

# FINANCIAL TERMS IN FINANCIAL STATEMENTS AND THEIR TRANSLATION INTO INDONESIAN

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## ABSTRACT

Translating a certain text is rather complex. The aforementioned complexity becomes even more evident when the text deals with specialized subjects such as finance, banking, or accounting. It is interesting and challenging in analyzing financial terms as it contains of specific vocabulary or highly specialized words usually used only by specialists in this case is experts from finance field. The aim of this study is to analyze the techniques applied in translating English financial terms into Indonesian found in financial statement. This paper is a library research where the data is in the form of documents or printed out texts. The method that is implemented in analyzing the data in this study is the qualitative one proposed by Djajasudarma (1993). There were 7 techniques used by translator in translating English financial terms into Indonesian found in financial statements. They are borrowing, reduction, established equivalent, calque, literal translation, modulation and transposition.

Keywords : *financial terms, financial statement, and translation techniques.*

## ABSTRAK

Menerjemahkan teks tertentu merupakan sesuatu yang agak rumit. Kerumitan tersebut menjadi lebih jelas ketika berhubungan dengan bidang yang khusus seperti keuangan, perbankan, atau akuntansi. Sangat menarik dan menantang dalam menganalisis istilah keuangan karena mengandung kosakata spesifik atau kata-kata yang sangat khusus biasanya hanya digunakan oleh para ahli dalam hal ini para ahli dari bidang keuangan. Metode yang digunakan dalam penulisan paper ini adalah metode penelitian pustaka dalam mencari referensi yang berhubungan dengan penelitian ini dan metode kualitatif deskriptif dalam menganalisa data. Tujuan dari penelitian ini adalah untuk menganalisis teknik yang diterapkan dalam menerjemahkan istilah-istilah keuangan Inggris ke dalam bahasa Indonesia yang ditemukan dalam laporan keuangan. Ada 7 teknik yang digunakan oleh penerjemah dalam menerjemahkan istilah-istilah keuangan Inggris ke dalam bahasa Indonesia. Teknik tersebut adalah *borrowing, reduction, established equivalent, calque, literal translation, modulation dan transposition.*

Kata kunci: *istilah keuangan, laporan keuangan, dan teknik penerjemahan.*

## INTRODUCTION

Commonly people tend to consider translation as something that anybody can do with the help of dictionaries. In fact, translating a certain text is rather complex. The aforementioned complexity becomes even more evident when the text deals with specialized subjects such as finance, banking, or accounting. In this particular case, when words appear next to specific terms and within a specific context, they contain nuances that must be accounted for in the final translation. In translating texts with certain terms, translators must have knowledge pertaining to the terms itself for example in translating financial statement.

Financial statements are records that outline the financial activities of a business, an individual or any other entity. Financial statements are meant to present the financial information of the entity in question as clearly and concisely as possible for both the entity and for readers. (Investopedia, 2012).

To review the relevant works is worth doing since they are closely related to this study. The previous work by Novawati (2012), in her research entitled *An Analysis of Translation Procedures of Accounting Terms in a Bilingual Textbook for Grade XII of Senior High School Entitled "Accounting 2"* analyzed the accounting terms in noun phrase form mostly found in the textbook, translation procedures that the translator used in translating them and to find out the quality of translation.

The aim of this study is to analyze the techniques applied in translating English financial terms into Indonesian. By conducting this research, some benefits hopefully can be gained, those are: to enrich the analysis of financial terms in English financial statements and their translation

into Indonesian, to give contribution to the development of techniques applied in the field of translation especially about translating financial statements and to give contribution to accountants in practice, parties of finance academics or auditors working in an international context.

## **RESEARCH METHOD**

The data utilized in this research are the financial terms found in a financial statement of PT Unilever Indonesia Tbk 2011. The data consisting of words and phrases were presented in the SL and their equivalent in the TL. Since it was not conducted in field or some places, this research is a library research where the data is in the form of documents or printed out texts. The data were analyzed based on the classification of problems which mainly focus on the types of financial terms and techniques applied in translating English financial terms into Indonesian. The method that is implemented in analyzing the data in this study is the qualitative one proposed by Djajasudarma (1993).

