

Linguistic and Cross-Cultural Complexities of a Specialised Legal Item: The ‘True And Fair’ Case

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ABSTRACT

The use of the terms ‘true’ and ‘fair’ seems to raise old well-known problems regarding rhetoric and law culture. The couple finds its foundations in literary contexts in the 16th century, it becomes a hendiadys in the following centuries, and then it is a codified ‘formula’ in legal context.

A discussion over the need for an interpretation of the terms used by auditors in expressing their opinion appears in the accounting literature. Nevertheless, this does not change the inherent and long-standing vagueness and ambiguity of the undefined expression, ‘true and fair’ view, which has been used since it was introduced in the 1948 UK Companies Act. The term has a legal origin in the 18th century, and it appears to have been translated into a legal definition concerning corporate accountability in the 20th century.

The aim of our contribution is that of analysing the possible cross-cultural contexts where the hendiadys true and fair was born, and exploring the meaning implications of the same ‘formula’ during the centuries. We start from the hypothesis that true and fair is a hendiadys, to show that the two terms take strength and completeness one from the other, so as to generate an only complex meaning, whose original usage was, last but not least, a literary and poetical one. The analysis of the hendiadys moves from the non-legal to the legal context, following steps of the etymological and lexical research methodology.

*I fear'd the fury of my mind
Would blight all blossoms fair & true,
And my sun it shin'd & shin'd,
And my wind it never blew.*

*But a blossom fair or true
Was not found on any tree,
For all blossoms grew and grew
Fruitless false, tho' fair to see.*

William Blake (1793)

1. Introduction

Fairness is not a description, it is an evaluation. As for *truth*, the concept represents the real facts about a situation, an event, a person. What is *true* is real and reliable, and what is *fair* is good. In general English, there is no need to describe anything as both fair and true, but strangely enough the two adjectives are strictly joined in the accountancy domain. Ultimately, the use of such terms seems to raise old well-known problems regarding rhetoric. The couple finds its foundations in literary contexts in the 16th century, it soon

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becomes a hendiadys in the following centuries, and then it is a codified 'formula' in the specialised financial field.

A discussion over the need for an interpretation of the terms used by auditors in expressing their opinion appears in the accounting literature. But, this does not change the inherent and long-standing vagueness and ambiguity of the undefined expression, 'true and fair' view, which has been used since it was introduced in the 1948 UK Companies Act. The term has a legal origin in the 18th century, and it appears to have been translated into a legal definition concerning corporate accountability in the 20th century.

The aim of this short contribution is that of analysing the possible linguistic 'ordinary' contexts where the hendiadys *true and fair* was born, and exploring the meaning of the same 'formula' during the centuries in non-financial contexts. We start from the hypothesis that *true and fair* is a hendiadys, that is to say, a formulaic expression, in which the two components of 'truthfulness' and 'fairness' are by no means independent. On the contrary, the two terms take strength and completeness one from the other, so as to generate an only complex meaning, whose original usage was, last but not least, a literary and poetical one.

The analysis of the hendiadys from the non-financial to the financial context, following steps of the etymological and lexical research methodology, should give a contribution to a more complete definition of the very complex concept of the *true and fair view* in the Fourth Council Directive.

2. Terminological controversies

In an unpublished paper on English accounting words and concepts, Parker (1992) underlines how difficult it is to define the relationships between the accounting lexemes and their usage and meaning (the Saussure's distinction between *signifier* and *signified*).

The relationship between a concept (what is signified) and the word used to express it (the signifier) is complex, since it is arguable whether a concept can exist independently of words. Developing a concept can certainly, however, be slowed down by a lack of appropriate words and confusions can be cleared away when suitable words are found. Recognition of the need of new words will ideally be followed by agreement upon what those words should be (Parker, 1992, p. 4).

The fact that only *ideally* an agreement may exist about the signified of an accounting word could justify the long debate on two simple but meaningful lexemes such as *true* and *fair*. They have a very long and independent story, which dates back the origin of the English language; they were joined in a unique hendiadys in the first translations of the Bible, to be used in literary contexts from Shakespeare on, and suddenly appear as a legal formula in financial statements. The meaning associated to this formula is controversial, both in the British context where it was born and in the international contexts where it was then adopted. Therefore, an established definition is almost impossible, following *Termium Plus* (2014) and considering a definition as

A dictionary-style statement that describes the concept designated by a term. A type of textual support on a terminology record that helps establish the textual match between languages by stating the *essential* and *delimiting* characteristics of a concept. (Our italics)

The role of the context, the source, and the subject field are fundamental for the definition of the expression here considered. In terminology, by *context* we mean (*Termium Plus 2014*):

The part of a text or statement that surrounds a particular word and determines its meaning. A type of textual support (...) that provides information about the semantic features of a concept or the use of a term.

