of the trough in the center stable in terms of animal feed and the milk production coming from the cows feeding at the trough. In note two, the measurements of the Pleasant Hill garden are given. In note three, an analysis is made of business transactions in salt for a two-year period ending December 5, 1843.

Analysis of Tanyard Profits

Figure 10 includes an analysis of tanyard profits for the period 1845-1847. The analysis explains why profits in 1847 were so much higher than in 1846. The reasons given for the higher profits in 1847 were that the expenses in 1847 were less than in 1846 and that some of the 1846 expenses benefited 1847.

Garden Seed Consignment Records

The Pleasant Hill Shakers conducted a thriving trade in garden seeds during the 1830-1850 period. Sales were made in Kentucky,

Figure 7. — Expenditures on New Office Building Completed in 1841

Expenditures Made During the Year Ended March 31, 1840:

Paid for Stone work on new Office house	282.56 1/4	
" for mauling Bricks 10 1/2 cts	34.06 1/4	
" for Laying Bricks	153.12 1/2	
" for Shingles for roof	247.46 1/2	
" for White Sawing	24.00	
" for Saw Logs	45.50	
" for Boards from Hickman	337.50	
" for nails, Glap, whitening	<u>72.23</u>	1551 44 1/2

Expenditures Made During the Year Ended March 31, 1841:

Paid the whole of Carpenter work on new Office		1085 08
" " Painting	" "	60 25
" " Plastering	446.48	
" " Laths	104.00	
" " Hair	14.00	
" " Sand	<u>19.00</u>	583 45
" " for Sawlogs	81.00	
" " for Plank	110.70	
" " for Shingles	15.00	
" " for nails	15.00	
" " for Locks	<u>25.00</u>	276 70
" " for Work on Stone Steps		<u>90 62 1/2</u>
		2086 13 1/2
The amount paid last year was		<u>1551 44 1/2</u>
The whole amount paid for on the new Office		<u>3637 57 1/4</u>

Figure 8. — Pleasant Hill Shaker Office Building Built at a Cost of \$3,637.57³/₄



Photo by Larry Kreiser

Shaker Saying.

*Clean your room well, for good spirits
will not live where there is dirt!
There is no dirt in heaven!*

Figure 9. — Management Accounting Notes Included in Shaker Accounting Ledgers

The trough in the Centre Stable

Is 10 feet 5 In. long, 2 feet wide & 5 1/2 In deep - 14 feet 9 In cubic
 This trough filled twice a day - 29 feet 6 In cubic
 Of the 29 feet 6 In 2 bushels are corn meal and the remainder
 is cut Oats straw
 The 29 feet 6 In feed 12 milk cows, 8 dry ones and several calves
 The 12 milk cows yield 26 1/2 measured galls. of milk daily

	185 1/2	D.	D.	D.	D.	weekly
January 1840	795	D.	D.	D.	D.	monthly
	9677	D.	D.	D.	D.	yearly

Measurement & contents of the garden 1846

Opposite E. House. Length 38 breadth 19 rods - 4020 30
 Beyond the medical garden Length 28 breadth 12 1/2 - 2 : 0 : 16
 Centre House garden Length 46 1/2 breadth 28 1/2 - 8 : 1 : 5
 Medical garden by John Shain length 28 by 11 - 1 : 3 : 28
16 : 8 : 11

Dec 5th 1843 From Jan 27th 1841 till this date there have
 been 2455 Barrels of Salt hauled up from the river 1409
 of these have been hauled away on orders & 1046 barrels have
 been sold here amounting to \$3139.76 average \$3.00 per barrel

Figure 10. — Analysis of Tanyard Profits for the period 1845-1847

Amount of profits of tanyard for three years as follows

1847	the profits in Tanyard was	1306.83	Loss of time	10 mo. 9 1/2 days
1846	"	"	"	" 6 6 3/4
1845	"	"	"	" 5 1
The average amount		\$ 1065.46		

$$\begin{array}{r} 1089.27 \\ 3 \overline{)3196.38} \\ \underline{3196.38} \end{array}$$

N.B. The reason the profits this season are so much greater than the last - is the cut expenses were less accordingly, "that the benefits of last year did in some measure result in this." Aug 8th John O'ris.



Photo by Larry Kreiser

Shakertown Farm Animals.

surrounding states, and in the South. A paper (pack) of seeds generally sold for three to five cents. Seed papers were left on consignment at various business locations to be sold by the local merchant. The Shakers would come back at a later date and collect receipts for the seeds sold and pick up the unsold papers. The Pleasant Hill Shakers kept track of garden seed papers out on consignment in their accounting records. Periodically, the garden seed consignment records would be adjusted for sales, returns, and new deliveries. Figure 11 shows an adjustment of the consignment records for garden seed papers sold during 1848.

Concluding Comments

An analysis of the Shaker town at Pleasant Hill accounting records for the period 1830-1850 indicates the records were very useful to the Shakers in managing the business affairs of the Community. The accounting records during this period were prepared with care and attention to detail which characterized the Pleasant Hill Shakers in their other pursuits.

This brief review of the Pleasant Hill accounting records was intended to provide some insight into the business customs and practices of the Pleasant Hill Shakers during the period 1830-1850 as reflected in their accounting records. The Shakers were very successful in business during this period. Their accounting records reflect this success.

Do your work as though you had a thousand years to live, and as if you were to die tomorrow.



Shaker Saying.

Figure 11. — Pleasant Hill Garden Seed Consignment Records from the 1848 Ledger

Pleasant Hill Ky 1848

Receipts for Garden Seeds

<i>John Leach</i>	<i>St Louis</i>	<i>for papers</i>	<i>2350</i>	
<i>S P Britts</i>	"	"	"	<i>697</i>
<i>Coons & Gallagher</i>	"	"	"	<i>2835</i>
<i>E Dowsley</i>	<i>Tully</i>	"	"	<i>676</i>
<i>Peter Varnest</i>	<i>Libney</i>	"	"	<i>555</i>
<i>John Sletcher</i>	"	"	"	<i>385</i>
<i>Truefil & Co</i>	"	"	"	<i>400</i>
<i>E Brown</i>	"	"	"	<i>555</i>
<i>S B Hoffmann</i>	"	"	"	<i>400</i>
<i>Nietcal & Dyne</i>	<i>Ston</i>	"	"	<i>913</i>
<i>H S Barre</i>	"	"	"	<i>1441</i>
<i>Mr A Holton</i>	"	"	"	<i>226</i>
<i>Mr m Daniel</i>	<i>Hannibal</i>	"	"	<i>2205</i>
<i>200 E G M. W. Lucie</i>	<i>Louisiana</i>	"	"	<i>1741</i>
				<i>14079</i>

REFERENCE

Ham, Gerald F., *Pleasant Hill—A Century of Kentucky Shakerism, 1805-1910*, Thesis, University of Kentucky, 1955.