After collecting the data, translation techniques were analyzed by implementing theory proposed by (Molina & Albir) and supported by Larson (1988) stated that the first meaning components of the terms under concerned are unpacked into its semantic features of components in order to grasp the message of the source language. Larson (1988) also stated that the semantic feature is the type of units, of which the features and relationships are the same in all languages. All have meaning components that can be classified as ‘things’, ‘events’, ‘attributes’ and ‘relation’ In terms of qualitative research method, Aminuddin as quoted by Khaerun (2003:7)

proposed that the qualitative research is the type of research which is emphasizing on giving explanation with the deep comprehension, and can be applied in the particular field of knowledge, such as financial terms in this point.

This study applied the two methods of presenting the analyzed data i.e. informal and formal. A description using words is inevitable, so is the use of related symbols, such as tables or diagrammatic forms with mathematical symbols (+, -, /) in this case in terms of meaning component. Both were used since there were presentation of classified data and the techniques of translation

## **DISCUSSION**

Translation technique seems to be singled out to “name an act of selecting target-language units, *i.e.* an actual operation or manipulation with linguistic material” (Hrehovčik, 2006: 44). Molina and Albir (2002:509), propose eighteen techniques of translation, those are Adaptation, Amplification, Borrowing, Calque, Compensation, Description, Discursive creation, Established equivalent, Generalization, Linguistic Amplification, Linguistic compression, Literal translation, Modulation, Particularization, Reduction, Substitution, Transposition and Variation. However there are some of those techniques applied in translating English financial terms into Indonesian found in financial statements as follow:

## **Borrowing**

This technique is the simplest one. It is used usually when there is a metalinguistic gap in the target language, for example, when a new technique or an unknown concept is introduced.

From the selected data analyzed in this study, it is found out that the translator used borrowing technique to translate a financial term below:

### **Data 1**

SL : **Dividend** payments to all shareholders are recognized as liabilities in the consolidated financial statements in the period when the dividend payments are declared by the Company's shareholders

SL concept : that part of the money made by a business which is divided among those who own shares in the business (Longman Dictionary)

TL : Pembagian **dividen** kepada para pemegang saham Perseroan diakui sebagai liabilitas dalam laporan keuangan konsolidasian pada periode ketika dividen disetujui oleh para pemegang saham Perseroan.

TL concept : Bagian laba atau pendapatan perusahaan yang besarnya ditetapkan oleh direksi serta disahkan oleh rapat pemegang saham untuk dibagikan kepada para pemegang saham atau sejumlah uang yang berasal dari hasil keuntungan yang dibayarkan kepada pemegang saham sebuah perseroan (KBBI)

In order to identify the strategies applied in translating this term into Indonesian, it is necessary to provide the componential analysis proposed by Larson that the first meaning components of the terms under concerned are unpacked into its semantic features of components in order to grasp the message of the SL. In relation with the semantic components, Larson

(1988: 29-33) also stated that the semantic feature is the type of units, of which the features and relationships are the same in all languages. All have meaning components that can be classified as ‘things’, ‘events’, ‘attributes’ and ‘relation’.

Features	SL	TL
	dividend	dividen
Money made by business divided among shareholders	+	+
Recognized as liabilities	+	+
Declared by the company's shareholders	+	+

Based on the meaning described in the componential analysis, the term dividend is equivalent with the translation *dividen* as they share the same meaning components. The TL concept certainly matches with the SL concept in which both means money made by business divided among shareholders recognized as liabilities declared by the company's shareholders. The strategies applied by translator in translating dividend into *dividen* is ‘naturalized borrowing’ which means the word in source language can be naturalized to fit the spelling rules in the target language. (Molina and Albir:2002). Novawati (2012) stated that this type of translation belong to mix loanword that occurs when the source language is borrowed into the target language with changes in form but without changing the meaning. The naturalized borrowing in this translation is marked by the spelling adaptation process in which there is a reduction of letter /d/ in the Indonesian version. The term *dividen* has been commonly and widely used in Indonesian and therefore the readers are quite familiar with this term.