The context we refer to in defining the *true and fair* expression is the *Fourth Directive* and any application of the formula in any explanatory text, of financial or legal nature. As a result, the sources for all possible contexts of analysis may be relevant: the source may be any organization providing information or any written work used to document the two joined terms, or to formulate their definition. Of course, the subject field for our research must be related to the carefully

delineated sphere of human activity in which our research is carried out, that is to say financial accounting.

These apparently obvious considerations imply some important methodological issues:

1. the single words *true and fair* derive from common usage but nowadays are used only in specialized financial and accounting contexts
2. their specialized usage is characterized by:
 - a) a limited frequency in usage, in comparison with the high frequency of the single adjectives *true and fair*
 - b) absence of synonyms, with consequent strong monosemantic value, due to the specific nature of the contexts of usage and related sources
 - c) the special combination of the two adjectives, which can be by no means divided.

The ultimate objective of our analysis is that of showing the terminological path followed by the two words *true and fair*, from common words to specialized terms which have been strictly joined in a hendiadys. Their peculiarity, in comparison with other words of the same field, consists in their polyrematic function, which seems to be in contradiction with the monorematic usage of any specialized term.

3. The background

The original meaning of the two adjectives *true and fair* in English seems to have no direct relationship with the contemporary common usage of the formula in financial accounting; in this field too, however, the combination seems to be very difficult to be defined, as it is no longer considered as an English formula, but an international one.

Our basic idea is that the *true and fair* couple was born in an oral British culturally and linguistically bound context, maybe linked to the oral British literary tradition, and then applied to the British legal domain, where the positive idea of *fairness and truth* perfectly suited the legal requirements. By no means are we looking for new inedited meanings of the two words. On the contrary, we are only showing how relevant it is to look for the cultural and linguistic local roots of a legal concept before approaching an international dimension. As Kischel (2009) puts it:

(...) linguistically equivalent legal notions will frequently have different contents in different jurisdictions. The legal significance of notions can differ vastly in their direction and extent. Also, the interconnections within each legal system as well as the legal culture in general influence the meaning and practical impact of legal concepts. (p. 7)

As a result, the question of understanding the authentic meaning of the expression *true and fair* is much more a matter of translating it correctly than in making it understood by British accountants. The problem is the way the concept was 'transferred', or translated, in the other languages of Europe, namely, it is a matter of finding *the* right translation. Nevertheless, as it often happens in legal translations, the question is not which translation will be right but, much more modestly, which one is less wrong. All over the world accountants know exactly what *true and fair* means, so that the hendiadys is no longer considered a seemingly unnecessary anglicism. On the contrary, it has become a well-known term of art, which needs no translation but needs urgent interpretation. The *true and fair* formula is a polyrematic expression, combining two words and concepts into a single token having a unique global meaning, which is going to be explored in the next few paragraphs.

The complex background of the *true and fair view* is testified by the massive and impressive bibliographical production on the topic from the Eighties on. Books, contributions and articles on the subject have proliferated all over the world, starting from the original British sources, to go on through the European and then extra-European sources. As a result, the subject can be approached now from a multiple perspective:

1. The true and fair view in the UK (Nobes & Parker, 1988; Harris, 1987; Ryan, 1967);
2. The true and fair view in Europe (Flint, 1982; Alexander & Archer, 2000)
3. The true an fair view outside Europe (Olsen, Lorz & Stein, 2009; Kirk, 2001, 2006; Karan, 2002).

Leaving these perspectives to the financial and accounting experts, we will limit now our research to the content analysis of the two words.

4. The 'true and fair' travel

Using one of the most common linguistic search engines on the web, the specialised linguistic engine WebCorp² accessed 356 pages related to the 'true and fair' item: it generated 1187 concordances, and 238 concordances only for the first eight months of 2010.

The item appears in the Bible (Revelation 19:2 New International Version), as the translation of the Greek words ἀληθινὰ (true) and δίκαια (righteous, fair):

Hallelujah!
Salvation and glory and power belong to our God,
for *true and fair* are his judgments.
He has condemned the great prostitute
who corrupted the earth by her adulteries.
He has avenged on her the blood of his servants.

The two words are sometimes translated as: *True and Just*, *True and Righteous*, *True and Upright*. They appear also in Revelation 16:7:

Then I heard the altar answer, "Yes, Lord God Almighty,
Your judgments are *true and fair*".

The strict link between fairness and justice is common in the English translation from the Greek version of the Bible. *Fairness* is often used as the English translation of the Greek word ἰσότης, as in Colossians 4:1:

Masters, provide your slaves with what is *right and fair*, because you know that you also have a Master in heaven (...). Masters, be *just and fair* to your slaves (...).

Similar examples may be found in Proverbs 2:9:
Then you will understand what is right and just and fair.

