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The role of change agents and imitation in the diffusion of an idea: charge and discharge accounting

Michael John Jones*

Abstract—Medieval charge and discharge accounting was the most prevalent accounting system of its time. The first medieval charge and discharge system can be identified in the English Exchequer about 1110. This paper argues that the ideas behind the Exchequer were gradually diffused both internationally and nationally. This paper charts the export of charge and discharge systems to other European Exchequers, to monasteries and bishoprics, to lay estates, to manorial accounting, to guilds, boroughs, universities and parishes. From a single high status source at the start of the 12th century, charge and discharge accounting came to be imitated through mimetic and normative institutional isomorphism by a wide range of lower status medieval institutions by the late 15th century. In the first phase of diffusion, certain key individuals of wealth and power are identified as change agents. In the second phase, individuals, and accounting and estate management texts played an important role in the diffusion. The role of geographical proximity and accidents of history is also explored.

Keywords: change agents; charge and discharge accounting; diffusion; Exchequer accounting; imitation

1. Introduction

Understanding how accounting has changed over time is an important motivation which has underpinned much historical research (Napier, 2006). The diffusion of accounting ideas and practices has been the focus of several historical studies (e.g. Johnson and Caygill, 1971; R.H. Parker, 1979, 1989; Boyns and Edwards, 1996; Camfferman, 1997; Burns, 1999). From these studies we have gained some understanding of the mechanisms by which accounting practice is disseminated over time. In particular, the role of change agents (such as accountants, accounting texts and legislation) has been highlighted. In addition, there has been support for the idea that accounting practices originate in high status organisations and are then copied by lower status organisations. However, despite this work as Burns (1999: 568) points out:

‘minimal attention has been devoted specifically to understanding and explaining why and how accounting evolves in the manner it does, through time, and within specific organisational settings.’

This particular paper builds on the prior research by providing an insight into the diffusion of change in medieval England. This paper contributes to our knowledge of historical development by analysing, for the first time, to the author’s knowledge, the spread of a significant accounting innovation, charge and discharge accounting, throughout the early Middle Ages, from the 12th to the 15th centuries. It demonstrates how starting at the English Exchequer, the most important financial institution in England and arguably the most advanced in Europe, charge and discharge accounting spread to other European Exchequers.¹ After this first phase of expansion, the adoption of charge and discharge accounting is charted in other lower status medieval institutions such as monasteries and bishoprics, manors, guilds, boroughs, universities and parishes. Although charge and discharge accounting’s use has been studied in these contexts before, there has been little attempt to show its spread over time. This is particularly surprising given the widespread attention to the diffusion of double-entry bookkeeping (e.g. Chatfield, 1973; Yamey, 1975, 1980; L.M. Parker, 1989; Scorgie, 1994).

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¹ Potentially, given the almost universality of usage of charge and discharge in medieval Europe’s financial institutions the scope of this paper is potentially limitless. To make this study manageable, the author seeks to establish the main lines of development rather than all possible lines. The author takes the view that the basic principles of accountability enshrined in Exchequer accounting formed the basis for charge and discharge accounting. Thus, charge and discharge is a simplified form of Exchequer accounting.

This paper also makes three important contributions to accounting theory. First, drawing upon change agent theory it highlights the significant role played by individuals and books in the transmission of accounting knowledge. Accounting's development cannot be understood without reference to key individuals (Carnegie and Napier, 1996). This paper thus answers the call for a greater exploration of the role of key personalities in accounting history (e.g. Yamey, 1981; Boyns and Edwards, 1996). For example, it highlights how Peter des Roches and Archbishop Pecham played a key role in the diffusion of exchequers to the Church. Second, it shows how innovations diffuse from socially high status organisations to lower status organisations. From the Royal Exchequer, the practices gradually spread to the monasteries and bishoprics, to lay estates and then down to the manors. This contributes to the earlier historical work, which illustrated the role of imitation in accounting (e.g. Johnson and Caygill, 1971; Camfferman, 1997). It also complements a broader historical research which highlights the diffusion of documentary practices throughout medieval England (Clanchy, 1998). Third, it highlights the role of other factors in the diffusion of accounting knowledge such as geographical proximity and accidents of history. In particular, it shows how Exchequer accounting spread from Winchester to other parts of England.

Charge and discharge accounting, the most prevalent accounting system in medieval Europe, was well-suited to the social, economic and political conditions of the time. It was essential to the efficient functioning of the newly centralised English state (Hollister, 2001). In particular, Bryer (1994) argues it was well adapted to the social relationships of feudalism. Before the adoption of double-entry bookkeeping which accompanied European industrialisation, charge and discharge accounting was in widespread use by governments (Lyon and Verhulst, 1967), religious institutions (Smith, 1941), landlords (Booth, 1981), boroughs (Jones, 1985) and universities (Jones, 1991; Jones, 1992).

Both primary and secondary sources are used. The primary sources include fitz Nigel (1179) on the early Exchequer; early ecclesiastical accounts (Smith, 1941); accounts of St Swithun's Priory Winchester (i.e. Winchester Cathedral Priory) (Kitchin, 1892) and the bishopric of Winchester (Holt, 1964); early lay estates (Patterson, 1973); early borough accounts of Shrewsbury (Historical MSS Comm., 1899) and Leicester (Bateson, 1899); early guild accounts (Gross, 1890) and early Oxford University accounts especially Merton (Highfield, 1964).

The remainder of this paper is structured in four sections, followed by a conclusion. In Section 2

the role of change agents and imitation in the dissemination of accounting ideas and practices are explored. In Section 3, the essential nature of charge and discharge accounting is outlined with particular reference to Henry I's Exchequer. After this, in Section 4, the diffusion of charge and discharge accounting to other medieval institutions is charted. In Section 5, the role of change agents and imitation in the diffusion process is discussed.

2. Change agents and imitation

An important strand of historical research is the development of theories to explain the nature of accounting change (Jones and Oldroyd, 2008). A particularly important contribution by Parker (1979) is the notion of change agents who play a key role in the transference of accounting thought and practice. This theory helps to bridge the gap between accounting theory and practice as identified by Yamey (1981); Boyns and Edwards (1996). Change agents are active innovators (Niehoff, 1966) who play a key role in diffusion theory (i.e. the way ideas and practices are disseminated over time). Although there have been a number of diffusion studies in management accounting (Bjørnenak, 1997; Ax and Bjørnenak, 2005) and the public sector (Jackson and Lapsley, 2003; Perera, McKinnon and Harrison, 2003; Lapsley and Wright, 2004) almost none focus on the role of change agents or imitation. Parker (1979) identified several possible change agents: individual accountants, international organisations, governmental agencies, multinational companies, teachers and textbooks. Parker (1979: 129) argues that accountants, as individuals not as professional bodies, 'appear to have acted as change agents' in the development of consolidation accounting.

More recently, R.H. Parker (1989) finds evidence that British merchants imported double entry bookkeeping through two main change agents either reading a book or manuscript or learning from an individual such as a teacher or merchant. L.M. Parker (1989) suggests Jewish agents, in the Middle Ages, acted as international change agents in the diffusion of double-entry accounting. In a more contemporary setting, Ax and Bjørnenak (2005) point to the importance of books and articles in the diffusion of the balanced scorecard in Sweden from 1990–2004. Boyns and Edwards (1996) explore the role of change agents in disseminating accounting technology in Welsh industry from about 1750 to 1870. They conclude:

'The most likely change agents therefore were proprietors and their agents, and the movements of such individuals, both within and between industries, aided the process of dissemination of accounting techniques' (1996: 27).