### **Reduction**

The following strategy is called as reduction which means suppressing an information in source language item in the target language item.

**Data 2**

SL : **Capital paid in excess of par value is** the difference between the selling price and nominal value of the share

SL concept : The difference between the selling price and nominal value of the share ()

TL : **Agio saham** merupakan selisih antara harga jual dan nilai nominal saham.

TL concept : kekayaan bersih perusahaan yang berasal dari penilaian atau penjualan saham di atas harga / nilai pari. (media.bpr)

In order to identify the strategy applied in translating this term into Indonesian, it is necessary to provide the componential analysis of the term and the translation presented below.

Features	SL	TL
	Capital paid in excess of par value	
Company's asset	+	+
The difference between the selling price and the nominal value of the share	+	+

The translator translated capital paid in excess of par value into agio saham. From the component compared, both terms have the same meaning. Both capital paid in excess of par value and *agio saham* express the difference between the selling price and nominal value of the share. The translator applied reduction technique in which the translator is more likely to reduce in the number of elements that form the source language terms as clearly can be seen in translating capital paid in excess of par value which is translated into agio saham. *Reduction* is

found to be useful as the terms of address are not found in the target language and an explanation is not possible. As clearly stated about the meaning of both terms in source language and target language, the translator find the equivalent in which there is no crucial information is dropped or reduced.

### **Established Equivalent**

According to Molina and Albir (2002), Established equivalent means using a term or expression recognized (by dictionaries or language in use) as an equivalent in the TL, e.g. to translate the English word *teacher* as *guru* in Indonesian.

### **Data 3**

SL : Total employee **cost** during year 2012 are Rp. 308.623.

SL concept : a monetary valuation of effort, material, resources, time and utilities consumed, risks incurred, and opportunity forgone in production and delivery of a good or service. All expenses are costs, but not all costs (such as those incurred in acquisition of an income-generating asset) are expenses. (businessdictionary)

TL : Jumlah **beban** karyawan yang terjadi selama tahun 2012 adalah Rp. 308.623 .

TL concept : penurunan manfaat ekonomi selama suatu periode akuntansi dalam bentuk arus keluar atau berkurangnya aktiva atau terjadinya kewajiban yang mengakibatkan penurunan ekuitas yang tidak menyangkut pembagian kepada penanaman modal (IAI:1994)



In order to identify the procedure applied in translating this term into Indonesian, it is necessary to provide the componential analysis of the term and the translation presented below.

Features	SL	TL
	Cost	beban
A monetary valuation of effort, material, resources, time and utilities consumed, risks incurred, and opportunity	+	-
Forgone in production and delivery of a good or service	+	-
Decreases in economic benefits	-	+
During an accounting period	-	+
In the form of outflows or depletions of assets	+	+

Based on the meaning elements of ‘cost’ and *beban*, both terms do not share same meaning. In target language, ‘cost’ itself is translated into *biaya* which is apparently different from *beban*. *Beban* in target language is equivalent with ‘expense’ in the source language. Based on the meaning componential analysis, it is true that both are an indication of a cash outflow but there is a difference in terms of inflow that can be gained by a company. A cost may or may not be an expense as has been mentioned in the definition of cost itself. Cost will be a cash outflow that may bring benefit for a company. For example: gasoline for delivering service to a customer by Pizza Hut delivery service. Meanwhile, Expense is a cash outflow that will only cost money for a company but do not give any feedback, for example: the taxi fare to a shopping mall for window shopping, it only cost money but do not bring any financial benefit.

### **Literal Translation**

Literal translation is mostly used while dealing with technical texts. However, it is also the basic translation procedure in any kind of translation. According to Molina and Albir (2005), literal translation means translating a word or an expression word for word, e.g. *I will love you* as *aku akan mencintai kamu* in Indonesian.

