TRANSLATING FINANCIAL STATEMENTS INTO ENGLISH AS A MEANS TO ATTRACT FOREIGN INVESTORS: A CORPUS STUDY OF TEXTUAL FIT OF POLISH CONSOLIDATED FINANCIAL STATEMENTS

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Abstract

Commercial companies generally seek to maximise their market value. One of the means to achieve that is to attract foreign investors. Consequently, companies present information for investors not only in the language of the country of their registration, but also in other languages. They translate the information predominantly into English due to its status as a lingua franca. The aim of this study is to investigate the English translations of the consolidated financial statements of Polish listed companies and assess their textual fit to the consolidated financial statements prepared by UK and US companies. The analysis covers the legal context of the preparation of consolidated financial statements and a corpus analysis of the language used in these documents. The results show that although there is variation between particular translations, they are fit for the purpose of attracting foreign investors.

Keywords: Consolidated financial statements. Financial translation. Corpus. Textual fit.

Zusammenfassung

Handelsgesellschaften sind generell bestrebt, ihren Marktwert zu maximieren. Eines der Mittel, um dies zu erreichen, besteht darin, ausländische Investoren anzuziehen. Aus diesem Grund stellen die Unternehmen Informationen für Investoren nicht nur in der Sprache des Landes, in dem sie registriert sind, sondern auch in anderen Sprachen zur Verfügung. Sie übersetzen diese Informationen vor allem in die englische Sprache Aufgrund ihres Status als *lingua franca*. Ziel dieser Studie ist es, die englischen Übersetzungen der Konzernabschlüsse polnischer börsennotierter Unternehmen zu untersuchen und ihre textliche Übereinstimmung (aus dem Englischen: textual fit) mit den Konzernabschlüssen britischer und US-amerikanischer Unternehmen zu bewerten. Die Analyse umfasst den rechtlichen Kontext der Darstellung von Konzernabschlüssen und eine Korpusanalyse der in diesen Dokumenten verwendeten Sprache. Die Ergebnisse zeigen, dass trotz der Unterschiede zwischen den einzelnen Übersetzungen, diese geeignet sind, ausländische Investoren anzuziehen.

Schlüsselwörter: Konzernabschlüsse. Finanzübersetzung. Korpus. Textual fit.

1. Introduction

Consolidated financial statements present the financial situation of a parent company and its subsidiaries and are part of the annual reports that all public companies are obliged to prepare at the end of every financial year. Although these texts are generally drafted in the language of their country of registration, companies often translate their annual reports, along with financial statements, as they seek to obtain funding from foreign investors. The most common target language is English due to its status as a lingua franca and its frequent use in business communication. However, there are differences between UK and US financial statements caused by language varieties and separate regulations governing the drafting of financial statements in the US and the UK. Moreover, English used in international business and financial contexts is not free from variation and cultural markedness (*cf.* Garzone 2007).

The aim of this exploratory study is to investigate English translations of consolidated financial statements of Polish listed companies, evaluating their textual fit to consolidated financial statements produced by companies in the UK and the US. Consequently, Polish, UK and US financial statements are analysed with regard to the regulatory environment and

macrostructure, and the English translations of Polish texts are compared with the UK and US texts with regard to the language used.

Research on the presentation of financial statements and their comparability between states has been conducted mainly in the field of accounting by regulatory bodies and organisations (*e.g.* SEC 2011; IASB 2016), auditing companies (*e.g.* Deloitte 2008; Ernst&Young 2006) and researchers (for a comprehensive overview see Łazarowicz 2019: 152-155). Although the communicative aspect of the financial statements is highlighted by the International Accounting Standards Board (IASB 2017: Section 2), this issue has rarely been addressed by linguists, with more attention being devoted to other parts of the annual reports, principally to the letters to shareholders (*e.g.* Hyland 1998; Nickerson & de Groot 2005; Garzone 2007; Giordano 2019). However, recently the topic of financial statements has been gaining ground, especially in terminology research. Leibbrand (2018) studied terminological variation in the consolidated statements of profit or loss prepared in French-speaking countries. Going a step further, she analysed terminological variation in the English translations of consolidated profit or loss statements of companies from French-speaking countries (Leibbrand 2019). In the same vein, García González (2022) analysed terminological variation in the English-Spanish translations of IFRS and Spanish-English translations of financial statements drafted by Spanish companies. Her work was inspired by Nobes & Stadler (2018) who investigated the translation of the term *impairment* used in International Accounting Standard (IAS) 36 (originally English) into 19 languages, and then the English translation of respective equivalents found in financial statements.

