

50
YEARS



MASSEY
BUSINESS
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Discussion on “Other Comprehensive Income”

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Black (2015)

Relevant – the issue

– summarized and presented

Timely – the IASBs *Framework* project

Faithfully represents – the literature

- *Complete* – coverage ?
- *Free from error* - ?
- *Neutral*– research v advocacy

One observation

Mainly from US sources

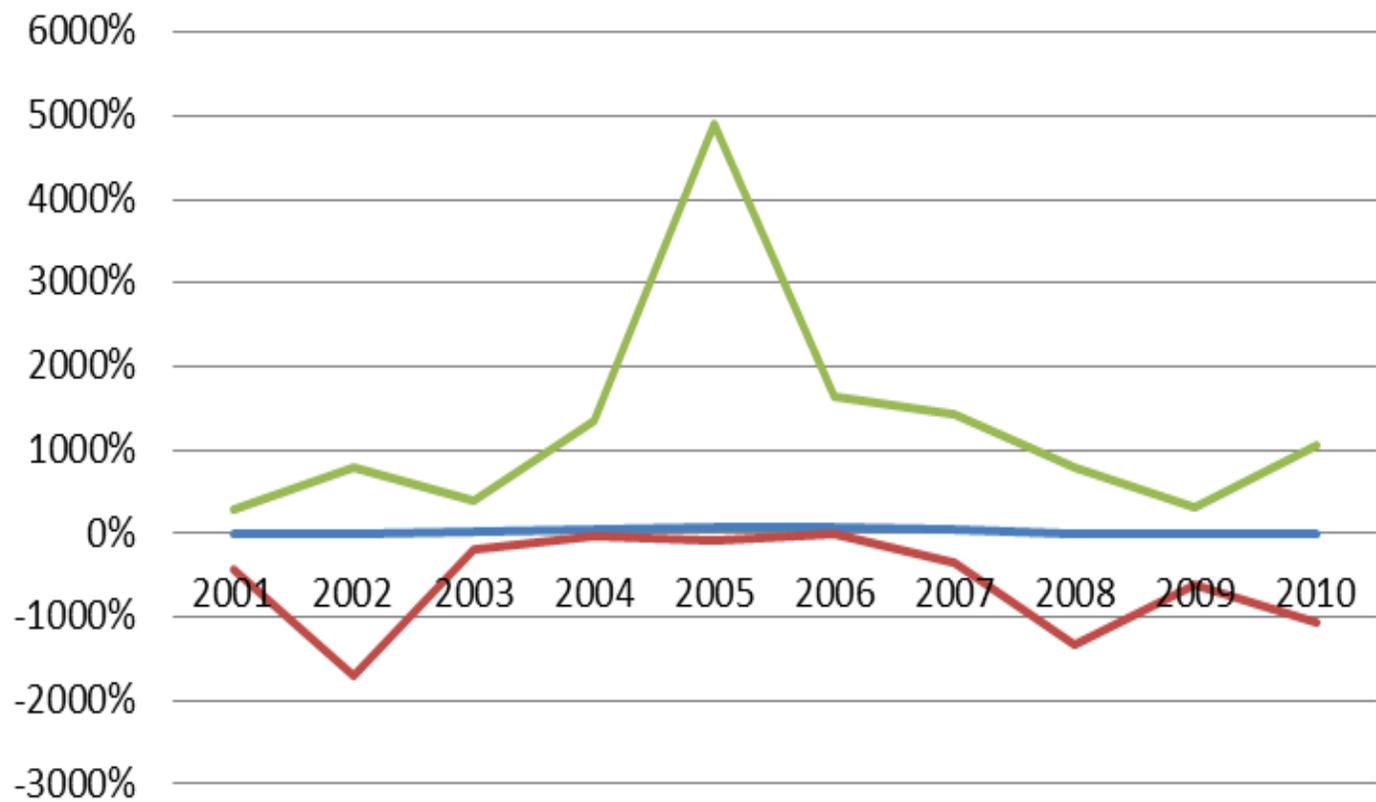
Implications for IFRS ?