#### **Data 4**

SL : Short term employee **benefits** recognized in the consolidated statement of financial position consist of prepaid pension expense, employee benefits obligation, pension benefits, post-employment medical benefits, other post-employment and long-term benefits.

SL concept : Advantages that you get from a company in addition to the money you earn. (Oxford :2005)

TL : **Imbalan** kerja yang diakui dalam laporan posisi keuangan konsolidasi terdiri dari beban, imbalan pensiun dibayar dimuka, kewajiban imbalan kerja, imbalan pension, imbalan kesehatan pasca-kerja, imbalan pasca-kerja dan jangka panjang lainnya.

TL concept : semua pengeluaran yang dikeluarkan oleh perusahaan untuk pekerja dan diterima dan dinikmati oleh pekerja baik secara rutin, langsung atau tidak langsung/pada suatu hari nanti. (Ruky:2006)

In order to identify the technique applied in translating this term into Indonesian, it is necessary to provide the componential analysis of the term and the translation presented below.

Features	SL	TL
	benefit	imbalan
Advantages	+	-
Given by company	+	+
In addition to the money earned by employee	+	-
All expenses given to employee	-	+

Based on the meaning described in the componential analysis, the term *benefit* does not share similar meaning with the translation *imbalan* in Indonesian. The word *imbalan* itself has broader meaning than the word ‘benefit’. In SL concept, benefit or employee benefit includes all advantages that you get from a company in addition to the money you earn. (Oxford:2005). Meanwhile, the word *imbalan* which is equivalent with word ‘compensation’ or ‘remuneration’ means reward for employment in the form of pay, salary, or wage, including allowances, benefits (such as company car, medical plan, pension plan), bonuses, cash incentives, and monetary value of the noncash incentives (Murcko:2013). By analyzing the definition of benefit and *imbalan*, it can be said that benefits that are given to the employees are parts of compensation that the employees deserve to get along their worked time but *imbalan* or compensation or remuneration are total payment or compensation received for services or employment including the base salary and any bonuses or other economic benefits that an receives during employment. In the above example, instead of translating benefit into *keuntungan*, the translator actually could translates it into *imbalan*. The strategy applied by translator in translating benefit into *imbalan* is ‘literal translation’ which means to translate a word or an expression word for word.

## Modulation

Modulation means changing the point of view, focus or cognitive category in relation to the source text, it can be lexical or structural (Molina and Albir:2002).

## Data 5

SL : **Non-current liabilities.**

SL concept : A liability not due to be paid within 12 months during the normal course of business. Non-current liabilities are also called long-term liabilities. In accounting, non-current liabilities are shown on the right wing of the balance sheet representing the sources of funds, which are generally bounded in form of capital assets. (readyratios:2013)

TL : **Liabilitas jangka panjang .**

TL concept : semua utang atau kewajiban keuangan yang jatuh temponya lebih dari satu periode akuntansi terhitung sejak tanggal laporan keuangan. (Sudrajat:1999)

In order to identify the technique applied in translating this term into Indonesian, it is necessary to provide the componential analysis of the term and the translation presented below.

Features	SL	TL
	Non-current liabilities	Liabilitas jangka panjang
Liability not due within 12 months	+	+

The term non-current liabilities was translated into *liabilitas jangka panjang*. The component between non-current liabilities in source language is the same compared to the component of *liabilitas jangka panjang* in the target language. Those terms undeniably share

same information namely obligation that is not to required to be satisfied within 12 months of the balance sheet date. Pertaining to the technique in translating non-current liabilities into *liabilitas jangka panjang*, the translator applied modulation technique. Modulation means changing the point of view, focus or cognitive category in relation to the source text, it can be lexical or structural (Molina and Albir:2002). From the data, instead of using word *tidak lancar* as the equivalence of 'non-current', the translator prefer to use term *jangka panjang* in the target language. From the word 'non-current' which is negative, there is a changing of value when it is translated into the target language become *jangka panjang* which has positive value. Apparently the way of expressing both terms in the source language and in the target language are different, however the message implied in the word 'non-current liabilities' and *liabilitas jangka panjang* are the same.