The abovementioned works focus on terminology, which is deemed crucial in financial translation. The objective of this study is to look at financial translation from a broader perspective, focusing not on terminology, but on the textual fit of the English translations. Textual fit is a measure of the naturalness and acceptability of a translation, the extent to which the linguistic profile of translations corresponds to the linguistic profile of relevant texts in the target language (Chesterman 2004: 6). Consequently, this study aims to investigate whether translated financial statements of Polish companies are consistent with English financial statements. However, financial statements drafted originally in English are a

very inhomogeneous group: they use various regional language varieties and are governed by separate regulations. This study is limited to include financial statements prepared in the UK and the USA. Two corpora of consolidated financial statements of UK and US companies are compared to the English translations of Polish companies' consolidated financial statements. Before moving on to the linguistic analysis of the corpora, the regulatory background is discussed as it sheds additional light on the findings.

2. Contextual background

2.1. Polish legal settings

The preparation of financial statements by public companies in Poland is regulated by the Accounting Act, along with corresponding executive regulations, and the EU-adopted International Financial Reporting Standards (IFRS)[1]. Additional guidance is provided by the National Accounting Standards and a set of best practices for listed companies. A brief overview of the four instruments is provided below.

2.1.1. The Accounting Act

The Accounting Act specifies the accounting principles governing Polish undertakings and the provision of bookkeeping services. It was adopted in 1994, soon after the fall of communism in Poland. Its purpose was to adjust Polish law to the accounting solutions found in market economies, especially the EU, enhancing the transparency of business transactions and thus allowing for the inflow of foreign capital and expansion of the Polish capital market (Jaruga & Kabalski 2012: 75, 78). The most significant amendment of the Act in 2000 changed the continental nature of Polish accounting regulations into one reflecting the traits of the Anglo-Saxon model of accounting (Jaruga & Kabalski 2012: 84). Since the amendment,

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1. The name IFRS generally refers jointly to International Accounting Standards (IAS), the first accounting standards issued by IASB, International Financial Reporting Standards (IFRS) and related Interpretations issued by IFRS Interpretations Committee (IFRIC) (*cf.* García González 2022: 3; Article 2 of the Regulation (EC) No 1606/2002).

Polish regulations were less dependent on tax accounting, focusing rather on economic and managerial factors while assessing the condition of a company. Thus, financial reporting in Poland became harmonised with the IFRS (Emerling 2015: 84) in view of the planned accession to the EU in 2004. The current version of the Act transposes EU directives, harmonising Polish accounting law with that of other Member States, and regulates accounting principles where the IFRS do not apply.

2.1.2. International Financial Reporting Standards

The IFRS are mandatory for all publicly traded companies in the EU Member States[2] as of 2005 under Regulation (EC) No 1606/2002. The IFRS is a set of accounting standards issued by the International Accounting Standards Board (IASB). The standards aim at transparent, comparable and effective financial reporting worldwide. The standards often contain options that are supposed to account for the differences between companies (size, type of operations etc.). The discretion in the interpretation of the options gives companies flexibility in the application of the standards and consequently often leads to a lack of comparability among financial statements prepared in various states that adhere to the IFRS (*cf.* Łazarowicz 2019: 150). Zeff (2007: 291) argues that the level of comparability between financial statements depends on cultural aspects and mentions four obstacles to the global comparability of financial reporting: (1) the business and financial culture; (2) the accounting culture; (3) the auditing culture; and (4) the regulatory culture. In the same paper he argues that true convergence is virtually unattainable due to language issues and corresponding interpretation problems (Zeff 2007: 296).

The only working language of the IASB is English, so in order to be used globally, the standards are translated into a range of languages. The IASB coordinates the translation through its Translation, Adoption and

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2. The EU uses EU-adopted IFRS, which cover the IFRS for the consolidated financial statements of companies whose securities are traded in a regulated market; the EU has not adopted IFRS for SMEs (IFRS 2022a).

Copyright (TAC) team[3] to ensure the highest possible quality. The process includes the translation of the standards by professional translators of the target language and a review by a committee of financial reporting experts from the target culture, appointed by the translating entity and accepted by the IFRS Foundation (IFRS 2020). The translating entity in Poland, PKF Polska, publishes the translated standards on its website[4]. However, this is not the only Polish version of the standards. The EU bodies have prepared their translation since all regulatory requirements to be applied in the EU have to be translated into the official languages of the organisation. It has already been demonstrated that the contents of the IFRS translations differ across languages and between the two versions of the translation (national and EU) within a specific language (*cf. e.g.* Evans, Baskerville & Nara 2015; García González 2022; Hellmann & Patel 2021). The differences between the Polish translations of IFRS have not been studied thoroughly to date, but inconsistencies between the two versions are observable, which may influence the wording of Polish financial statements and their translation.