Burns (1999) studied accounting change in a

small chemicals manufacturer showing the importance of one key individual, the managing director, in instilling a new corporate philosophy and new forms of accounting. Finally, Perera et al. (2003) in a study of diffusion in a government trading enterprise from 1991–2000 show the important role played by the CEO and senior accountants.

In the dissemination of charge and discharge accounting, the main change agents are individuals and didactic books. Where the evidence permits, specific individuals are identified; if not, the type of individual (such as magnate or administrator) is specified. In the medieval period, change agents such as international organisations, government agencies, and multinational companies are notable by their absence.

Medieval England was a hierarchical society where power flowed downwards from the King and the Pope. It was a pyramidal structure dominated by the King, bishops and earls with a limited number of men of power and influence. In the main, these were lay magnates (e.g. Robert Earl of Gloucester or Robert Count of Meulan), or bishops (e.g. Roger Bishop of Salisbury or Walter of Merton, Bishop of Rochester). Many of the magnates had inherited wealth, leading an itinerant lifestyle with lands in Normandy, France and England. The bishops were appointed by the Pope or, more commonly, by the King, as a reward for loyal service. Generally, it is these men who can be identified as agents of change responsible for diffusing Exchequer accounting to the Church and the lay estates.²

This paper also throws light on how lower status organisations borrow from higher status organisations. The tendency to innovate is highly related to higher socioeconomic status (Rogers, 1995: 347) as demonstrated in a variety of settings such as cultural innovation (Borsay, 1994) or scientific management (Taksa, 1995). In accounting, Johnson and Caygill (1971) showed how highly esteemed British accountancy bodies influenced the spread of professional accountancy bodies through the Commonwealth. Meanwhile, Camfferman (1997) showed that high profile, high status Dutch companies were always in the vanguard in the spread of voluntary financial reporting in the Netherlands from 1945–1970.

This adoption by organisations of new accounting practices has been termed isomorphism and is a key element of institutional theory (Rodrigues and Craig, 2007: 742). Institutional isomorphism has three types: mimetic, coercive and normative (Tuttle and Dillard, 2007: 391). Mimetic isomorphism is where '[O]rganizations tend to model themselves after similar organizations in their field that they perceive to be more legitimate or successful' (Dimaggio and Powell, 1983: 152). Coercive isomorphism relates to dependence on

other entities, whereas normative isomorphism results from professionalisation and structuralisation. In accounting, Carpenter and Feroz (2001) see early GAAP adoption as coercive isomorphism, while Rodrigues and Craig (2007) see IFRS adoption as normative isomorphism.

3. The first medieval charge and discharge systems: the English Exchequer

Essentially, the Exchequer was an auditing body set up to check that the King's revenue was properly accounted for and paid into the government's treasury (Jones, 2008a). The origins of medieval charge and discharge accounting can be traced to Anglo-Saxon England and to the post-1066 Anglo-Norman state (Jones, forthcoming). The Exchequer system itself, first mentioned in 1110, appears to have been devised in Henry I's reign (1100–1135) by Roger of Salisbury, the King's Justiciar.³ Roger of Salisbury can be seen as the first of a long line of change agents that first created and then disseminated Exchequer accounting. There was an upper Exchequer (an auditing chamber), the main institutional innovation (Lyon and Verhulst, 1967), which met formally twice a year and a lower Exchequer (the treasury). Seventeen royal officials sat round the Exchequer table (a table covered with a striped cloth: called *scaccarium*) and watched the treasurer interview the sheriff, the King's official from England's county shires (Jones, 2008b), formally render an account (*redditus comptus*). The revenues accounted for were principally the farm (annual fixed payment from the sheriffs to the King from the royal manors of the shire), taxes such as Danegeld, royal profits from justice, and payments from any boroughs and towns within the shire. The sheriffs would have spread knowledge of the workings of the Exchequer to the shires and towns for whose revenue they accounted. The basic principle underpinning the Exchequer system was 'charging' the sheriff with the King's revenue and 'discharging' the sheriff when he had successfully rendered his account (Baxter, 1980; Edwards, 1989).

The English Exchequer was a unique financial institution. Although many of its individual elements can be traced to earlier times, the whole structure itself was an important innovation in the history of financial administration (Lyon and Verhulst, 1967; Hollister, 2001). The whole was in

² Below these leading lay and ecclesiastical magnates was the mass of the population. Of most of these, peasants and monks, there is little historical record. However, Crouch (2004a) suggests that Royal clerks were often quite mobile – moving from office to office and place to place.

³ Our knowledge of the Exchequer is principally gleaned from Richard fitz Nigel's book *Dialogus de Scaccario* written about 1179. Jones (2008b) evaluates this important historical document.

many ways, greater than the sum of its parts. However, it is perhaps possible to distil some of its key features below:

- A biannual rendering of an account at Easter (view of the account) and, particularly, a final audit at Michaelmas (September).
- Personal accountability on oath from the sheriff to the King formally represented by Royal officials.
- A detailed examination (audit) of the rendered account.
- The formal charge and then discharge of the officials, using a set terminology.
- A defined protocol understood by all parties, which might involve an Exchequer table (Baxter, 1989; Hoskin and Macve, 1986) based on an abacus (Haskins, 1912; Evans 1979).
- The maintenance of permanent records on pipe rolls and tallies in Latin using roman numbers.⁴

A system with all the above elements is definitely a charge and discharge accounting system. However, a system can generally be classified as a charge and discharge system if most of these elements are present.

4. Diffusion of charge and discharge accounting

4.1. To other European states

Western Christendom in the early Middle Ages shared much in common. England, Flanders, France (the Capetian state) and Normandy were affected by an 11th-century economic revival. There was a pressing need to develop a centralised, well-organised financial system for collecting and disbursing revenue. Any state, without such a system, would be seriously disadvantaged vis-à-vis its neighbours, particularly when at war.

Just because the basic social and economic conditions of the different states are very similar does not necessarily mean that their solutions to the problem of collecting the finances will be the same. However, the systems adopted seem so similar that it is improbable that they developed internally without external borrowing. The evidence is persuasive, but not necessarily conclusive, that the Exchequer accounting system can be traced from England then to Normandy, Scotland, Flanders and France (Jones, forthcoming, provides further details on this). This likelihood is heightened as administratively the English government was the most advanced in Europe and was an obvious

place for other less-advanced states to look to when implementing new administrative systems. The mobility of individuals around Europe make them obvious potential change agents. The different national Exchequer systems are discussed below in the most probable order in which they developed (Figure 1 shows both the international and national pattern of diffusion).

Normandy

It is no surprise that Normandy and England essentially shared the same system of financial administration by the end of the 12th century. They were, after all, ruled by the same Kings after the Norman Conquest (1066) until 1204. The English and Norman Exchequers had the same basic features and the same type of record (Lyon and Verhulst, 1967: 88). There was a *scaccarium* (Exchequer), part of the royal household, staffed by the Anglo-Norman barons of the Exchequer and a Treasury. The accounts were enrolled as in England on pipe rolls, on the *Magnus Rotulus Scaccarii Normanniae* (Great Roll of the Norman Exchequer). The Norman Exchequer like its English counterpart met twice a year at Easter and Michaelmas and used an abacus. The evidence such as it is (i.e. earlier surviving English documentation, more advanced economic development and stability of the English realm), taken cumulatively, appears to indicate that the English Exchequer developed a few years before the Norman (Lyon and Verhulst, 1967: 88).