And in Proverbs 1:3:
(...) for acquiring a disciplined and prudent life, doing what is *right and just and fair*.

The idea of *justice and righteousness* seems to be the common ground for the birth of the hendiadys, centuries before it became a formula in the legal and financial domain. Nevertheless, the combination of the word *true* with the word *fair* in financial accounting seems to have been accidental rather than the result of a purposeful process (Van Hulle, 1993, p. 100), but the message behind the words seems to be more important than the words used (Walton, 1993, p. 51). Following Söderblom (2001):

There is a difference between the signifier, here TFV [True and Fair View], and the signified, here the message that TFV is communicating. Looking at TFV in that way, the underlying meaning instead of the actual words should be considered. The practical difficulty only seems to be that there is no mutual understanding on the real meaning of TFV, the signified (p. 10).

² The WebCorp engine (WebCorp, 2014) is the product of the Research and Development Unit for English Studies at the University of Central England in Birmingham. Like any Internet search facility, WebCorp allows to view the entire Web as a body of text. However, with its various filters and sorting options, WebCorp goes far beyond the functionality of a typical search engine or newspaper archive search. A simple search on WebCorp generates a list. These examples can then be sorted into a list where your search term is highlighted in red. The concordances are listed in alphabetical order according to the word that occurs to the left or right. This gives an instant picture of any grammatical patterns or collocation. WebCorp also provides a link to websites the words were taken from.

Söderblom, following Walton (1993), bases the argumentation on Ferdinand de Saussure (1922)'s distinction between concept (what is signified) and the word used to express it (the signifier). The signified, however, is in some way "defined by the current accounting practice" (Walton, 1993, p. 51), which implies in turn that:

- a) *true and fair* is what the accountants declare it to be,
- b) its meaning is related to a particular group and context
- c) its meaning may change over time.

5. 'Fair' and 'True': etymology and meanings

We will concentrate now only on the etymology and the meaning of the two words. The two signifiers and signified items will result to be much richer than expected, but even more interesting will be the results of their mixture in a hendiadys, which has ultimately become a truly fair and a fairly true 'formula' in financial accounting. Figures 1 and 2 show clearly the complexity of the meaning and the collocations of the two words, as represented by the online *Visual Thesaurus of the English Language* (2014).

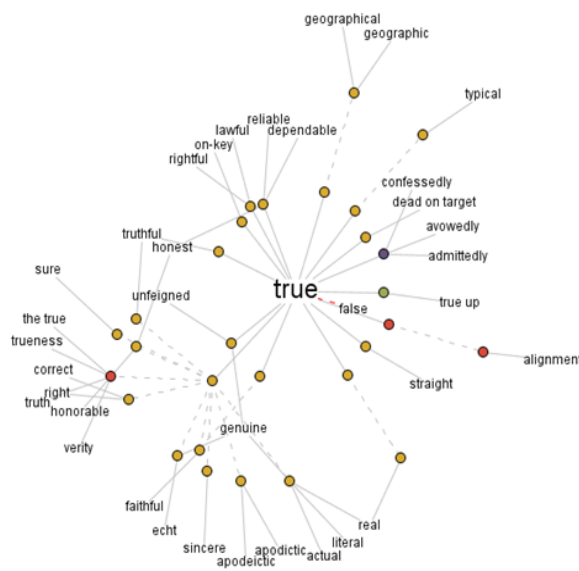


Figure 1. The complexity of the meaning and the collocations of the word 'true'