2.1.3. National Accounting Standards

Polish National Accounting Standards (*Krajowe Standardy Rachunkowości, KSR*) issued by the Polish Accounting Standards Committee (*Komitet Standardów Rachunkowości*), operated by the Ministry of Finance, contain detailed requirements and interpretations of the provisions of the Accounting Act and the IFRS. Their application is not obligatory, but they offer practical guidance to accountants preparing financial statements, especially where the IFRS provide options.

2.1.4. Best practice for GPW listed Companies

The Best Practice for GPW Listed Companies is a set of guidelines issued by the Warsaw Stock Exchange (*Giełda Papierów Wartościowych, GPW*) aimed

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3. IFRS translation. Online: https://www.ifrs.org/issued-standards/ifrs-translations/#how-we-work. Accessed: 30/05/2023.
4. PKF Polska, https://www.pkfpolska.pl/msr-mssf-%E2%80%93-obowiazu-jace-od-29-09-2022-5496. Accessed: 30/05/2023.

at promoting good corporate governance among the companies listed on the Main Market (GPW 2021). According to § 29 (2) of the Warsaw Stock Exchange Rules, the listed companies "should apply the rules of corporate governance", but they are not mandatory and there are no penalties for non-compliance. However, failure to apply best practices may negatively affect the image of the company and investor confidence. The first chapter of the Best Practice deals with the disclosure policy and communication with investors, highlighting the importance of quality investor communications, including financial reporting.

2.2. UK legal settings

Financial reporting in the UK is regulated by the Companies Act 2006 and the accounting standards issued by the Financial Reporting Council (FRC). The FRC is the regulatory body responsible for setting accounting and auditing standards in the UK – the Financial Reporting Standards (FRS) also known as UK GAAP (UK Generally Accepted Accounting Practice). The standards provide specific requirements and guidelines for the preparation and presentation of the financial statements of companies that are not required to use the IFRS.

The UK listed companies are required to prepare consolidated financial statements in accordance with the UK-adopted IFRS[5] under Section 403 of the Companies Act, while for individual financial statements they may choose between the IFRS and UK GAAP (Section 395). The Act outlines the general framework and principles for the preparation of financial statements, with more detailed rules being covered by the IFRS or relevant FRS.

2.3. US legal settings

The legal basis for financial reporting of listed companies in the United States is primarily governed by the Securities Exchange Act of 1934 and

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5. The UK-adopted IFRS replaced the EU-adopted IFRS after the Brexit transition period at the end of 2020, so the financial statements included in the corpus were prepared in accordance with the UK-adopted standards. The UK-adopted IFRS are consistent with the IASB IFRS with limited modifications (IFRS 2022b).

the Rules and Regulations of the U.S. Securities and Exchange Commission (SEC). These regulations establish the framework for financial reporting and disclosure requirements for publicly traded companies.

The Securities Exchange Act of 1934 requires companies to file periodic reports with the SEC and provide shareholders with financial statements and other relevant disclosures. The annual reports are filed on Form 10-K (for domestic issuers) or Form 20-F (for non-US and non-Canadian companies) which standardise the reporting requirements for all publicly traded companies. The Forms include annual financial statements in Item 8. Regulation S-X issued by the SEC governs the form and content of financial statements filed by companies. It outlines the specific requirements for the presentation, disclosure and accounting policies to be followed in financial statements.

The statements of all listed companies in the US are prepared in accordance with the Generally Accepted Accounting Principles (US GAAP) set by the Financial Accounting Standards Board (FASB). US GAAP provide a standardised framework for recording, measuring and reporting financial information. Although US and European companies do not use the same standards, the FASB and the IASB have been working together to improve and converge the US GAAP and the IFRS for many years[6]. Thus, many similarities between the financial statements prepared in accordance with these standards may be observed.

3. Corpus design and procedure

This study is conducted in the framework of corpus methodology and uses genre-based comparable-parallel corpora, building on the structure developed by Biel (2016). The focus corpus in this study is a parallel Polish-English corpus of consolidated financial statements prepared by 20 Polish companies listed on the Warsaw Stock Exchange (the Polish subcorpus PL-PL and the English subcorpus PL-EN). The focus corpus is set against two comparable English corpora: the UK corpus, comprising 20

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6. More information on the cooperation at: https://www.fasb.org/international#section-4. Accessed: 30/05/2023.

consolidated financial statements of UK-based companies listed on the London Stock Exchange, and the US corpus of 20 consolidated financial statements prepared by US-based companies listed on the New York Stock Exchange. The companies selected for the analysis have the highest market capitalisation and are included in the most popular indices in their respective countries: WIG 30 in Poland, FTSE 100 in the UK and S&P 500 in the US. An additional criterion for Polish companies was to draft the financial statements in Polish and translate them into English, as some companies listed on GPW draft their annual reports only in English. The corpora cover the same mandatory elements of financial statements: income statement, comprehensive income statement, balance sheet, statement of changes in equity, cash flow statement and explanatory notes. The PL parallel corpus is aligned only in part, with the notes on the financial statements excluded from alignment[7].