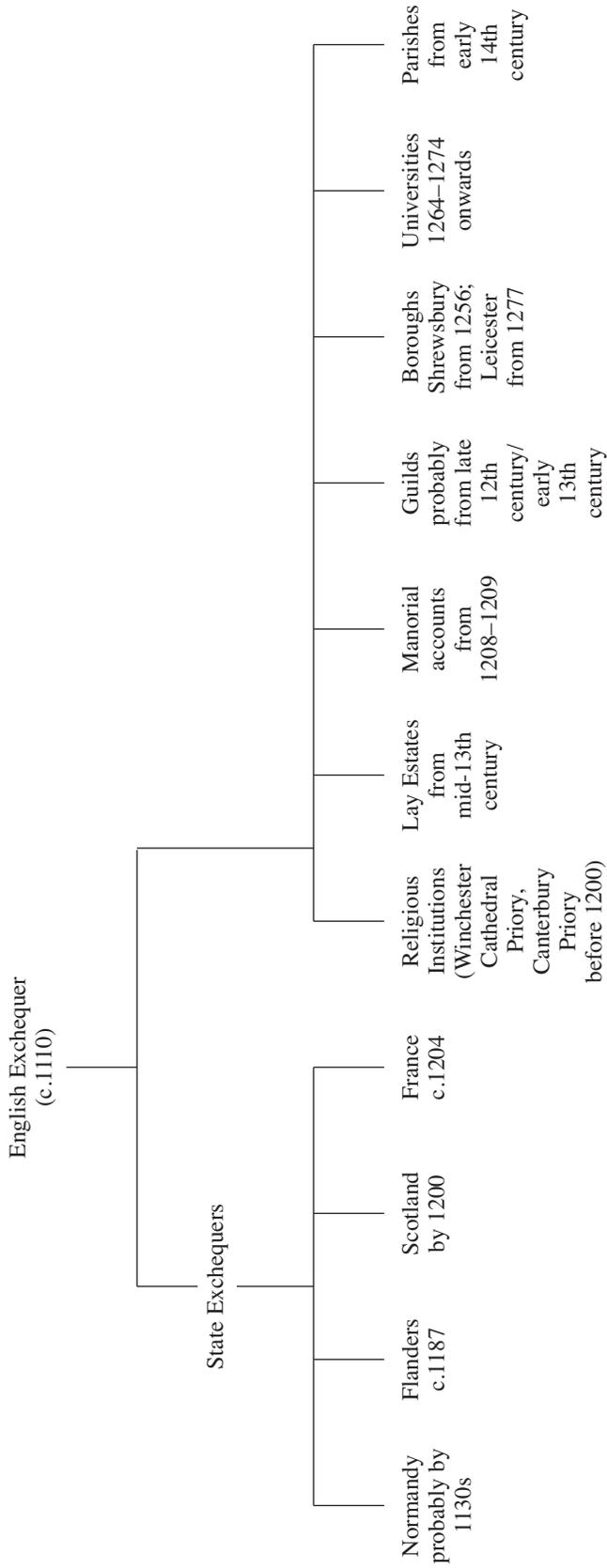
Many of the wealthiest landowners were common to Normandy and England such as Henry I's intimate counsellors, Robert Count of Meulan and Robert Earl of Gloucester (Hollister, 2001: 366). These magnates familiar with the English Exchequer system are likely to have played a key part in the development of a Norman system modelled on the English system. A tantalising glimpse of individual influence is provided by the visit of Richard fitz Nigel, King Henry II's treasurer, to Normandy. Hudson (2004: 1) suggests: 'It is conceivable, although unprovable, that Richard's trip was connected to the financial reorganisation in Normandy during 1176'.

Scotland

Twelfth-century Scotland's economic retardation delayed the necessity for a Scottish Exchequer. However, by the end of the 12th century one was in existence (Brown, 1905; Britnell, 2001). The Scottish sheriffs rendered their accounts from the royal burghs (boroughs) at the Scottish Exchequer in front of the King's auditors. Generally, the accounts follow the English model. The sheriffs accounted for farm rents, were audited on chequered cloth and the records engrossed on parchment rolls. Given the similarity of the two systems and the extensive contact between England and Scotland then individuals are likely to have trans-

⁴ Accounting records were written on pipe rolls (made out of calf's skin) which were rolled up for storage (as they looked like pipes, they were termed pipe rolls).

Figure 1
Diffusion of charge/discharge accounting



ferred knowledge of the English system to Scotland. However, it is not possible to identify any particular individual as a change agent. The Scottish Exchequers were probably modelled on the English Exchequer because of its perceived success.⁵

Flanders

Although 12th-century Flanders was very advanced economically, it was relatively slow to monetarise. However, as in England 'expanding government, centralisation and economic growth forced greater efficiency in financial institutions' (Lyon and Verhulst, 1967: 85). Reform in 1089 led to a primitive decentralised accounting system. Only in the last half of the 12th century (certainly by 1187) was a centralised auditing meeting of the *ratiocinatores supremi*, analogous to the English Exchequer, established. The English system was the most likely model. Lyon and Verhulst (1967: 80–81) comment:

'In almost every respect the English Exchequer of the twelfth century was more advanced ... The annual auditing sessions were better organised, the accountable officers more strictly supervised, the Pipe Rolls more detailed and accurate ..., the system of reckoning accounts more sophisticated, and the conversions of incomes in kind to money more rapid.'

Unknown individuals are likely to have acted as change agents. The success of the English system and its reputation for efficient administration would have encouraged imitation. Certainly, the actual mechanics of these *redeninge* (for example, abacus, Exchequer table and tallies) were borrowed from England. The English term for Exchequer, *Scaccarium*, was used to describe the new Flemish system.

France

Politically France, under its Capetian rulers, lacked strong rule, was unstable and economically underdeveloped. Only with Philip Augustus's conquest of Normandy in 1204 did the French administrative system develop. The French imitated the well-organised Norman financial administrative model (Lyon and Verhulst, 1967). The superiority of the English Exchequer, already exported to Normandy, thus encouraged France to imitate a similar system. In this case, Phillip Augustus or his advisers were the most likely change agents.

4.2. To monasteries and bishoprics

Church and state represented the two intermingled pillars of medieval English society. The Church played a significant role in economic, social and political life. Nominally, the Church was controlled by the Pope, but in practice ecclesiastical preferment was a common source of Royal pa-

tronage. Many of Henry I's advisers, such as his Justiciar, Roger of Salisbury, became bishops. Taking the English treasurers, Richard fitz Nigel (1158–1196) was Dean of Lincoln, while his successor, William of Ely, was Archdeacon of Ely and Canon of St Pauls. Given their presence at the heart of English government, their consequent knowledge of the Exchequer and their leadership of monasteries and bishoprics, these men constituted obvious potential agents of change. Archbishop Baldwin of Canterbury and the Bishop of Winchester, Richard of Ilchester (1174–1188), for example, are known to have attended the Exchequer. It is thus logical that Canterbury and Winchester are the earliest known monastic adopters of an Exchequer-based accounting system.

At a lower level many individual clerics actually reported to the Exchequer.

'Episcopal estates had a special reason to develop efficient management and accounting, since the estates reverted periodically to the king. It was essential for them to develop a permanent staff and a continuous accounting system which functioned with equal precision under bishop and king' (Oschinsky, 1971: 224).

When the Abbey of St Edmund was vacant in 1180–1182, Wimer, sheriff of Norfolk and Suffolk, rendered the accounts of the wardens of the Abbey to King Henry II's Exchequer in charge and discharge form (Rokewode, 1840: 109–113). There was, thus, familiarity in ecclesiastical circles with both the centralised Exchequer audit and with the specific form of charge and discharge accounting.