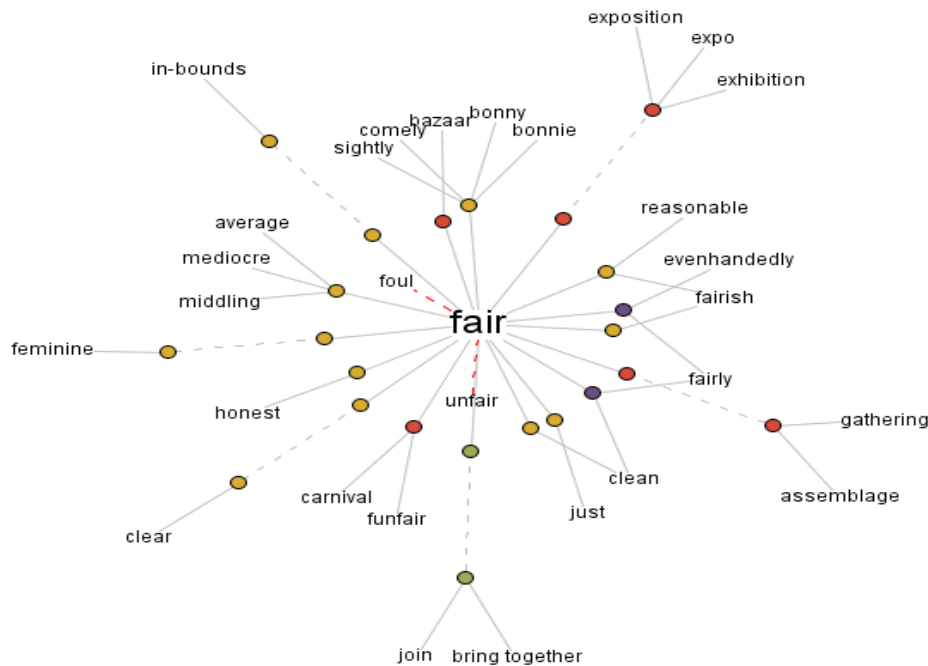


Figure 2. The complexity of the meaning and the collocations of the word ‘fair’.

5.1. The word ‘fair’

The adjective ‘fair’ comes from the Old English *fæger* which meant "beautiful, pleasant". The etymological path of the word is strictly related to a general idea of beauty and harmony.

- 1) The root of the word dates back the Old High German adjective *fagar*, *fagari* (765) which meant *beautiful, splendid, pretty, bright*, and it is related to the Latin adjective *pulcher*. The root *fagar-* is also behind contemporary English words like *beauty* and *glory* (Latin: *claritas, pulchritudo*) (Koebler 1989).
- 2) The Gothic etymological analysis of the word underlines the idea of *happiness*, and then of *pleasance in appearance* for any field related to **fag* (340-390).

By the end of the first millennium the word had its identity, much more related to esthetical than to any moral or ethical field. The meaning in reference to weather (c.1205) preserves this original sense (opposed to *foul*). Around the 13th century (c. 1175) it evolved to the meaning of "morally pure, unblemished" but the greatest majority of attestations are related to its original connotations. The sporting senses (*fair ball, fair catch* etc.) began only in 1856 even though *Fair play* is from 1595.

Contemporary dictionaries of the English language give multifold definitions of the word. Here is a selection of thirty-five meanings from the most reputable monolingual dictionaries of the English language (Dictionary.com, 2010; Collins English Dictionary, 2010; The American Heritage Dictionary, 2010). No reference to any specialized usage in the accounting field is attested so far:

ADJECTIVE

1. free from bias, dishonesty, or injustice: *a fair decision; a fair judge.*
2. legitimately sought, pursued, done, given, etc.; proper under the rules: *a fair fight.*
3. moderately large; ample: *a fair income.*
4. neither excellent nor poor; moderately or tolerably good: *fair health.*
5. marked by favoring conditions; likely; promising: *in a fair way to succeed.*
6. *Meteorology.* **a.** (of the sky) bright; sunny; cloudless to half-cloudy. **b.** (of the weather) fine; with no prospect of rain, snow, or hail; not stormy.
7. *Nautical.* (of a wind or tide) tending to aid the progress of a vessel.

8. unobstructed; not blocked up: *The way was fair for our advance.*
9. without irregularity or unevenness: *a fair surface.*
10. free from blemish, imperfection, or anything that impairs the appearance, quality, or character: *Her fair reputation was ruined by gossip.*
11. easy to read; clear: *fair handwriting.*
12. of a light hue; not dark: *fair skin.*
13. pleasing in appearance; attractive: *a fair young maiden.*
14. seemingly good or sincere but not really so: *The suitor beguiled his mistress with fair speeches.*
15. courteous; civil: *fair words.*
16. *Medicine/Medical* . (of a patient's condition) having stable and normal vital signs and other favourable indicators, as appetite and mobility, but being in some discomfort and having the possibility of a worsening state.
17. *Dialect* . scarcely; barely: *It was just fair daylight when we started working.*

ADVERB

18. in a fair manner: *He doesn't play fair.*
19. straight; directly, as in aiming or hitting: *He threw the ball fair to the goal.*
20. favorably; auspiciously.
21. *British, Australian* . entirely; completely; quite: *It happened so quickly that it fair took my breath away.*

NOUN

22. *Archaic* . something that is fair.
23. *Archaic* . **a.** a woman. **b.** a beloved woman.

VERB (used with object)

24. to make the connection or junction of (surfaces) smooth and even.
25. *Shipbuilding* . **a.** to draw and adjust (the lines of a hull being designed) to produce regular surfaces of the correct form. **b.** to adjust the form of (a frame or templet) in accordance with a design, or cause it to conform to the general form of a hull. **c.** to restore (a bent plate or structural member) to its original form. **d.** to align (the frames of a vessel under construction) in proper position.
26. to bring (rivet holes in connecting structural members) into perfect alignment.
27. *Obsolete* . to make fair.