The corpora were compiled in early 2023, with the intention to use the most recent data. Consequently, the corpora include financial statements prepared in 2022 (covering the year 2021). Texts used for the PL and UK corpora were downloaded from the websites of the respective companies and PDFs were converted into text files with Abby FineReader. The noise was then cleared manually. The texts of the US financial statements were copied from the U.S. Securities and Exchange Commission (SEC) website[8] where they are available in HTML format. The parallel PL corpus was compiled in Excel spreadsheets and aligned manually, as this allows for full control of the corpus. The details of the corpora are shown in Table 1.

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7. The alignment of the whole corpus proved to be overly time-consuming due to the problems with segmentation after conducting OCR of the financial statements in PDF format. Moreover, most of the items identified for analysis are included in the particular statements.
8. The U.S. Securities and Exchange Commission. Online: https://www.sec.gov. Accessed: 30/05/2023.

Corpus type	Language	Corpus name	No. of words	No. of texts
parallel	Polish	PL-PL	886 236	20
		of which aligned	29 801	20
	English	PL-EN	982 025	20
		of which aligned	29 242	20
comparable	English	UK	768 020	20
comparable	English	US	411 639	20

Table 1. Corpora used in the study

It may be noted that the US corpus is significantly smaller than the other corpora. This stems from the number of notes in the corpora: the median of notes in the PL corpus is 48, in the UK corpus it is 34, and in the US it is only 19, due to different regulatory approaches. The IFRS are considered to be principles-based, which means they allow for more flexibility in the implementation of the standards, and thus require more additional information in the notes, whereas the US GAAP are rules-based, i.e. they offer detailed guidelines with less room for interpretation and therefore less notes (*cf.* Nobes 2005).

As regards the procedure, the structure of the corpora was analysed manually and the linguistic aspects were investigated with the aid of Sketch Engine (Kilgarriff *et al.* 2014). The initial step of the linguistic analysis consisted in identifying the elements for further investigation by surveying the lists of keywords and key multi-word expressions extracted by the program. Individual lists were generated for the PL-EN, UK and US corpora set as focus corpus against a large default reference corpus in Sketch Engine (English Web 2020) and in all possible focus-reference corpus combinations of PL-EN, UK and US corpora. The two types of keyword lists were generated in order to investigate the corpora from two perspectives: setting the corpora against a general reference corpus shows whether the corpora are similar, and in what way; generating the lists using only the corpora in the study is more likely to reflect peculiarities of the focus corpus (*cf.* Culpeper 2009: 35).

The elements that required further investigation have been analysed with concordance and parallel concordance functions. The findings of the

analysis are provided in the next section. Due to the differences in the size of the corpora, the values in the tables are provided in a normalised form (NF), i.e. the frequency per 100 000 words (*cf.* Brezina 2018: 43).

4. Results and discussion

4.1. *Differences in structure*

This part investigates the structure of the consolidated financial statements since a standardised structure is one of the key determinants of a genre (*cf.* Swales 1990: 58) and helps to assess the textual fit of translations. The analysis focuses on the order and names of the obligatory parts of consolidated financial statements.

Although obligatory elements of consolidated financial statements are specified in the national regulations and standards (*cf.* Section 2), the order of the particular statements is not set out. An important regional difference between the texts which influences the structure is the form in which they are presented. The official version of the annual report in Poland is a set of separate files submitted to the authorities in a folder. The files include the consolidated financial statements, the stand-alone financial statements of the parent company, the auditor's report, etc., all as separate documents. In the UK and the US, the annual report is one document covering all these elements. The form of presentation influences the boundaries of the consolidated financial statements. Polish consolidated financial statements cover the income statement, comprehensive income statement, balance sheet, statement of changes in equity, cash flow statement and explanatory notes. Item 8 of the US annual report also includes the auditor's report, either after the explanatory notes or before the first statement. The part of the UK annual reports called "financial statements" also includes the auditor's report, either at the beginning or the end. Due to the fact that the auditor's report is not incorporated into the Polish consolidated financial statements, but rather constitutes a separate document, it is not taken into account in the analysis.