Developments in the financial administration of the monasteries and bishoprics in the 12th and 13th centuries appear to draw upon Exchequer practice in two main respects: centralised exchequers (discussed below) and local manorial accounts based on charge and discharge principles (see next section). The need for central control of English monasteries arose from the problems created by the obedientary system⁶ whereby a large part of the ecclesiastical revenues was allocated to different individuals with no centralised control (Snape, 1926: 29).

One method of controlling the obedientaries was the centralised audit, first established in high profile monasteries in the South of England, in particular, Winchester and Canterbury. Centralised audits often dealt with the accounts of both the monasteries themselves and their estates, the latter being, in effect, manorial accounts. Winchester is

⁵ Britnell (2001) maintains that by 1200 an Irish Exchequer and Gwynedd (a Welsh region) had formally audited written accounts, but no permanent exchequer.

⁶ Obedientaries owed a special obligation of obedience to the prior or abbot (Kitchin, 1892: 31).

particularly striking given its geographical connection to the Royal Exchequer, often based in Winchester.

‘The first regular system of centralised audit to be established in an English monastery was probably that which Henry of Blois instituted at Winchester Cathedral Priory sometime between 1153 and 1171’ (Smith, 1941: 74).

Henry of Blois may also have introduced a similar system at Glastonbury (see Douie, 1952). Henry of Blois, Bishop of Winchester, the agent of change, was an influential member of Henry II’s inner circle and without doubt knowledgeable of Exchequer accounting practice. He established a committee of 12 senior monks to examine the accounts of all the obedientiaries annually. This system persisted and resembled that of the Exchequer system. The obedientiaries presented their accounts at the Michaelmas audit while the serjeants and reeves’ individual manorial accounts were summarised onto a Pipe Roll, *Pipa Prioratus Wyntanie* (extant from 1248–1326). The compotus rolls, summarised by Kitchin (1892), are presented in typical charge and discharge format. For example, a certain Walterus Godefrey, bailiff, renders account at Michaelmas 1345. His income and expenses are presented and then he is discharged (*Sic quietus est*) (Kitchin, 1892: 145–150). Indeed, the monks probably used an exchequer board (or *scaccarium*) as one is illustrated on one of the pillars of the North transept of Winchester Cathedral (Kitchin, 1892: 507).

The Exchequer system at Christ Church, Canterbury, also predates 1200. Canterbury was the most important diocese in the country. ‘The Archbishop’s household was probably the most literate and highly cultivated in the country’ (Cheney and Jones, 1986: xlii). The apparent agent of change here is Archbishop Baldwin who wished to regain control of some property and revenues which his predecessor had let slip into the hands of the monks (Holdsworth, 2004). From 1186, after a struggle between Baldwin, Archbishop of Canterbury (1185–1190) and the monks, a central receiving office was in place.

The system itself had ‘much in common with that of the Royal Exchequer’ (Smith, 1941: 85). The Christ Church centralised annual audit took place at Michaelmas and a general account, the *assisa scaccarii*, was drawn up. The audit was performed by eight senior monks, called *barones* (analogous to the Barons of the Exchequer), who seem to have used a chequered table as in the

Royal Exchequer (the 1313 *Assisa Scaccarii* is headed by a chessboard: Smith, 1941: 86). The accounts were enrolled in charge and discharge format.

A third religious central auditing committee set up before 1200 was at Waltham, when Henry II re-founded the monastery in 1177. In this case, the probable change agents were the King or Royal administrators as it would have been logical to institute a system modelled on the English Exchequer. By 1191, a common control of revenue was in place.

The next major step in the creation of centralised exchequers in England was undertaken by Archbishop Pecham, an important change agent. Smith (1941: 78) comments:

‘Pecham may, indeed, be fairly called the creator of monastic exchequer organisation in this country and it can hardly be a coincidence that the word *scaccarium* comes into general use in English monastic records at this period.’

As Archbishop of Canterbury (1279–1292), Pecham would have been familiar with the system at Christ Church, Canterbury.

The Christ Church model, which itself had emanated from the Royal Exchequer, now ‘deeply influenced Archbishop Pecham and helped to mould his reforming programme’ (Smith, 1941: 78). Between 13 September 1281 and 22 September 1284, Pecham instituted central treasuries and auditing committees in at least 13 religious houses.⁷ Although the centralised exchequer did not fully function everywhere, Pecham’s model was widely adopted in many monasteries such as Ely, Glastonbury and Reading. These were not uniform systems; but all appear broadly to have resembled the Royal Exchequer. Pecham himself used the term *scaccarium* which suggests he believed he was introducing an Exchequer type system. These systems persisted until the 15th century when monastic exchequer organisation greatly declined.

The earliest episcopal accounting records are manorial accounts dating from the early 13th century. A centralised audit existed on the Bishopric of Winchester for 37 manors from at least 1208–1209. The Winchester estate was one of the half-dozen greatest landed estates in the realm (Campbell, 2003). The Bishop of Winchester was the wealthiest churchman (Campbell and Bartley, 2006).

The Winchester audit appears to be based on, and was very similar to, Exchequer practice.

‘It seems likely that the establishment of a centralized audit was the result of the conscious imitation by the bishops of Winchester of the model provided by the Royal exchequer, with which they were so familiar’ (Holt, 1964: xix–xx).

⁷ Bardney, Eynsham, Lesnes, Mottisfont, Rochester, St Martin’s, Dover, Southwark, Llanthony and other South Wales monasteries, Ely, Reading, Glastonbury and Rochester (Douie, 1952: 172–174).

This imitation is unsurprising given the geographical proximity of the Royal treasury at Winchester, the intimate knowledge that Bishops of Winchester had of the Royal Exchequer and of the Winchester Cathedral priory (Hall, 1903: x).⁸ Indeed, the methods used were almost identical to those already instituted at Winchester.

The principal agent of change appears to have been Peter des Roches who for 'more than thirty years... exercised an influence over the Plantagenet Court second only to that of the King' (Vincent, 2004c: 4). Peter des Roches (Bishop of Winchester 1205–1238) was the 'King's Justiciar and Henry III's financial expert' (Clanchy, 1998: 74). A contemporary satirist described him as 'The warrior of Winchester, up at the Exchequer, keen on finance, slack at the scriptures' (Wright, 1839 as cited in Vincent 2004b: 1). According to Vincent (2004c: 4):

'It was during his years as bishop that a new form of written record, the Winchester pipe rolls, was introduced to accounting procedure on the Episcopal estates.'

The financial reforms at Winchester were introduced soon after des Roches' election as bishop and the surviving rolls clearly demonstrate his personal oversight. He drew on his intimate experience of the Exchequer gained as the King's Justiciar (1213–1214), as a Royal sheriff and as a Baron of the Exchequer from 1208. His key role at the Exchequer is shown by his involvement in establishing a series of castle treasuries at Corfe, Bristol and elsewhere (Vincent, 2004c: 58).

At Winchester Cathedral Priory, evidence also exists of another influential individual change agent. In 1253, Aymer Lusignan, Bishop elect of Winchester insisted that 'the monastic obedientiaries render accounts for their offices before the Episcopal Exchequer at Wolvesey Palace [the Bishop of Winchester's household]' (Vincent, 2004a: 4). Lusignan undoubtedly had a good knowledge of Royal administration given that he was the half brother of Henry III and his mother, Isabella of Angoulême, was King John's widow. His election as bishop was commanded by Henry III.