### **Transposition**

According to Molina and Albir (2002), transposition is changing a grammatical category. Transposition involves replacing one word class with another without changing the meaning of the message.

### **Data 6**

SL : Transactions denominated in foreign **currencies** are translated into Rupiah at the exchange rates prevailing at the date of the transaction .

SL concept : the particular type of money in use in a country . (Longman Dictionary:1998)

TL : Transaksi dalam **mata uang** asing dijabarkan ke mata uang rupiah dengan menggunakan kurs yang berlaku pada tanggal transaksi.

TL concept : satuan uang suatu negara (KBBI)

In order to identify the strategy applied in translating this term into Indonesian, it is necessary to provide the componential analysis of the term and the translation presented below.

Features	SL	TL
	currency	mata uang
Particular type of money	+	+
Used in a country	+	+

The componential analysis between currency and *mata uang* shows that both of the terms are the same. Both are known as the basis of trade. Currency and *mata uang* are regarded as a generally accepted form of money, including coins and paper notes, which is issued by a government and circulated within an economy. Generally speaking, each country has its own currency. For example, Indonesia has Rupiah as it's currency. Switzerland's official currency is the Swiss franc, and Japan's official currency is the yen. However, from the translation of the word 'currency' into *mata uang* it can be seen that there is a changing from a word into a phrase. Apparently the word 'currency' is a word and translated into *mata uang* which is a phrase. The change process from a word level into a phrase level in the translation of currency into *mata uang* can be categorized as transposition. This is a category of change process from the source language into target language, such as: a word level became a phrase level, a phrase level became a clause level, and the terms in the source language translated explicitly into the target language (Novawati:2012). However, it does not change the meaning of the message.

## Calque

Molina and Albir (2002) defined calque as a literal translation of a foreign word or phrase. It can be lexical or structural. Here is an example of financial terms in English translated into Indonesian using calque.

### Data 7

SL : **non-cash transaction.**

SL concept : Investing or financing activity that does not affect the cash inflows or outflows, (Murcko:2013)

TL : **transaksi non kas.**

TL concept : Transaksi investasi dan pendanaan yang tidak memerlukan penggunaan kas atau setara kas tidak termasuk dalam laporan arus kas. (PSAK:2006)

In order to identify the technique applied in translating this term into Indonesian, it is necessary to provide the componential analysis of the term and the translation presented below.

Features	SL	TL
	non-cash transaction	Transaksi non kas
Financing activity	+	+
that does not affect the cash inflows or outflows	+	+

In this example, calque technique is applied by translating ‘non-cash transaction’ into ‘transaksi non kas. Each word is literally translated from English into Indonesian. Novawati

(2012) stated that his procedure is translated within linear substitution. *Transaksi* is the translation of transaction and *non kas* is the translation of non-cash. Indonesian version obviously just borrows the English word and modifies it slightly. The financial term "*Transaksi*" in target language was borrowed from "Transaction" (SL) with some changes in writing form. The letter "c" in source language was changed with letter "k" in target language while the suffix "*tion*" in source language was changed into "*si*" in target language. The accounting term "*Kas*" in target language was borrowed from "*Cash*" in source language with some changes in writing form. The letter "c" in source language was changed with "k" in target language while letter "h" in source language was lost in target language. In this case, the translator translated the word by modifying the spelling system. The linear substitution marked by looking at the position of the first word in English becomes the second word in Indonesian and vice versa. The meanings of both terms are apparently the same. Both mean investing or financing activity that does not affect the cash inflows or outflows..

## CONCLUSION

Based on the data presentation and discussion of the paper, it can be concluded that from eighteen techniques proposed by Molina and Albir, there are seven techniques used by translator in translating English financial terms into Indonesian found from the data. The techniques are: borrowing, reduction, literal translation, modulation, transposition, established equivalent, calque and equivalence. In this case, the translator tends to preserve the form of each term. However, when differences in language system of the two languages make it impossible to preserve the form, some techniques will be applied, for example: modulation or transposition.



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