Typical order among the analysed texts varies from state to state, but the final element of all the financial statements are the notes, as they explain detailed assumptions made by the accountants preparing the financial statements. Polish financial statements in the corpus open with (1) an

income statement followed by (2) a comprehensive income statement; in five cases the two statements are merged into one. In most cases (19 out of 20), what comes next is (3) a balance sheet, followed by (4) a statement of changes in equity and (5) a cash flow statement, in either order. The order of the elements in the UK financial statements is more varied, with two sequences being equally frequent: (1)-(2)-(3)-(4)-(5) and (1)-(2)-(4)-(3)-(5), each occurring in the corpus seven times. An income statement is merged with the comprehensive income statement only once in the UK corpus, and not once in the US corpus. Unlike the others, the US comprehensive financial statements do not always open with an income statement, although this is the most frequent option, occurring 12 times in the corpus. The first financial statement in the US corpus is frequently the balance sheet (seven times), which is then followed by the income and comprehensive income statements. The most common sequences in the US corpus are (1)-(2)-(3)-(4)-(5) (nine times) and (3)-(1)-(2)-(4)-(5) (seven times). The most typical sequences of statements in the corpora are displayed in Figure 1.
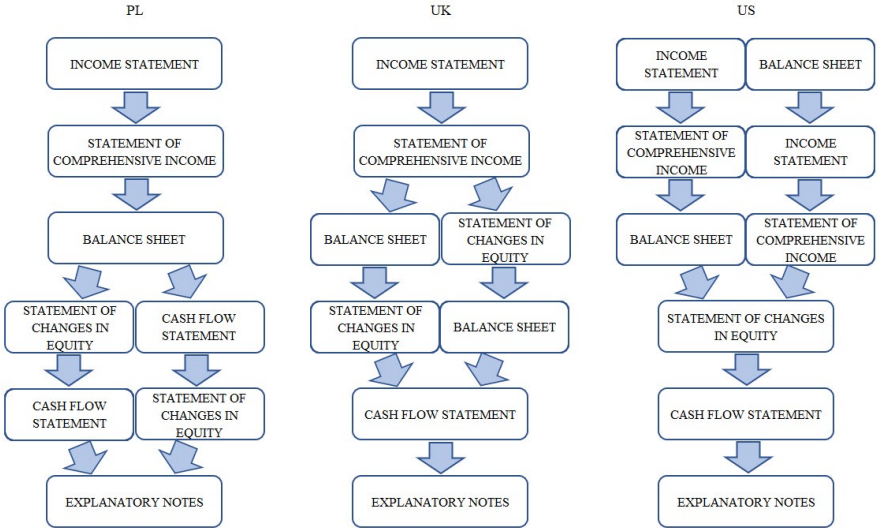

Figure 1. The structure of the consolidated financial statements in the PL, UK and US corpora

The variation in the structure of consolidated financial statements covers not only the order of the particular statements but also their names. First of all, not all the financial statements of a parent company and its subsidiaries use the descriptor *consolidated*. The UK Companies Act uses the name *group accounts* when referring to consolidated financial statements (*e.g.* section 403 of the Companies Act 2006), and four UK companies decided to use the descriptor *group* when referring to the consolidated financial statements and the particular statements. Such change in the name does not occur in the PL or US corpora. However, two companies in the US corpus omit *consolidated* altogether in the names of particular statements.

As regards particular financial statements, the change of word order and the use of the singular and plural of particular words interchangeably is a very common phenomenon. For example, the cash flow statement is referred to as *statement(s) of cash flow(s)* or *cash flow(s) statement(s)* in all possible combinations in the corpora. However, there is no instance of a plural form of *statement* with regard to the particular statements in the translations from Polish. This may be caused by the fact that translators pay more attention to grammatical issues, and each of the particular statements is one document referring to the group as a whole.

Additionally, the names of some statements show denominative variation. The balance sheet is referred to either as a *statement of financial position* (17 times in the PL, 5 in the UK, and 0 in the US corpora), in accordance with IFRS terminology, or *balance sheet(s)* (3 times in the PL, 15 in the UK, and 20 in the US corpora). The translations generally contain the direct equivalent of the Polish name used (*sprawozdanie z sytuacji finansowej* and *bilans*, respectively), but once *bilans* is translated as a *statement of financial position*.

The income statement shows the widest variability of forms. The UK corpus exhibits the highest level of consistency in this scope, as only two forms may be found here: *income statement(s)* (9 occurrences in the PL corpus, 18 in the UK corpus, and 1 in the US corpus) and *statement(s) of income* (0 PL, 1 UK, 9 US). The US corpus also uses *statements of earnings* (3 times) and *statement(s) of operations* (7 times). Translations from Polish additionally use *statement of profit or loss* (6 times), *statement of profit and*

loss (1 time) or *profit and loss account* (2 times). The Polish version of the profit and/or loss statement/account (*rachunek/sprawozdanie z zysków i/lub strat*) is frequently used in the Polish language of accounting and exhibits a similar range of variation. In the PL-PL corpus, it is more frequent than its direct equivalent in English translations, which may suggest that the translators feel that it is more natural to use *income statement* in English texts.