4.3. To lay estates

The lay earls, barons and knights were generally slower to imitate Royal methods than the bishops and abbots. This applied to both documentation, in general, and exchequer practice, in particular. Their comparative slowness to adopt centralised auditing methods may have been due to the more centralised and compact nature of the larger religious estates (Denholm-Young, 1937: 1). Nonetheless, two important early exceptions demonstrate the importance of individuals as change agents and their desire to imitate the Royal

Exchequer. First, Robert de Beaumont, Count of Meulan, a leading landowner and member of Henry I's inner circle created his own baronial Exchequer at Leicester a few years after the establishment of a Royal Exchequer (some time before Robert's death in 1118). This was continued by his son Robert II, Earl of Leicester, also a Baron of the Exchequer who presided over the Exchequer from 1155–1168 as Royal Justiciar (Crouch, 1986: 91). The Leicester Exchequer met at least once a year at a fixed date and location and continued into the 13th century. Local officials, as at the Royal Exchequer, paid their farms. Second, Robert of Gloucester, a leading magnate, developed administrative machinery based on the Royal model (Hollister, 2001: 367; Patterson, 1973: 30). Robert, Henry I's illegitimate son, was entrusted with the task of overhauling the treasury in 1128–1129 (Crouch, 2004b). Intriguingly, as well as directly imitating the Royal Exchequer, some evidence suggests the Leicester Exchequer may have influenced the Gloucester Exchequer. A Leicester clerk, Adam of Ely, moved to Gloucester where he became a leading figure before 1165 (Crouch, 1986: 166). Denholm-Young (1937) cites other early lay Exchequers from the mid-13th century.⁹

We have substantial details of one local Exchequer, that of Edward III's son, Edward, the Black Prince who seems an important change agent. There was certainly an independent Exchequer in Chester in the mid-14th century and probably Exchequers in his lordships in Cornwall, Wales and Aquitaine. From 1343–1344, Edward also set up an Exchequer at Westminster, close to the Royal Exchequer (Barber, 2004). Many of the prince's financial officers had often been King's clerks and vice versa. In the 1340s, the Chester Exchequer was dominated by Royal officials such as Bishop Edington of Winchester, treasurer of England and Robert Sadington, a Baron of the Exchequer. Indeed, at a lower level as with Adam of Ely, the exchange of personnel between both lay and ecclesiastic institutions would have facilitated the transference of accounting practices.

The Palatinate of Chester's accounts (*Magnus rotulus scaccarij*: Booth, 1981: 48; Denholm-Young, 1937: 146) were modelled on the Royal Exchequer. Extant evidence suggests 'a system of squared cloth and counters, the production of bags full of earlier accounts, innumerable writs, vouch-

⁸ Henry of Blois (Bishop of Winchester 1126–1171) was the brother of King Stephen (Dobie, 2005). Richard of Ilchester (Bishop of Winchester 1174–1238) was Henry II's watchdog. Godfrey de Lucy (Bishop of Winchester 1189–1204) was a Royal justice, son of a Justiciar and 'a favoured member of the Royal household' (Venables, 2004: 1).

⁹ Lord Edward at Bordeaux, Bristol, Chester and Dublin circa 1254; Isabella de Fortibus at Carisbrooke circa 1260; Edward of Cornwall at Eye; Earl of Gloucester in the reign of Henry IV at Bristol and the magnates of the Welsh marches.

ers and tallies' (Denholm-Young, 1937: 147), charge and discharge like records, pipe rolls, biannual audits, an accounting year running to Michaelmas, oath-taking by officials and the use of an Abacus table (Booth, 1981).

At a lower level of society the evidence suggests that, sheriffs who were not normally large landowners, imitated the Royal Exchequer of which they had intimate knowledge. By the 13th century, there were shrieval Exchequers at both York and Exeter (Denholm-Young, 1937).

4.4. *To manorial estates*

The ecclesiastical and lay exchequers provided the centralised control for the medieval financial administration. However, exchequer audits were based on individual, ecclesiastical and lay manorial accounts. A manor consisted generally of a single administrative unit of landed estate, comprising a whole village or small farm (Harvey, 1972).

About 1220, Harvey (1984: 5–7) demonstrates a shift from leasing to demesne farming (farming directly by the Lord with a bailiff). Harvey sees this move to demesne farming as a decisive stimulus for the production of English manorial records as the lord of the manor needed some form of account-keeping to check on the bailiff.¹⁰ Landowners, lower down the social order, thus adopted the practices of their social superiors.

By the 13th century, a hierarchical management system of estate management existed. At the top was the lord of the manor, supported by a team of auditors who biannually (the 'view' and final audit) checked the accounts. This took place either in a fixed Exchequer (e.g. Wolvesey Castle for the bishop of Winchester or Carisbrooke for Isabella de Fortibus) resembling the Royal Exchequer or alternatively, in itinerant audits, where the auditors visited individual manors. These itinerant audits might supplement or supplant the Exchequer system.

The first account records from individual manors date from the early 13th century.

'It is likely that estate administrators, following the lead of the Royal Scaccarium, realised the advantages of written accounts both as a source of data for forward planning and more importantly as an aid to control' (Noke, 1981: 138).

The actual account was drawn up, if not by the reeve, by a trained scribe or by a cleric, such as a parish priest.¹¹ The accounts were standardised and audited. Specimen accounts were available. The basic organisation followed the charge and discharge format that was well-established at the Exchequer. For example, in the Winchester Pipe Roll 1210–1211, individual bailiffs render account using the same terminology as the sheriffs of the

Exchequer. Thus, in the manor of S(tan)ham: John of the farm of Stanham renders account for 30s. (*Johannes firmarius de Stanham reddit compotum de 30s*). The bailiff then either owes (*et debet*), has paid (*solvit*) or is quit (*et quietus est*). In addition, much of the technology underpinning manorial accounts resembled that used in the Exchequer. There was, for example, extensive use of tallies, an Abacus (Oschinsky, 1947), and accounting rolls drawn up to Michaelmas.

Overall, the evidence is fairly conclusive that manorial accounts were simpler, less complex versions of earlier, more established exchequer practices with the same basic idea of making individual officials accountable to a centralised authority. Individuals were charged with arrears and receipts and then discharged through authorised expenditures.

Manorial accounting methods gradually spread. Undoubtedly, unknown individuals such as lawyers, estate stewards and accountants would have played a key role. They were aided by 'didactic works both on estate management in general and on accounting in particular' (Oschinsky, 1947: 5). These acted as change agents for manorial accounting. Oschinsky (1947) identifies 20 treatises on accounting based either on a single estate or containing specimens of several accounts.¹²

Undoubtedly, specimen accounts from as early as 1225 helped the uninitiated to acquire accounting expertise and standardise presentation. Estate management theses, such as Walter of Henley and The Rules of Robert Grosseteste, also contributed to the dissemination of accounting practices (see Oschinsky, 1971). In addition, it is possible that the *Dialogus de Scaccario* (c.1179) itself was used as a model of Exchequer accounting. The ready need for such didactic instruction is evidenced by the regular teaching of manorial accounting at Oxford by the end of the 13th century (Richardson, 1939). The role of Robert Grosseteste in the diffusion of accounting practice is particularly interesting. Well-educated and well-networked Robert Grosseteste was an important and influential cleric. His adoption and proliferation of the notion of an annual audit in the 1260s is likely to have been particularly significant.¹³

¹⁰ Oschinsky (1971) attributes the success of English demesne farming to the well-developed Royal accounting system which private estate owners adapted.

¹¹ Much published material exists on the general arrangement of these accounts. Interested readers are referred, in particular, to Bennett (1937: 188); Hall (1903); Holt (1964).

¹² The earliest by William Hasely, circa 1225, exemplifies a manorial reeve and household account.