VERB PHRASE

28. fair off / up, *South Midland and Southern U.S.* (of the weather) to clear: *It's supposed to fair off toward evening.*

IDIOMS

29. **bid fair**, to seem likely: *This entry bids fair to win first prize.*
30. **fair and square**, **a.** honestly; justly; straightforwardly: *He won the race fair and square.* **b.** honest; just; straightforward: *He was admired for being fair and square in all his dealings.*
31. **fair to middling**, *Informal* . only tolerably good; so-so.
32. *informal* **a fair crack of the whip, a fair shake of the dice, a fair go** a fair opportunity; fair chance
33. **fair do's**. a) equal shares or treatment; b) an expression of appeal for equal shares or treatment
34. **fair enough!** An expression of agreement
35. *informal* (*Austral*), (*NZ*) **fair go!** come off it!; I don't believe it!

Merriam-Webster's Dictionary of Law (2014), **1.** characterized by honesty and justice : free from self-interest, deception, injustice, or favoritism *fair* and impartial tribunal
2. reasonable as a basis for exchange *fair* wage, *fair* valuation
3. consistent with merit or importance <*fair* and just compensation for the injuries
4. conforming with established laws or standards : being in accordance with a person's rights under the law, *fair*judicial process.

Finally, the *Oxford English Dictionary (2014)* gives the two following meanings of the word in specialised contexts:

- FAIR DEAL (U.S. pol.): name given to the policy of social improvement advocated by H.S. Truman, President of the U.S. 1945-1953). Hence a FAIR DEALER, a proponent of this programme
- FAIR-TRADE: trade carried on legally as opposed to dealing in contraband goods. In recent use: The fiscal system advocated by those who consider that 'one-sided free trade' is injurious to the nation adopting such a policy, and that the principle of the free trade should be applied only in dealing with nations that admit our products free. Hence, FAIR-TRADER.

As for synonyms of the word, the most common alternatives are both to the ethical and to the physical meaning of *fair*:

1. *ethical meaning*. FAIR implies the treating of all sides alike, justly and equitably: *a fair compromise*. Its mostly used synonyms are IMPARTIAL, DISINTERESTED, UNPREJUDICED, which refer to lack of bias in opinions and judgments. Notably, IMPARTIAL, like FAIR, implies showing no more favor to one side than another, but suggests particularly a judicial consideration of a case: *an impartial judge*. DISINTERESTED implies a fairness arising particularly from lack of desire to obtain a selfish advantage: *The motives of her guardian were entirely disinterested*. UNPREJUDICED means not influenced or swayed by bias, or by prejudice caused by irrelevant considerations: *an unprejudiced decision*. Some other possible synonyms are: PASSABLE, TOLERABLE, AVERAGE, MIDDLING, or OPEN, CLEAR, UNENCUMBERED.
2. *physical meaning*. The word may refer both to a person and to things. Therefore, multiple synonyms can be applied, according to the contexts: CLEAN, SPOTLESS, PURE, UNTARNISHED, UNSULLIED, UNSTAINED; BLOND, PALE; PRETTY, LOVELY; POLITE, GRACIOUS.

The double nature of the word (*beautiful and good*) seems to mirror the Latin double nature of the adjective *pulcher* or the Greek couple *καλός και αγαθός*, where beautifulness is strictly connected to *morally and ethically good and happy*. Hence the obvious difficulty in defining the true nature of the word, in particular in a specialized field such as accounting.

The adjective *fair* in accounting is described in contemporary dictionaries of legal and financial terms with no reference to its ethical origin, and it is applied to the following expressions:

- 1) *Fair market value*. (Scott, 1997, p. 140) What a qualified buyer will pay for goods, services, or property.
- 2) *Fair presentation*. (Nobes, 2002, p. 134) The International Financial Reporting Standards (IFRS) or US requirement that financial statements should not be misleading. Financial statements in the USA that are fully audited and prepared in accordance with Generally Accepted Accounting Principles (GAAP) are required to 'fairly present' the position and results of a company. To a large extent this means obeying the rules of GAAP, but the concept of fairness may transcend that, to include an assessment of the overall picture given by the financial statements. Outside the US context, the term 'true and fair view' may have a similar meaning. A connected doctrine is that financial statements should reflect *substance over form*.
- 3) *Fair price amendment* (Scott, 1997, p. 141). An addition to a company's bylaws that prevents an acquiring firm or investor from offering different prices for the shares held by different stockholders during a takeover attempt. The amendment tends to discourage takeover attempts by making them more expensive.
- 4) *Fair trade*. (*Investor Dictionary, 2014*). Fair trade is a term used broadly by social justice, peace movement, ecology movement, and Green Movement groups, to contrast with 'unfair' trade practices, and sometimes with free trade as promoted by the World Trade Organization and NAFTA. Fair trade is sometimes, albeit much more rarely, used to refer to corporate governance and reforming anti-competitive trade principles. This article is about the first definition of the term.
- 5) *Fair value*. (Nobes 2002: 134-135) The amount for which an asset could be exchanged, or a liability settled, between knowledgeable and willing parties at arm's length. The fair value of an asset differs from its *net realizable value* in that is not net of any selling costs. Increasingly, investments and other assets that have a readily observable fair value are

being valued at fair value. In a business combination accounted for as an acquisition, the assets and liabilities of the new subsidiary are brought in to the consolidated financial statement at fair values, not their previous book values. In this context, fair value often means *current replacement costs*.