Overall, the structure of the consolidated financial statements analysed shows a high level of variation, both in terms of the order of statements and the names used. The order of statements is the most stable in the PL corpus; the UK and US corpora show a wider variation. As regards the names of the particular statements, the balance sheet is generally rendered as *balance sheet(s)* in the UK and US corpora, and *statement of financial position* in the PL corpus, but the US and PL corpora use a variety of options to render income statement, with the UK corpus being the most consistent in this respect.

4.2. Differences in language used

The next step of the analysis covered the investigation of keyword and key multi-word units lists (referred to jointly as KW lists). The survey of the KW lists of the PL, UK and US corpora set against a general corpus confirmed a strong similarity in the language used in all the statements, especially the most common terminology used. The differences between these lists generally cover culture-specific issues, *e.g. management board*[9] in PL or *class B*[10] in the US corpus, and the names of the undertakings.

The analysis of the KW lists generated within the same genre yielded more interesting results. It revealed fine-grained cultural differences between the financial statements, *e.g.* when the UK is the focus corpus

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9. There is no direct equivalent of authorities in Polish and UK or US companies. The former uses a two-tier model comprising *zarząd* (*management board*) and *rada nadzorcza* (*supervisory board*), whereas the latter are headed by the board of directors.
10. In Poland shares are classified on the basis of their issue date and type; such category is called *seria* (*series*).

many keywords refer to employee benefits and pension schemes; the US corpus often mentions tax solutions, such as *carryforwards*, and uses more abbreviations than other corpora, *e.g. RSUs* (restricted stock units) and *ASU* (Accounting Standards Update); the PL corpus refers to Polish reality and apart from the references to Polish company authorities we may find references to EU bodies, such as the European Parliament, or to currency translation, *e.g. (foreign) exchange difference(s)*. Apart from that, the analysis showed linguistic and terminological differences, which may be grouped as (1) those influenced by the UK and US varieties of English, and (2) those influenced by the Polish language of accounting. These two categories are described in more detail below.

4.2.1. Differences influenced by the UK and US varieties of English

The most apparent differences captured by the KW lists were those related to spelling. The KW lists where the UK was the focus corpus and the US was the reference displayed many words and expressions that also appeared in the reverse KW lists but with different spelling, *e.g.* in the UK-US list one may find *amortise* and *amortisation*, while *amortize* and *amortization* are found on the US-UK list. The US-UK KW lists also showed many words and expressions starting with *non* without the hyphen, *e.g. noncurrent* and *noncontrolling interest*. Consequently, the corpora were searched for verbs ending in *-ise* and *-ize* (all tense forms), nouns ending in *-isation* and *-ization* (singular and plural) and words starting with *non-* and *non*. Words with an obligatory *s* or *z* in the endings, such as *rise* and *sized*, and words in which *non* is always spelled without a hyphen, *e.g. none* and *nonetheless*, were excluded from the results presented in Table 2.

	UK	US	PL-EN
-ise (BEng)			
VERB *-ise/ised/ises*	485	0	258
NOUN *-isation/isations*	92	0	45
-ize (AmEng)			
VERB *-ize/ized/izes*	42	620	255
NOUN *-ization/izations*	4	168	60
non- vs non			
non-	274	138	180
non	1	140	1

Table 2. The frequency of words spelled differently in British English and American English varieties in the UK, US and PL-EN corpora.

The data clearly demonstrates that the US companies use American English (AmEng) spelling throughout their financial statements, and UK companies use British English (BEng) spelling with a few exceptions—one company uses US spelling consistently, and other instances of individual misspellings were found. Interestingly, both spellings are almost equally frequent in the translations of Polish financial statements. A more in-depth analysis of the spelling in individual texts revealed that not all companies use consistent spelling: seven companies generally use BEng spelling (with an insignificant number of instances of AmEng spelling), and five companies use AmEng spelling. As many as eight Polish companies use BEng and AmEng spelling interchangeably in their translations, which negatively influences the quality of the texts.

As regards the spelling of *non*, the UK and PL texts use the hyphen quite consistently, but the frequency of the two spellings is almost equal in the US corpus. Seven US companies consistently use the spelling with a hyphen, and three consistently omit it. Ten companies use both spellings, but generally write specific words consistently, *e.g.* one company always writes *nonmarketable* without a hyphen and *non-controlling* with a hyphen. To broaden the picture let us note that *nonmarketable* occurs 14 times in the US corpus, whereas *non-marketable* appears 46 times, and the frequency of

non-controlling is 26, compared to 143 occurrences of *noncontrolling*. Thus it seems impossible to find a common ground for US spellings. The translations in the PL corpus follow the UK spelling in this respect.