¹³ Thompson (2004) suggests Grosseteste may have lectured Pecham. If so Pecham may have acquired some knowledge of charge and discharge accounting then. This, however, is only speculative.

4.4. To guilds and boroughs

Guilds

Craft guilds, such as the guild of weavers, occur in Henry I's reign at, for example, Huntington, Lincoln, London, Oxford and Winchester. The guilds operated independently of the Crown but paid a yearly farm at the Exchequer through the sheriffs. Thus, at Andover in Henry II's reign 'the men of Andover render account of 10 marks for having their guild liberties, as have the men of Wilton and Saresberia in their guild'.¹⁴ (Gross, 1890: 3 from Pipe Roll 22 Henry II Rot.13a). From the late 12th century/early 13th century onwards there are many examples of internal guild accounts using charge and discharge principles and terminology (Gross, 1890). At Leicester 1197–1198 individual guild members were all *quietus* of their introductory payments while at Lynn Regis in 1287 the officials formally rendered account (Gross, 1890: 153). In 1435, the Worshipful Company of Grocers accounts were clearly presented in charge and discharge format (Boyd, 1905: 61).

Boroughs

The origins of local government accounting is traceable directly to the Exchequer. In the earliest Pipe Rolls, the sheriffs rendered the accounts of certain towns and bailiwicks separately (e.g. Berkhamstead, Colchester, Lincoln, Meon, and Winchester) at the end of the counties to which they belonged. However, even in the 12th century London and Middlesex were treated as indivisible (Poole, 1912). The towns were granted charters by the King such as Ipswich in 1200. Typically, as at Ipswich, following the charter, two burgesses were to report annually to the Justiciar at the Exchequer and to pay the '*firma burgi*' (farm of the borough) (Gross, 1890: 7).

The knowledge was diffused from the Royal Exchequer by the sheriffs, who originally rendered the borough accounts, acting as change agents. Boroughs naturally imitated the practices of the higher status Exchequer. As local government developed, the essentials of Exchequer accounting were retained (see, for example, early English and Scottish borough, guild and parish accounts). Accounting texts also seem to have played a part in the diffusion of accounting. By the late 13th century, some boroughs such as the City of London, Lincoln, Norwich and Hereford had copies of accounting texts (Oschinsky, 1971: 51–53).

¹⁴ '*Homines de Andeura reddunt compotum de X. marcis pro habenda eadem Libertate in Gilda sua, quam homines de Wiltona et Saresberia habent in Gilda sua.*'

¹⁵ In Scotland too, clear evidence exists of the evolution of borough accounting (e.g. Boyd, 1905 on borough of Stirling 1326, 1327–1328).

The earliest borough records extant are from Shrewsbury (Accounts of the Borough of Shrewsbury, 1899) in 1256 and from Leicester in 1277 (Bateson, 1899).¹⁵ In 1277, there is evidence at Leicester of the rendering and auditing of the annual accounts (Bateson, 1899: lvii). The first mayorial account of William the Palmer extant in 1300 is certainly characteristic of charge and discharge accounting. A list of receipts (e.g. from tallage £114 3s 9d) less a 'sum total of expenses, £113 6s 8d' led to the discharge and 'so he owes clear 17s 1d, besides £4 which still stand over in claim' (Bateson, 1899: 237).

4.5. To the university sector

The universities of Oxford and Cambridge slowly came into existence in the 13th century. The early colleges, such as University, Merton and Balliol, College, Oxford, were quasi-religious in nature. Merton, for example, was founded 'for the profit of the holy Church of God'.

The administrative and funding structures of the early colleges resembled religious establishments. Aston and Faith (1984: 307) comment:

'As corporate landlords of estates consisting of scattered collections of lands, manors, churches and urban property, Oxford's colleges had much in common with religious houses; they received similar kinds of revenues and faced much the same administrative problems.'

Their financial administrative systems thus naturally imitated the centralised audits and charge and discharge type accounts typically found in ecclesiastical institutions.

In terms of internal governance, the new colleges, like monasteries, were governed by statutes (Highfield, 1984: 244). The three early founders of Merton, Exeter and Oriel were all churchmen, and appear to be important agents of change. This is particularly true of Walter of Merton, Bishop of Rochester who founded Merton College, Oxford in 1264 as an autonomous self-regulating body. Merton, a financial administrator, was well-acquainted with the Exchequer from his service as King Henry III's Chancellor (from 1261–1263, 1272–1274). The 1264 statutes required an annual audit of the warden's work by eight or ten senior scholars (Martin, 2004). The bailiffs' and land agents' accounts were also audited (Allen and Garrod, 1928). The first two visitors, the Bishop of Winchester in 1264 and the Archbishop of Canterbury from 1266, both had first-hand knowledge of their own Episcopal Exchequers. Interestingly, at Merton, these visitations were conducted by Archbishop Pecham in 1284 who between 1281 and 1284 had instituted central treasuries and auditing committees in 13 religious houses. By 1291, there was a fire-proof treasury

and exchequer chamber at Merton with 'a literal chequer-board table [*mensa computatoria*] for reckoning accounts', which served as a counting-house and estates office (Martin and Highfield, 1997: 45).

Of the early colleges, Merton's statutes of 1264, and particularly 1274, were the most influential. 'The pattern of the Merton statutes (the "*Regula Mertonensis*") was followed, deliberately by Peterhouse, Cambridge and Oriel College, Oxford and effectively by all subsequent English university colleges' (Franks, 2003: 116) (e.g. at Oxford: University College (1292), Oriel (1326), Balliol (1340); at Cambridge, Peterhouse (1274) (Highfield, 1964).

The approach of Merton College in the 13th century to the internal and external college administration is illustrative. The overarching administration was in the hands of the three bursars and the warden. The warden was the estate administrator, supervised the audit and visited the manors at harvest time. The audit, as at the Royal Exchequer, consisted of a mid-year view and a more formal, detailed audit. In the 1274 statutes, the auditors were the warden, the vice-warden, the three bursars and five fellows. At Merton, unusually, the accounting year was July to July rather than the more conventional Michaelmas to Michaelmas.

Overall, the early 13th-century colleges exemplified by Merton, broadly followed the accounting system set up at the Royal Exchequer and subsequently imitated by monasteries. They had landed estates run by stewards, bailiffs and reeves under the supervision of the wardens and fellows. They had a centralised audit which resembled the Exchequer audit in its use of accounting rolls, tallies, Latin, Roman numerals, an interim audit and a final audit. In addition, the manorial accounts themselves were drawn up in charge and discharge format as developed at the English Exchequer.

4.6. To parishes

The parish was a key, if low level, ecclesiastical administrative unit in the early middle ages. Accounts were kept by the churchwarden, the constable, the highway wardens, the overseer of the poor and most importantly by the churchwardens. Early records are at Jarrow in Durham (1303–1537) and St. Michael, Bath (1349–1575). 'Charge and discharge statements were presented, annually, for approval by the parishioners' meeting in the church vestry, and the balance on hand was delivered up or handed over to the new officers' (Edwards, 1989: 41). These accounts share the same basic classical charge and discharge principles of Exchequer accounting (Jones, 1985). The source of parochial accounting is uncertain. It probably developed through the ecclesiastical route. It represented the final diffusion of charge

and discharge accounting from the higher levels to the lower levels of society. Church officials are the most likely change agents.

The diffusion of accounting practices, thus, appears to have been in four or five overlapping waves. First, the practices spread to other state Exchequers in the 12th century starting with Normandy in the 1130s. Second, English religious institutions such as Winchester Cathedral Priory adopted them before 1200. Third, there was the adoption of centralised Exchequers on lay estates from about the mid-13th century and on ecclesiastical and lay manors from 1208–1209 onwards. In the fourth wave, there was adoption by the guilds, boroughs and universities from the early 13th century onwards. Finally, parishes adopted charge and discharge accounting from probably the start of the 14th century.

