



## The Art Of Explaining Complex Financial Reports To Non-Experts Using Simplified English

**Sitora Xasanova Uktam kizi**

Samarkand Institute of Economic and Service

E-mail: [hasanovasitora1997@gmail.com](mailto:hasanovasitora1997@gmail.com)

**Abdiyeva Oysha Ro‘zimurod kizi**

Samarkand Institute of Economic and Service

Email: [oysha4886@gmail.com](mailto:oysha4886@gmail.com)

**Abstract:** This article explores effective methods for explaining complex financial reports to non-experts using simplified English. Financial documents such as balance sheets, income statements, and cash flow reports often contain technical terminology and detailed data that can be difficult for ordinary readers to understand. The study emphasizes the importance of using plain language, clear structure, and real-life examples to improve comprehension. The article concludes that simplifying financial language enhances financial literacy and supports better decision-making among non-specialists.

**Keywords:** Financial reports, simplified english, plain language, financial literacy, non-experts, financial statements, explanation techniques, accessibility.

### Introduction

Financial reports play an important role in helping people understand the financial condition of a company or organization. However, these reports are often complex and difficult for non-experts to understand due to technical language and detailed data. Financial statements are formal reports that detail a company’s financial activity and performance. They typically include the balance sheet, income statement, and cash flow statement, which provide essential information about a company’s operations and financial position[1]. Despite their importance, many non-experts struggle to interpret these documents because of unfamiliar terminology and complicated structures. As a result, there is a growing need to present financial information in a more accessible and understandable way. Using simplified English, clear explanations, and real-life examples can significantly improve comprehension and make financial reports more useful for a wider audience. This article aims to explore effective methods of explaining complex financial reports to non-experts in a clear and simple manner[2].

In today’s global economy, financial reports play an essential role in business and economic decision-making. They provide important information about a company’s performance, financial position, and future prospects. However, these reports are often written in complex and technical language, which makes them difficult to understand for people without a financial background. Many non-experts face challenges when trying to interpret financial statements such as balance sheets, income statements, and cash flow reports[3]. According to Herbert A. Simon, individuals have limited cognitive capacity, which makes it difficult to process highly complex information. This idea explains why non-experts struggle to understand detailed financial reports[4].

Researchers have also emphasized the importance of clear communication. George A. Miller (1956) suggested that people can only process a limited amount of information at a time, highlighting the

need for simplifying complex data. Similarly, Rudolf Flesch argued that using simple language and shorter sentences improves readability and comprehension. In the field of technical communication, John Sweller's Cognitive Load Theory explains that reducing unnecessary complexity helps learners understand information more effectively[5]. This theory supports the idea that simplified English can make financial reports more accessible. One effective way to address this issue is the use of simplified English. Simplified English focuses on using basic vocabulary, short sentences, and clear structures to present information. According to David Crystal, clear and simple language plays a crucial role in global communication, especially when addressing non-expert audiences. Despite these contributions, there is still a lack of practical strategies for explaining complex financial reports to non-experts. Most studies focus on financial analysis rather than communication techniques. Therefore, this study aims to explore effective ways of explaining complex financial reports using simplified English. It seeks to identify strategies that can bridge the gap between experts and non-experts and improve overall understanding of financial information[6]. This study is important because it not only improves understanding of financial information but also promotes financial literacy among non-experts.

This study employs a qualitative research design to investigate effective strategies for explaining complex financial reports to non-expert audiences using simplified English. A qualitative approach is considered appropriate as the research focuses on understanding language use, communication techniques, and interpretative processes rather than numerical measurement. The data for this study are obtained from secondary sources, including academic literature, financial documents, textbooks, and relevant online materials[7]. These sources provide a theoretical foundation for analyzing both financial discourse and principles of language simplification. In order to achieve the research objectives, a comparative analysis method is applied. Selected samples of complex financial texts are analyzed alongside their simplified versions. The analysis focuses on key linguistic features such as vocabulary choice, sentence structure, use of technical terminology, and overall clarity[8].

The study incorporates a practical component in which selected financial texts are reformulated using simplified English. Specific techniques such as reducing sentence length, avoiding jargon, and providing clear explanations of technical terms are systematically applied and evaluated. To assess the effectiveness of these strategies, feedback from non-expert readers is considered[9]. This may include informal evaluation or survey-based responses aimed at measuring comprehension and clarity. Such evaluation provides insight into how simplified language impacts understanding. Overall, this methodological framework combines theoretical analysis and practical application to identify and evaluate effective strategies for simplifying complex financial information for a broader audience[10].

## **Conclusion**

Simplifying complex financial reports using simplified English is an effective way to improve understanding among non-expert readers. Financial reports are often difficult to understand due to technical language, but using plain language, shorter sentences, and clear explanations makes them more accessible. The study shows that these methods help readers better understand financial information without losing its main meaning. However, it is important to keep a balance between simplicity and accuracy so that key details are not removed. Simplified English improves financial communication, increases financial literacy, and helps non-experts make better financial decisions.

## **REFERENCES**

- [1] Investopedia, "How to read financial statements," 2023.
- [2] Harvard Business Review, "A refresher on financial statements," 2020.
- [3] Corporate Finance Institute, "Financial statements explained," 2022.
- [4] Plain English Campaign, "How to write in plain English," 2019.
- [5] Nielsen Norman Group, "Plain language and clear communication," 2021.

- [6] Khan Academy, “Finance and capital markets,” 2023.
- [7] World Bank, “Financial reports and economic data,” Washington, DC, 2022.
- [8] International Monetary Fund, “Economic reports and analysis,” Washington, DC, 2023.
- [9] A. Vakhobov, Fundamentals of Finance and Financial Analysis. Tashkent: Uzbekistan, 2021.
- [10] Sh. Shodmonov, Economic Theory. Tashkent: Fan and Technology, 2020.