Apart from the spelling differences, the BEng and AmEng varieties use distinct accounting terms, *e.g. share* and *stock*, respectively, for an equity instrument that represents the ownership of a part of a company. The IFRS, which are drafted and issued in English, use "a mixture of US and UK terms" (Alexander & Nobes 2020: 12) which may cause some confusion for translators. Consequently, the corpora were searched for *share* and *stock* and related terms, as these items appeared most often in the KW lists. Table 3 shows the frequencies of selected expressions found in the UK, US and PL corpora, limited to *share* and *stock* with the meaning of the equity financial instrument. The table contains pairs of terms in the BEng and AmEng varieties and mixed terms marked with an asterisk.

share vs stock	UK		US		PL	
	share	stock	share	stock	share	stock
TOTAL share/stock	489	21	357	339	293	19
share capital capital stock	29	0	0	5	36	0
ordinary share common stock	50	1	0	125	12	0
*common share *ordinary stock	2	0	32	0	1	0
preference share preferred stock	9	0	0	51	2	0
*preferred share *preference stock	2	0	2	0	1	0
treasury share/stock	15	0	6	20	4	0
own share/stock	11	0	0	0	6	0
per share	44	-	92	-	29	-

Table 3. The frequency of *share* and *stock* and related terms in the UK, US and PL corpora

Share is used far more frequently in the UK and PL corpora, with stock generally being limited to references to the *stock exchange* in both corpora or the *joint stock company* in the PL corpus. *Stock* and *share* are used almost equally frequently in the US corpus, but it may be noted that *stock* is used

when referring to the types of financial instruments: *common stock*, *preferred stock*, *treasury stock*, and the frequency of *share* is inflated by the expression *per share*. The US corpus also shows a relatively high frequency of **common share* which is attributed partly to a longer phrase *per common share* (35%) and partly to the references to common stock.

The avoidance of using *stock* in the translations from Polish may stem from the fact that the IFRS uses the term *share*, but also that the meaning of *stock* in BEng is "goods which are not sold yet", i.e. the AmEng *inventory*. The latter is a term used in the IFRS, and also in all the corpora. The normalised frequency of *inventory* is 35 in the UK corpus, 64 in the US corpus and 40 in the PL corpus. Meanwhile, the use of *stock* with this meaning has 1 occurrence in the UK corpus, 0 in the US corpus and 1 in the PL corpus.

The results of the analysis in this section are displayed in Figure 2. The line marks a provisional border between the AmEng (top) and BEng (down) varieties.
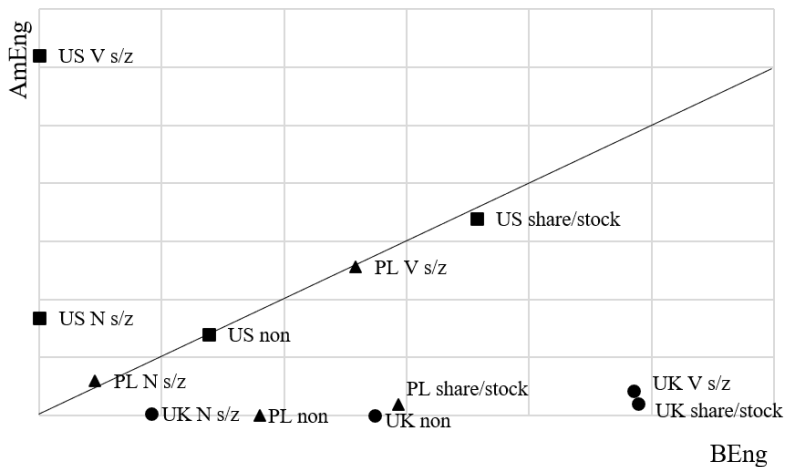

Figure 2. Summary of the distribution of the analysed items

All in all, the PL corpus exhibits more similarity to the UK corpus. The exception is the *-ise/-ize* spelling, which is on the borderline. These aspects suggest that the translated financial statements show a higher level of textual fit to the UK financial statements and thus are more tailored to the

needs of investors, who are geographically closer to Poland. One of the causes of this similarity may be the fact that UK companies also base their consolidated statements on IFRS, and that, until recently, the UK had also been a member of the EU and thus many accounting regulations between the two countries are still harmonised.