5. Discussion

From the pattern of diffusion it is possible to draw certain inferences about how this accounting innovation spread and the role played by change agents. The first broad conclusion is that, like the spread of accounting qualifications throughout the British Empire (Johnson and Caygill, 1971) and the spread of voluntary reporting in the Netherlands from 1945–1970, the innovation originated in an influential, high status institution and was then adopted by other smaller, less influential institutions. It thus had elements of both mimetic and normative institutional isomorphism. Mimetic in that performance would improve by copying apparent success, but also normative in that institutions would conform to established societal norms and values by copying (Tuttle and Dillard, 2007).

With charge and discharge accounting the originating organisation, the English Exchequer, was probably the most efficient and respected financial administration in Western Europe. It was emulated by other countries and also by leading English institutions. It is particularly noteworthy that the largest and richest estates such as those of the Earl of Gloucester and the Bishops of Canterbury and Winchester were among the earliest adopters. For example, the Earl of Gloucester was one of the top five greatest estates in the realm (Campbell, 2003). These estates, therefore, had the resources to adopt and adapt Exchequer accounting. Once these high profile, ecclesiastical leaders had adopted the Exchequer system it gradually diffused to other less high status religious institutions. The innovation then gradually spread down the social scale to smaller estates, guilds and parishes.

There was also a geographical element to the diffusion. Abroad, charge and discharge accounting was adopted in geographically proximate states such as Normandy, France or Scotland. In England, innovation occurred first in Winchester,

at Winchester Cathedral Priory, the city where the original Exchequer was held. It then spread throughout the South of England (e.g. Canterbury, Waltham). The adoption by manorial accounts is particularly clear on the Winchester Bishopric estates in 1208–1209. By the final quarter of the 13th century standardised, written manorial accounts were common in Southern England and East Anglia. There was slower diffusion to the North (Campbell, 2003). In guild accounting too, there was a gradual diffusion, this time from certain hub towns, of which interestingly Winchester was one (Gross, 1890).

The role of change agents can also be identified in the spread of charge and discharge accounting. Individual groups of people, especially key specific individuals, can be directly or indirectly implicated in the initial spread of the accounting innovation while the role of estate management treatises is likely to have played an important part in its continuing spread.

L.M. Parker (1989) identified Jewish traders as important change agents in the diffusion of double entry bookkeeping. However, it was ecclesiastics, magnates, sheriffs, stewards and lawyers who were the main change agents in the diffusion of charge and discharge accounting. Ecclesiastics and magnates were particularly important in its initial spread. They were leaders in society, men of great influence and power who were well-networked. Such networks of inter-personal communications are central to the adoption of new innovations (Jackson and Lapsley, 2003: 365). These magnates were influential in the spread of Exchequer accounting to the early monasteries and to the large estates. Once the initial phase of innovation had passed, then it was the sheriffs, stewards, lawyers as well as lesser ecclesiastics and smaller landlords that contributed to the spread of charge and discharge accounting to the English boroughs and manors.

Within these groups, it is possible to identify certain key individuals who were specifically implicated in the diffusion of accounting practice. There were many such potential change agents, given that many individuals had knowledge of exchequer practice. It is probable that these key individuals were present at the right place at the right time.¹⁶ Table 1 outlines 10 main identifiable human agents of change. Roger of Salisbury developed the Royal Exchequer in about 1110 and is clearly the first change agent. Henry of Blois, Baldwin of Forde, and Peter des Roches were important in establishing exchequer systems at Winchester Cathedral Priory, 1153–1171, Christchurch Canterbury before 1200 and the bishopric of Winchester about 1208, respectively. Walter of

Merton founded Merton College, Oxford, the leading Oxbridge innovator in 1264 with an annual audit. John Pecham, Archbishop of Canterbury, is credited with introducing centralised audits into many British monasteries 1281–1284 as well as probably playing a role in introducing Exchequer accounting to the nascent universities as a visitor at Merton. Meanwhile, Aymer Lusignan insisted that the Winchester monks used the episcopal Exchequer at Wolvesey. Finally, three laymen, Robert Earl of Leicester, Robert Earl of Gloucester and Edward, the Black Prince, set up Exchequers at Leicester, Gloucester and Westminster, respectively.

These individuals share certain characteristics. First, they were all leading magnates or ecclesiastics. Of the ten, seven were bishops, while three were lay magnates. Eight of the ten (the Bishops of Winchester, Archbishops of Canterbury, Robert Earl of Gloucester, Robert de Beaumont, Earl of Leicester and the Black Prince) were among the top landowners in England. These men of wealth, influence and power were among the natural leaders of the early Middle Ages which was a comparatively close knit community and were well networked into English society. There were, for example, only about 8 to 13 Earls in Britain in 1300 (Campbell and Bartley, 2006: 70). Second, as a consequence of their substantial property portfolios (for example, 11 Earls from 1300–1349 controlled 454 manors (Campbell and Bartley, 2006: 70, 75) these magnates urgently needed a workable and sophisticated system of financial administration. Early adoption of Exchequer-based accounting was thus logical. Third, many of these men had important posts within the English government, many within the Exchequer itself. Roger of Salisbury and Peter des Roches, two of the most important change agents, were justiciars, while Walter of Merton was a Chancellor. Robert Earl of Gloucester reformed the treasury. Most of the others were acquainted with Royal administration and were familiar with the workings of the Royal Exchequer to varying degrees. Still others were also familiar with other existing Exchequers such as the episcopal Exchequers at Winchester or Canterbury. Fourth, these men can be shown to have played some part in overseeing the development, establishment or the perpetuation of Exchequers at court, on ecclesiastical estates or on lay estates.

Once these Exchequers had been set up, charge and discharge accounting then filtered down to the next level of society – small manorial estates, guilds and parishes. It is not possible here readily to identify specific individuals as agents of change. These men, generally, would have been minor ecclesiastics, lords of the manor, accountants, lawyers and stewards. One example might have been Adam of Ely, an administrator on the

¹⁶ I am grateful to the editor, Pauline Weetman, for this point.

Table 1
Main identifiable human change agents

<i>Individual</i>	<i>Brief background</i>	<i>Role in diffusion of charge and discharge accounting</i>
Roger of Salisbury, Bishop of Salisbury (1065?–1139)	Born probably Normandy. Enters Church at Caen. Service Henry II. Becomes Chancellor. Manages Royal finances at Winchester. Founds powerful ecclesiastical and governmental dynasty (Kemp, 2004).	Developed Royal Exchequer c.1110.
Robert de Beaumont, Count of Meulan, First Earl of Leicester (c.1047 – 1118)	Inherited lands in France. Supports William II and Henry I. Constant at court. 1107 granted Earldom of Leicester (Crouch, 2004a).	Created a Baronial Exchequer by 1118.
Henry de Blois, Bishop of Winchester (c.1096–1171)	Son of Count of Blois and Adela (William I's daughter). Monk at Cluny in Burgundy. Appointed Abbot of Glastonbury by uncle, King Henry I. Bishop of Winchester 1131–1171. Succeeds Roger of Salisbury as Dean of St Martins-le-Grand, an active centre of Royal administration (King, 2004).	Established centralised audit at Winchester Cathedral Priory c.1153–1171.
Robert Earl of Gloucester (b. before 1100–1147)	Illegitimate son of Henry I. Magnate, land owner England, Normandy. At Royal court of Henry I and Stephen. Reformed treasury 1128–1129.	Copied royal administration. His family established a Baronial Exchequer at Gloucester by 1183.
Baldwin of Forde Archbishop of Canterbury (c.1125–1190)	Probably son of Archdeacon of Totnes. Succeeds father. Cistercian monk. 1173 helps to make peace between Henry II and sons. Bishop of Winchester 1180; Canterbury 1184 with King Henry II's support (Holdsworth, 2004).	Probably established Exchequer system at Christ Church, Canterbury.
Peter des Roches, Bishop of Winchester (d.1238)	Born in France. Early career in Church in North-West France. Military reputation. Joins King John's financial household and nominee for Winchester 1205. In 1213 de facto Royal Chancellor. February 1214, King's chief Justiciar. 1216 active in Royal Exchequer (Vincent, 2004c).	Introduced an episcopal Exchequer at Wolvesey Castle, Winchester about 1208. Bishop of Winchester (1205–1238).

