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ACCOUNTING IN THE MIDDLE AGES

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This article discusses the main features of accounting in the Middle Ages. Since ancient times, accounting has been an important part of the accounting and reporting system of various establishments. Availability of features suggests that different periods correspond to different accounting standards.

In modern times, all economy works of the Republic of Belarus are regulated by the Law of the Republic of Belarus "On Accounting and Reporting". This law defines the legal and methodological foundations of accounting and other norms. Accounting has been an important process at all times, since the ancient times up to the present.

Since ancient times, accounting documentation had its own characteristics. The Principality of Polotsk, which was part of the Grand Duchy of Lithuania, had its own system of state records management. The main document was the Statute of the Grand Duchy of 1588, which regulated the entire accounting process and also set its own rules and regulations.

The main place in the process of regulation of affairs in the Grand Duchy of Lithuania was occupied by the norms of property and liability law. The objects of property law were towns with dependent people, various lands, forests, lakes, rivers and other. On the territory of the Principality of Polotsk there existed the following laws: property, pledge and "servitude".

All economy operations in the Grand Duchy of Lithuania were noticed in special books. Information was noticed into books without any grouping according to certain signs. Documents on the territory of the Principality of Polotsk were called "**sheets**". Each "sheet", as well as other extracts, were noticed into the act books.

Independently of the subject for which the document was compiled, the sheets were divided into informative and complaints. Informative documents were created to transfer information about salary to local authorities. And complaints transferred information about different things which were communicated to the Grand Duke.

During the time of the Grand Duchy of Lithuania, the central government widely used mortgage as a type of crediting. Credit was issued on pledge. It was possible to pledge everything – castles, towns, dwellings, villages, some places and many other things.

Mortgage was issued by a "**loan sheet**", which was entered in the act books. This sheet approved all duties of the pledge: the terms of the pledge and other norms of this process. The main borrower in the Grand Duchy of Lithuania was the state itself.

Revision is the process of revising. In our time, revision has some tasks:

1. checking the conditions of the property;
2. verification of organizational structure, methods and procedures;
3. identification of non-compliance with various norms and rules;
4. checking staff.

The Principality of Polotsk was the main object in the revision activities of the Grand Duchy of Lithuania. The first revision on the territory of the Grand Duchy of Lithuania was carried out in 1545, during which the castles of Ukrainian lands were checked.

Revisions were carried out in accordance with a specific plan and a certain sequence. All revisions were carried out according to a common plan. The revision plan included:

1. checking the status of a castle;
2. description of buildings: towers, a bridges and other buildings;
3. enumeration of noble and church places.

Auditors had to take into account the fixed interests of the state. On the territory of the Grand Duchy of Lithuania several revisions were conducted that showed the need for this property review process.

If we talk about accounting in other countries, we can say about accounting in ancient Italy, because it was a country where new accounting rules were created. Ancient Italy possessed its own accounting system. In the XV century, the Italian mathematician Luca Pacioli published the first printed work on accounting – "Treatise on the Accounts and Record". The Italian accounting system was based on accounting rules.

Accounting system was based on double-entry bookkeeping. Double entry is an accounting term stating that every financial transaction has equal and opposite effects in at least two different accounts. This approach has the following objectives:

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control over the correctness of recording the facts of economic activities;
determination of the amount of capital without the owner's inventory;
the financial result.

Operations were recorded in accounting registers. At the beginning of the registration, the nature of the operation was mentioned. And the record was formed in the form of a paragraph.

For the ease and convenience of accounting, three books were created: *the Memorial, the Journal, the General Ledger*, and also *the Secret Book*.

In the beginning, an inventory is created, which is a description of things. Then a Memorial is created. A memorial is a book in which a merchant writes some cases in the order they arose: day after day, hour after hour. After four to five days, the entry from the Memorial is transferred to the Journal, where the information seems in more detail. The Journal is a secret book that must be kept in a box or in a bag.

In the Journal, all articles were compiled in a double entry format in which the debtor was designated by the word **"on"** and the creditor by the word **"from"**. The names of all debtors were entered into the book registers in the alphabetical order.

At the end of the registration process, the information is entered in the General Ledger.

Italian accountants came to a system of analytical and then synthetic accounts for accounting information. Synthetic accounts reflect the total monetary size of the availability of the asset or the source of their formation. And analytic accounts include those that open to the development of synthetic accounts and the accumulation of certain data.

Since ancient times, accounting had its own characteristics. Both, the Principality of Polotsk, and ancient Italy had their own systems of accounting. Accounting and reporting have become an important part of society. Regulatory documentation existed in each period, which corresponded to the requirements that were necessary at that time. The documentation was kept according to the norms and rules of regulatory documents. In contrast to the accounting system and reporting of the Grand Duchy of Lithuania, the Italian system was more developed. Perhaps, it depended on the location of the country and the level of education, because knowledge was the basis for creating new norms and rules of accounting.

Thus, this article reflects the features of accounting models. We can say that the accounting system of Italy is the closest to the modern accounting system. On the territory of the Grand Duchy of Lithuania and Italy, as well as on the territory of Belarus, the entire process of accounting and reporting was regulated by normative documents. All processes had to go through registration. A feature of accounting in ancient Italy, in contrast to the Grand Duchy of Lithuania, is that there was a double entry accounting system, as well as presence of formed accounts.

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