- 6) *True and fair view*. (Nobes 2002: 299) The overriding legal requirement for the presentation of financial statements of companies in the UK, the rest of EU and most of the Commonwealth. It is difficult to tie down an exact meaning to the expression, and it would ultimately have to be interpreted in a court of law. However, most laws demand *a true and fair view*, rather than *the true and fair view*, and it is clear that the instruction has to be interpreted in the context of normal accounting practice at the time of the financial statements. One interpretation of the phrase could be that it means 'in accordance with the facts, and not misleading'. The requirement under IFRS to show a fair presentation can be seen to be equivalent.

5.2. The word 'true'

The word dates back the 6th century, from the Proto-Germanic **trewwjaz* "having or characterized by good faith" (Old High German *gatriuwu*, German *treu*, Old Norse *tryggr*, Gothic *triggws* "faithful, trusty"), perhaps ultimately from indo-european **dru-* "tree," on the notion of "steadfast as an oak." It is the same root of the Lithuanian *drutas* "firm", of the Welsh *drud*, of the Old Irish *dron* "strong", of the Welsh *derw* "true". The Latin adjective "firmus" is behind this ethymogical path.

Its sense of "consistent with fact" is first recorded about 1205; that of "real, genuine, not counterfeit" is from 1398; that of "agreeing with a certain standard" (as *true north*) is from c.1550. *Truism* "self-evident truth" is from 1708, first attested in writings of Swift. *True-love* (adj.) is recorded from 1495; *true-born* first attested 1591. *True-false* as a type of test question is recorded from 1923.

Its basic meaning is that of *certainty, honesty*. Contemporary dictionaries of the English language give multifold definitions of the words. Here is a selection of the meanings from the most reputable monolingual dictionaries of the English language (Dictionary.com, 2010; Collins English Dictionary, 2010; The American Heritage Dictionary, 2010). As for the word *fair*, no reference to any specialized usage of the word *true* in the accounting field is attested so far:

ADJECTIVE

1. being in accordance with the actual state or conditions; conforming to reality or fact; not false: *a true story*.
2. real; genuine; authentic: *true gold; true feelings*.
3. sincere; not deceitful: *a true interest in someone's welfare*.
4. firm in allegiance; loyal; faithful; steadfast: *a true friend*.
5. being or reflecting the essential or genuine character of something: *the true meaning of his statement*.
6. conforming to or consistent with a standard, pattern, or the like: *a true copy*.
7. exact; precise; accurate; correct: *a true balance*.
8. of the right kind; such as it should be; proper: *to arrange things in their true order*.
9. properly so called; rightly answering to a description: *true statesmanship*.
10. legitimate or rightful: *the true heir*.
11. reliable, unflinching, or sure: *a true sign*.
12. exactly or accurately shaped, formed, fitted, or placed, as a surface, instrument, or part of a mechanism.
13. honest; honorable; upright.
14. *Biology*. conforming to the type, norm, or standard of structure of a particular group; typical: *The lion is a true cat*.
15. *Animal Husbandry*. purebred.
16. *Navigation*. (of a bearing, course, etc.) determined in relation to true north.
17. *Archaic*. truthful.

NOUN

18. exact or accurate formation, position, or adjustment: *to be out of true*.
19. the true, something that is true; truth.

ADVERB

- 20. in a true manner; truly; truthfully.
- 21. exactly or accurately.
- 22. in conformity with the ancestral type: *to breed true*.

VERB

- 23. to make true; shape, adjust, place, etc., exactly or accurately: *to true the wheels of a bicycle after striking a pothole*.
- 24. (esp. in carpentry) to make even, symmetrical, level, etc. (often fol. by *up*): *to true up the sides of a door*.

IDIOM

- 25. come true, to have the expected or hoped-for result; become a reality: *She couldn't believe that her dream would ever come true*.