Table 1
Main identifiable human change agents (*continued*)

<i>Individual</i>	<i>Brief background</i>	<i>Role in diffusion of charge and discharge accounting</i>
Aymer Lusignan, Bishop of Winchester (c.1228–1260)	Born in Poitou of Isabella de Angoulême (widow King John). In 1246, joins Church. Studied at Oxford. King's appointee against monastic opposition at Bishopric of Winchester. King's half brother (Vincent, 2004a).	Insisted Winchester monks use episcopal Exchequer at Wolvesey 1253.
Walter of Merton, Bishop of Rochester (1205–1277)	Initially, a clerk, legal training. Enters King's service 1234. Serves in Durham episcopal chancery. Henry III's Chancellor 1261–1266. 1274 Bishop of Rochester. Edward I's Chancellor 1272–1274 (Martin, 2004).	Founded Merton College in 1264 with annual audit.
John Peckham Archbishop of Canterbury (c.1230–1292)	Educated in France. Friars Priory 1250s. Paris, Oxford. Prior of Franciscan province in England. Acquainted with Royal, papal administration. Archbishop of Canterbury 1279. Used Christchurch, Canterbury treasury as model for reforming other monasteries (Thompson, 2004).	Introduced central treasuries and auditing committees in 13 religious houses 1281–1284. Visitor at Merton College, Oxford in 1284.
Edward, the Black Prince (1330–1376)	Eldest son of Edward III. Earl of Chester. Runs an independent household, many Royal officials in service. Heir to throne, military commander (Barber, 2004).	Maintained independent Exchequer in 14th century at Chester and, presumably, Cornwall, Wales and Aquitaine. Set up an Exchequer at Westminster 1343–1334.

Earl of Gloucester's estates. At this level, the existence of estate management treatises and accounting texts, by such individuals as Robert Carpenter and William Hasely, appear to have played a role. A text written about 1260 by Robert Carpenter is especially interesting because of a diagram of an exchequer board and detailed information about the tally system. These texts can thus be identified as change agents. Many of the boroughs and ecclesiastical institutions had libraries well-stocked with religious and non-religious texts. An interesting possible insight into the potential role played by such libraries is given from details of the earliest known owner of such works. Canterbury Cathedral Priory, for example, an early adopter of Exchequer accounting had four copies of Walter of Henley, three copies of the Husbandry, one copy of the Rules of Robert Grosseteste and two copies of

accounting texts, one by Robert Carpenter (calculated by author from Oschinsky, 1971: 51–55). These texts were thus widely copied, read and distributed. Estate management was also taught at the universities.

Accidents of history also appear important. The Exchequer system spread to Normandy, ruled by English kings at the start of the 12th century. With Philip Augustus's conquest of Normandy in 1204, the Exchequer system was adopted by the French state. Its introduction at Waltham Monastery in about 1177 was a by-product of King Henry II's refoundation. Similarly, the fact that the bishops of Winchester attended the Royal Exchequer and that the treasury was based at Winchester contributed to the adoption by Winchester Priory and the Bishop of Winchester's household of centralised exchequers.

6. Conclusion

Charge and discharge accounting, the predominant accounting system of the Middle Ages, was first developed at the English Exchequer under Henry I, most likely by Roger of Salisbury. This system was characterised by the annual rendering of an account, personal accountability, an audit, a formal meeting, a formal charge and discharge of officials and written records. 'Central control of revenue and expenditure was a feature common to Royal, episcopal, monastic, and lay households, and the exchequer procedures of all four administrative systems differed in matters of detail rather in general principles' (Smith, 1941: 92–93).

Overall, the evidence available suggests that once charge and discharge accounting had been developed at the English Exchequer in about 1110 it proved extremely successful. The governments of Normandy, Scotland, Flanders and France imitated the English Exchequer system by the start of the 13th century. In all these cases, the national Exchequer appears to have followed a relatively standard 'English' pattern. An annual audit by the king's central officials of regional officials (equivalent of sheriffs) to account for the king's regional revenues was accompanied by written records and characterised by personal accountability. The English model appears to have been an attractive model because of its evident superiority, as the most advanced financial administrative system in western Europe.

Within England, Exchequer accounting was first imitated by religious institutions, such as the Winchester Cathedral Priory (1153–1171), before its widespread adoption by lay estates from the middle of the 13th century (e.g. Lord Edward's estates from 1254) and by the universities from at least 1274 onwards (Merton College, Oxford). Meanwhile, at the manorial level charge and discharge type accounting (with or without a centralised Exchequer) emerged from the start of the 13th century. From 1208–1209 onwards, there was a steady spread of manorial accounts. Finally, the boroughs, guilds and parishes began to adopt charge and discharge accounting: the boroughs from at least the late 13th century, the guilds from at least 1435 (although probably much earlier) and the parishes from the early 14th century.

All in all, therefore, charge and discharge accounting proved remarkably pervasive. Gradually, it appears to have spread from state governments to religious institutions, to lay institutions and to local government. It slowly, but inexorably, diffused from the higher to the lower levels of society. Lower level institutions gradually imitated their superiors. It was adopted first by the major ecclesiastical and lay estates, then by other less significant economic and religious institutions.

There were two main change agents active in

this diffusion process: individuals and books. In the immediate transference of the innovation from the English Exchequer to leading ecclesiastical and lay institutions, leading magnates and ecclesiastics, both as a group and also as specific individuals, can be identified. These men of wealth and power generally had important posts in the English government or were familiar with the workings of the Royal Exchequer or other existing exchequers. They happened to be in the right place at the right time. For example, Peter des Roches, Bishop of Winchester was instrumental in the adoption at Winchester of manorially-based charge and discharge accounting, while Archbishop Pecham of Canterbury, which adopted a centralised Exchequer before 1200, was instrumental in the spread of Exchequers to religious institutions. After this initial transfer other less influential men would have played key roles such as lords of the manor, stewards or accountants. These men are not specifically identifiable because of the lack of historical evidence. At this second diffusion phase, widely circulated treatises on estate management and accounting are likely to have been used as didactic texts.

Finally, there is some evidence of the role played by geographical proximity and accidents of history. Winchester, home of the Royal Exchequer, formed a natural pivot for the spread of charge and discharge accounting. From Winchester, there is a well-charted diffusion of manorial accounting to the south of England. In the French case, Exchequer accounting appears to have been 'borrowed' from Normandy after the latter's conquest in 1204.

Overall, therefore, the diffusion of the charge and discharge accounting system can be tracked from the English Exchequer to other European states and also to other English institutions. The mechanisms and methods of diffusion are often complex. However, imitation, change agents (such as individuals and books), geographical proximity and accidents of history all play their part.

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