4.2.2. Differences influenced by the Polish language of accounting

As previously mentioned in the introduction, English used in international business communication bears some traces of national culture (*cf.* Garzone 2007). There are two expressions in the Polish language of accounting that influence the translations of the financial statements: *amortyzacja* (amortisation) and *rachunek zysków i/lub strat* (profit and/or loss account). The two expressions were investigated in the corpora.

In the Polish language of accounting, the loss of value of an asset in time is always called *amortyzacja*, with no differentiation between tangible and intangible assets. In the case of English, the tangible assets are subject to depreciation, and intangible assets—to amortisation. This may cause certain problems in translation from Polish into English, especially in particular statements where the terms are in a table, often detached from a wider context. Table 4 presents the frequencies of all forms related to the words *amortisation* and *depreciation*.

	UK	US	PL-EN	PL-PL
amort\w+[11]	126	140	136	191
deprec\w+	70	60	79	0

Table 4. The frequency of words related to amortization and depreciation in the UK, US, PL-EN and PL-PL corpora

The table above shows that the frequency of the expressions in the English corpora are similar. However, the sum of the expressions in the PL-EN corpus is 12.6% higher than in the PL-PL corpus. This stems mainly from the fact that segments containing PL *amortyzacja* often pertain to tangible

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11. The corpora in Sketch Engine were searched with the use of regular expressions (RegEx) language, where \w+ means one or more word characters (letters).

and intangible assets jointly and need to be translated using two distinct terms in English, *e.g. amortyzacja wartości niematerialnych i rzeczowych aktywów trwałych* [literally: amortisation of intangible assets and tangible assets] is translated as (1) amortization of intangible assets and depreciation of property, plant and equipment; (2) depreciation and amortization; or (3) amortization/depreciation of property, plant and equipment and intangible assets. The ambiguity of the Polish term triggers constructions that are not often found in the texts originally drafted in English, *e.g. amortization/depreciation* (and inversely) is found 48 times (NF 5) in the PL-EN corpus yet not once in the UK or US corpus.

Another expression that triggers constructions that may seem unnatural for users of English is *rachunek zysków i/lub strat* (profit and/or loss account), which is a traditional name for an income statement in Poland. The frequencies of *profit*, its synonyms and *loss*, along with their combinations, are provided in Table 5; the table contains the total frequencies of the expressions in the order provided and inverted (*e.g. profit/loss* and *loss/profit* are treated as one expression).

	UK	US	PL-EN
profit	271	17	287
gain	153	175	84
income	477	620	451
loss	389	487	524
profit and/or loss	76	1	164
profit/(loss) profit/loss profit (loss)	21	0	33
gain and/or loss	58	62	34
gain/(loss) gain/loss gain (loss)	32	53	29
income and/or loss	0	3	0
income/(loss) income/loss income (loss)	11	76	1

Table 5. The frequency of profit, gain, income, loss and their combinations in the UK, US and PL-EN corpora

The frequency of *profit* is comparable in the UK and PL corpora, with the US corpus showing significantly lower distribution. Despite the fact that the values are almost equal in the UK and PL corpora, the expression *profit and/or loss* is over twice more common in the PL corpus, and almost absent in the US corpus. Moreover, all other combinations with *loss* are more frequent in the UK and US corpora. This overrepresentation of *profit and/or loss* in the PL corpus, with the underrepresentation of other word combinations suggests interference from Polish.

Overall, the Polish language of accounting seems to have an influence on the English translations, evidenced by unnatural constructions or an overrepresentation of selected word combinations. However, the instances of interference are not very salient and do not impede the understanding of the text.

5. Final remarks

Accounting is often associated with meticulous attention to detail. Yet, the language of accounting is full of inconsistencies and terminological variation, both within a language and between languages. Even International Financial Reporting Standards, the objective of which is to maximise comparability and convergence of accounting practice, use terms from two distinct accounting cultures and allow for multiple translations of their standards. Such a linguistic environment does not help translators perform their work efficiently.

Therefore, assessing the textual fit of translated financial statements was not an easy task. However, the data indicates relatively high similarity between the PL and UK corpora, with more distance from the US corpus. The likeness may stem from the regulatory proximity of the Polish and UK systems, which is the aftermath of the EU harmonisation and common use of international standards. Consequently, it may be concluded that the English translations of Polish consolidated financial statements are fit for the purpose of attracting foreign investors.

The largest limitation of the study is its scope. Increasing the number of financial statements analysed could help infer findings for the whole genre and possibly develop guidelines for translators of financial statements. The study could also benefit from increasing the number of languages

and markets to capture cultural differences or extending the period under study, which could reveal diachronic changes. Financial statements are an understudied genre and there is still much to discover for linguists and translators.

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