As for synonyms of the word, the most common alternatives are: *factual, veracious; honest; trustworthy; staunch, constant, steady, unwavering; faithful*. Some further interesting definitions of the word are given in the *Collins English Dictionary (2010)*:

ADJECTIVE

- 1. not false, fictional, or illusory; factual or factually accurate; conforming with reality
- 2. (*prenominal*) being of real or natural origin; genuine; not synthetic: *true leather*
- 3. a. unswervingly faithful and loyal to friends, a cause, etc: *a true follower*; b. (*as collective noun*; preceded by *the*): *the loyal and the true*
- 4. faithful to a particular concept of truth, esp of religious truth: *a true believer*
- 5. conforming to a required standard, law, or pattern: *a true aim*; *a true fit*
- 6. exactly in tune: *a true note*
- 7. (of a compass bearing) according to the earth's geographical rather than magnetic poles: *true north*
- 8. *biology* conforming to the typical structure of a designated type: *sphagnum moss is a true moss, Spanish moss is not*
- 9. *physics* not apparent or relative; taking into account all complicating factors: *the true expansion of a liquid takes into account the expansion of the container*
- 10. *informal* **not true** unbelievable; remarkable: *she's got so much money it's not true*
- 11. **true to life** exactly comparable with reality

NOUN

- 12. correct alignment (especially in the phrases **in true, out of true**)

ADVERB

- 13. truthfully; rightly
- 14. precisely or unswervingly: *he shot true*
- 15. *biology* without variation from the ancestral type: *to breed true*

6. 'Fair' and 'True': the hendiadys was born

One of the first meanings of the word *fair* attested by the *Oxford English Dictionary Online (2014)* is that of: *beautiful to the eye; of pleasing form and appearance; good-looking*. As the dictionary underlines, this meaning is 'no longer in colloquial use; in literature very common, but slightly archaic or rhetorical'. Following the definitions given, *fair* may be:

- a. of persons; chiefly with reference to the face; in modern usage, almost exclusively of women. Also of the body or its parts (C888 King Alfred, A1000 Cadmon Genesis)
- b. applied to women, as expressing the quality characteristics of their sex (c1440)
- c. of abstractions personified (1742: fair rhetoric, fair science, fair freedom)
- d. of inanimate things (*Beowulf* 773)

- *agreeable, delightful* (of sounds and odours), obsolete
- *desirable, reputable* (obsolete): *Chaucer 1386*: 'He hadde made a faire marriage'; *considerable, 'handsome'* (of an amount, an estate, a fortune)
- *elegant* (of language, diction): 'fair speaker' (*1398: Trevisa*)
- *attractive and pleasing* (of external manifestations, words, promises): *a1000* 'faire wordes'.

The idea of beauty and elegance of the word *fair* is enriched by the word *true* in the Shakespearean hendiadys: *fair and true*, firstly used in 1596 in the *Merchant of Venice*, Act II, Scene VI, where Lorenzo affirms that he will love his Jessica in his "constant soul," for she is "wise, fair, and true."

Beshrew me but I love her heartily;
For she is wise, if I can judge of her,
And fair she is, if that mine eyes be true,
And true she is, as she hath proved herself,
And therefore, like herself, wise, fair and true
Shall she be placed in my constant soul.
(*Merchant of Venice*, II, vi)

In this context, the second adjective is used as a reinforcement to the first, in a way and according to a tradition which is quite common in the Shakespearean tradition. Following Wright (1981),

We frequently join adjectives on the pattern of *nice and warm, good and loud, big and fat, sick and tired, long and leggy*. Each of these pairs represents a single concept in which the general idea contained in the first adjective is explained or specified or opened up by the second; and, insofar as such expressions may be continually invented, the pattern seems the closest thing to adjectival *hendiadys* in English. Formulaic phrases such as *nice and* and *good and* may be completed by virtually any adjective (or at least any pithy one) in the language. Being formulaic, however, they lack the elements of surprise, or improvisation, and of eccentric coordination that we find in classical hendiadys (pp. 190-191).

The two words *fair and true* are turned into the well-known order *true and fair*, only for rhythmical reasons, in 1633 *Sonnets* by John Donne (quoted in Gardner, 1965, p. 29).

If thou best borne to strange sights,
Things invisible to see...
And sweare
No where
Lives a woman *true, and faire*.

This is one of Donne's most famous early poems about female nature. The "Song: Go, and Catch a Falling Star" is a metaphysical conceit of the unnaturally small frequency of fair and virtuous women in the world. Donne uses the fantastic and impossible examples of catching falling stars to describe just how hard it is to find a beautiful woman who will stay true and loyal to her husband.

In the next century, the expression is no longer used for mere physical description. On the contrary, from the 18th century on it is associated with the word *statement* to describe someone's *way of thinking*, as in Boswell's writings (1763, quoted in Wilson Crocker, 1832):

Here it is proper, once for all, to give a *true and fair* statement of Johnson's way of thinking upon the question, whether departed spirits are ever permitted to appear in this world, or in any way to operate upon human life (p. 356).

The 18th century seems to date the passage from the physical to the moral and ethical context of usage. From this century on the moral value of the hendiadys takes roots and finds its legal foundations.

