

The Art of Translating Financial Documents

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With the wave of globalization sweeping across even isolated nations today, the market for translation and localization services is spiralling to unprecedented heights, and is set to touch US\$10 billion by the end of the year. The trend spells good news not only for those working in the area of finance: accountants, financial controllers, and CFO's of companies but also for specialist translators who have a flair for this kind of work. However, people having expertise in translating financial documents are not easy to come by. Finance is a highly specialized field and it takes special aptitude and skill sets for a translator to do justice to the job.

Financial documents

Multinational corporations have their operations spread across the globe, and it is most often the case that they have to generate business plans, sales forecasts, and other forms of reports and analysis for submission to their local managements, as also to the 'big bosses' at the headquarters abroad. The fact that accounting practices differ from one region to another, lays additional burden of responsibility on the translator, and he/she must possess some understanding of the subject and an aptitude to be able to render a document that is both accurate and meaningful to the end users.

Need for Privacy and confidentiality

By their very nature, financial documents are veiled in an atmosphere of privacy and confidentiality. Any person who is privy to sensitive documents must be aware of their obligation to maintain fidelity and secrecy of the documents entrusted to their care, as clients are placing their documents in the hands of the translator with implicit trust in the service. Financial documents that come up for translation include annual reports, business plans, financial statements, sales projections, fact sheets, audit reports, policy documents, shareholder communications, public offering prospectuses, fact sheets, and press.

Regulatory requirements

When foreign companies collaborate with U.S. organizations, they are required to file certain documents with U.S. regulatory organizations such as the U.S. Securities and Exchange Commission (SEC). This would involve having to translate a number of forms with data and translating them to English – a task that can be effectively done only by a language service provider who is familiar with the industry and the regulations governing them.

Financial terminology

Just as the accounting methods differ, so too does the terminology used in different regions. Clearly, using the right terms in the right context is very important when working on financial translation. Translators often work with company officials to harmonise the glossaries of terms that are specific to the client's company or industry. Ensuring uniformity of usage is another important aspect of a good translation.

The subject is complex and calls for a certain degree of familiarity with the terms in use. The following terms will clearly illustrate this:

Société anonyme (French): limited company, public company, public limited company

Société en commandite (French): limited partnership, public limited partnership, master limited partnership

Société à responsabilité limitée (French): private limited company, incorporated company, limited liability company, private company, private limited company, private sector company, public limited company

Again, American English differs from British English, and the two use different financial terms which may at first glance appear to mean the same, but will upon further investigation reveal a faint difference in the sense. Translators who take up financial translations must therefore be very proficient at their work.

Checklist for financial translation services

A good provider of financial translation services should be mindful of these important requirements:

Financial translation service providers must be up to date with the current regulations relating to the financial services business.

They must hire translators having expertise in the financial services, with knowledge of the commonly used financial and legal terminology in the languages they are qualified in as translators.

They have to provide fast turnaround with accuracy, and be detail oriented. Some providers go the extra mile and even offer overnight and week-end services.

Financial translation professionals must adopt and uphold certain ethical standards that will enhance their own credibility and reputation.

Conclusion

With businesses redoubling their efforts towards extending their global reach, the market for language services is expanding in tandem. Established service providers are generally aware that they bear a high burden of responsibility for rendering a flawless translation, and also that maintaining confidentiality of the documents entrusted to their care is a vital part of their service obligations.

About the Author

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Armando Riquier has been participating in the Tectrad control team as a freelance expert translator and writer. The Tectrad group comprises various agencies delivering high quality translation work in the area of finance, legal, business and technical writings. Use their specialized services, like [equity research translation](#) to help your company's expansion.

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