Some IFRS results

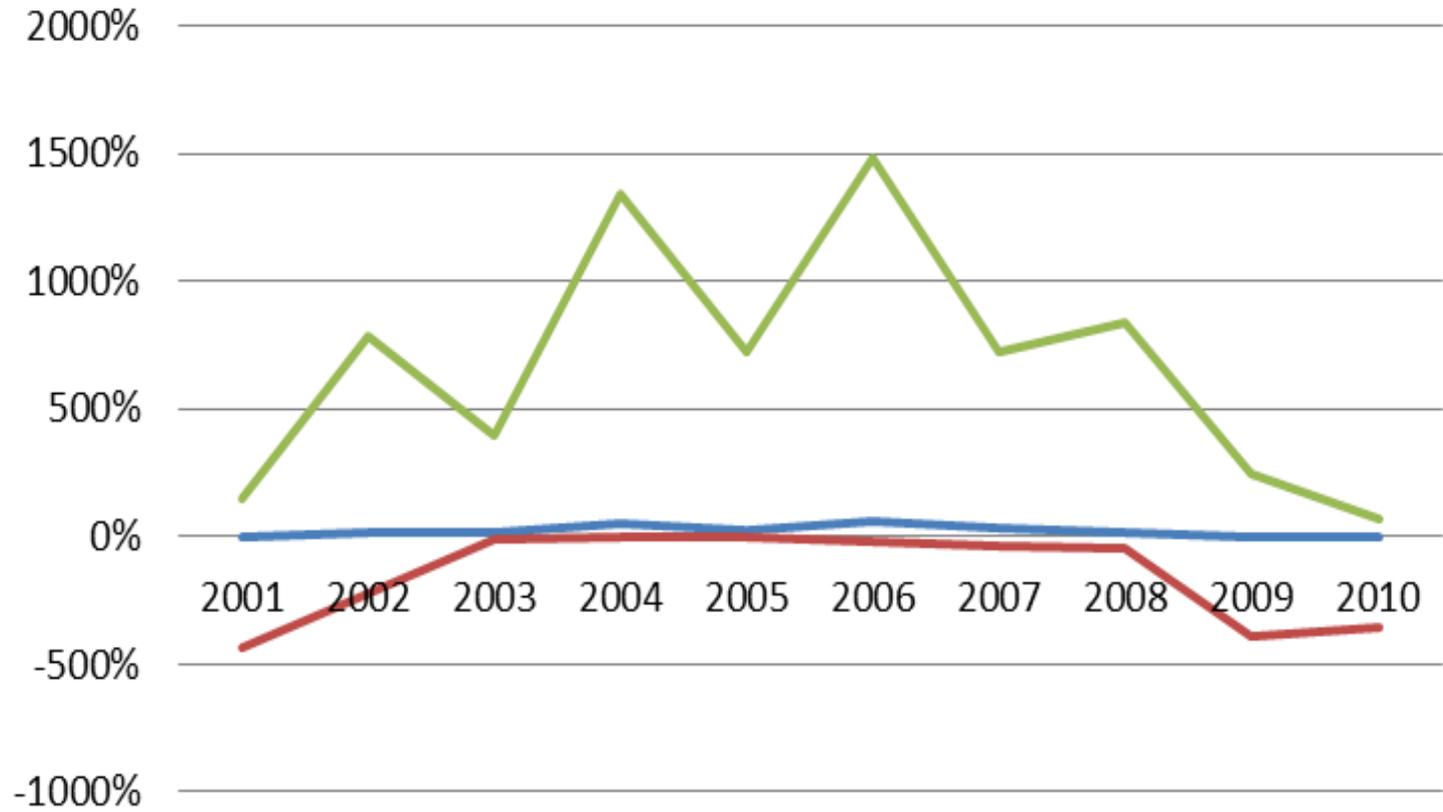
(Khan and Bradbury 2015)