7. Hendiadys or tautology?

The first most obvious consideration about the expression ‘true and fair’ seems to be that it should be viewed as having a different meaning than would be indicated by taking the words ‘true’ and ‘fair’ in isolation. As a result, as McDonald et al. (2003) put it:

the NCSC (*The National Companies and Securities Commission*) in a green paper published in 1984 acknowledged the strength of the argument in favour of treating the words ‘true and fair’ as a hendiadys (p. 44).

By hendiadys, following Lanham (1991) we mean the expression of an idea

by two nouns connected by ‘and’ instead of a noun and its qualifier: ‘by length of time and siege’ for ‘by a long siege.’ Puttenham offers an example: ‘Not you, coy dame, your lowers and your looks,’ for ‘your lowering looks.’ Peacham, ignoring the derivation of the term, defines it as the substituting, for an adjective, of a substantive with the same meaning: ‘a man of great wisdom’ for ‘a wise man.’

The polyrematic expression has the same behaviour as ‘just and equitable’, which has been generally interpreted as denoting a single concept. Following Callaway (1978), the authors stated that

The expression ‘just and equitable’ may be regarded as an example of a statutory hendiadys, the reference to equity being not by way of an additional test but for the purpose of ensuring that the justice to be applied will be equitable justice. Accordingly justice and equity are referred to herein as one criterion, not two criteria (p. 44).

Contemporary studies on *true and fair view* confirm this attitude towards considering the two words as an only concept. Parker et al. (1996) refers to it as *the true and fair hendiadys* (p. 57), and so does Bennion (2001), who lists the couple ‘true and fair’ as an example of typical hendiadys in statutes (p. 210).

The two words are no longer considered as distinct concepts, neither are they a sort of tautology, if by tautology we mean a needless repetition of the same idea in different words; a pleonasm. On the contrary, following the etymology of the word *hendiadys*, the ‘true and fair’ couple is one concept through two words, so that this becomes an authentic figure of speech, also called *figure of twins*.

Higson and Blake (1993) define the ‘true and fair view’ concept as a *formula*, but a ‘formula for international disharmony’, because of its strong ambiguity and cultural dependence, which makes it an ‘inappropriate basis for international accounting harmonisation’ (p. 104). The formulaic component of the expression must be recognized, however. From the applied linguistic point of view, the knowledge of *formulae*, better known as *lexical phrases*, or *idioms*, is central to the communicative competence of any language users, and this is even more true in specialized contexts of usage. In a wider context, Widdowson (1989) argues that

communicative competence is not a matter of knowing rules for the composition of sentences. It is much more a matter of knowing a stock of partially pre-assembled patterns, *formulaic frameworks*, and a kit of rules, so to speak, and being able to apply the rules to make whatever adjustments are necessary according to contextual demands. Communicative competence in this view is essentially a matter of adaptation, and rules are not generative but regulative and subservient. (p. 135)

It seems, therefore, that a good deal of the complexity of financial discourse lies not in sentence structure, but in the complex phrases that make up the sentence. It seems also that many of these phrases are recurrent and predictable, as in the case of ‘true and fair’. This suggests very strongly that, in interpreting and translating legal and financial texts, we should look very carefully at recurrent phrases, or at what Sinclair (1991) calls “the idiom principle”. Speech – or more specifically speech genres – is believed to be evidently lists of situations which call for the use of *formulaic language*, namely, language containing on its content level *formulas* as fixed expressions. These formulas are unique in their meaning, and they constitute a strong restriction on the selection of all the possible meanings of a given polysemous dictionary entry. Moreover, they are

characterized by stability, because there is always high probability that a given constituent predicts the appearance of the other related constituent, as it is in the case of *true* with *fair*.

8. Conclusions

The well-known British expression *true and fair* is a hendiadys which was born, was brought up and proliferated in a strictly geographically and culturally bound context, that is to say in the British literary and then legal/financial context. The problem of defining it was born once the hendiadys was adopted outside the British boundaries, for consistent interpretative reasons.

In Great Britain, what is *fair* has always been considered as *honest, equitable, reasonable*, (Crabb, 1826, p. 532); as for *true*, it has always been interpreted as a synonym of *honest, sincere and plain* (p. 535). The two adjectives cannot be disjoined, being both a representation of the British idea of justice and equity. The use of such terms seems to raise old well-known problems regarding rhetoric, as we declared at the beginning, because they are a figure of speech. But this will be food for further thought... In the meanwhile, we hope you have considered our remarks neither too stuffy nor too shallow. They were only born out of a linguistic experience, with no experience in accounting matters, and are very open to discussion.

Abbreviations

IFRS - The International Financial Reporting Standards;
GAAP - generally accepted accounting principles;
NCSC - National Companies and Securities Commission;
TFV - true and fair view;
NAFTA - North American Free Trade Agreement.

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