Graphs similar to Figure 1 (Black 2015)

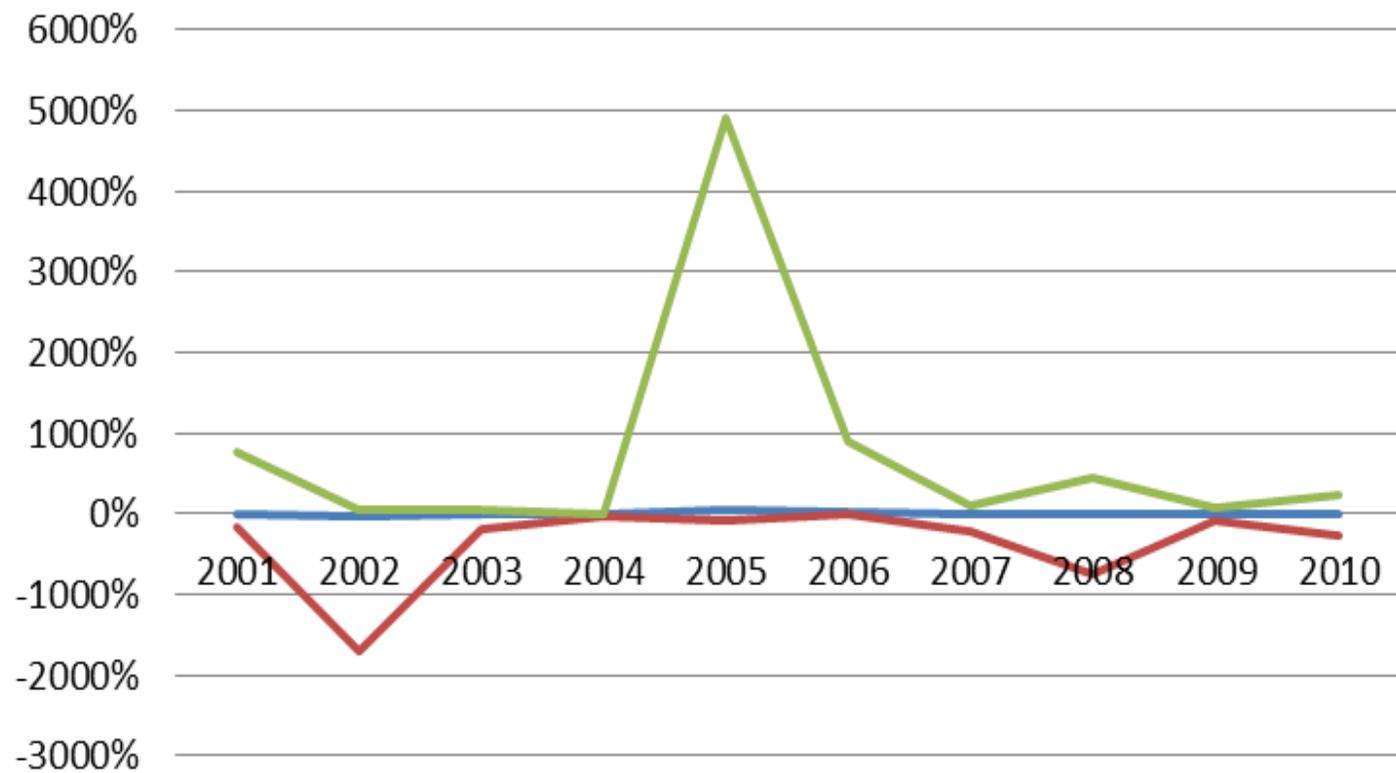
OCI/ABS(PFTY)%



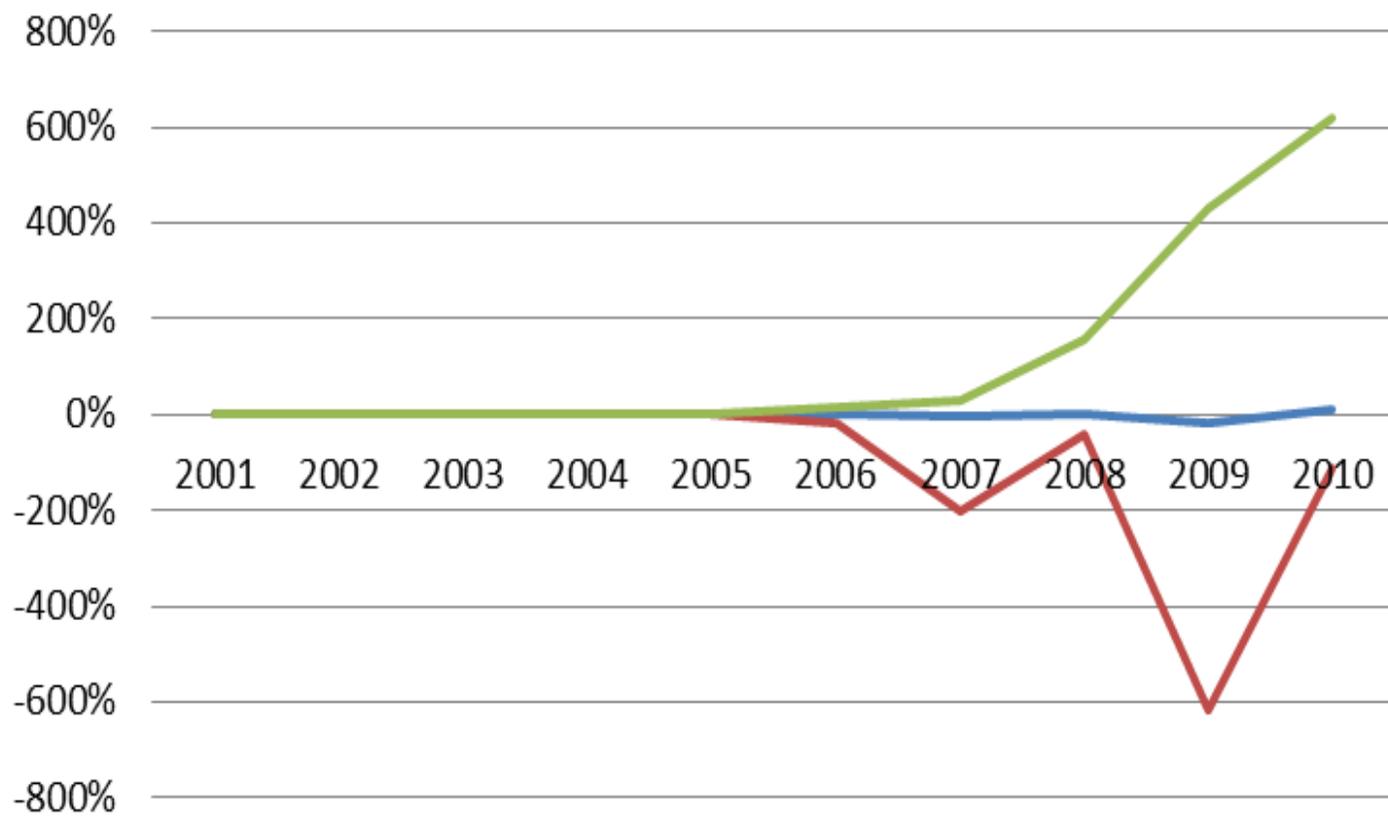
ARS/ABS(PFTY)%



FCTR/ABS(PFTY)%



CFHR/ABS(PFTY)%



Contracting

Black (2015): debt and compensation contracts

Shareholder contracts - basis for dividend payments

Consider role of OCI :

- Entity performance (vs managers' performance)
- Capital maintenance
- Recycling