

Fair Value Accounting

Tools and Concepts

Course Description

Fair values are more common in financial reports because fair values have increased in business importance in recent years. Increasingly elaborate financial instruments and risk management practices have created financial statement elements for which historical cost is almost irrelevant, and fair value, and fluctuations in fair value, are extremely relevant.

This course is designed to help you navigate the complexities of fair value measurements. It covers the accounting and financial reporting requirements in ASC 820 Fair Value Measurement and ASC 825-10 Financial Instrument—Fair Value Option as well as insights into how to apply this guidance in practice. For example, it discusses the items for which fair value measurements are required or permitted, includes excerpts from, and references to, ASC 820 and ASC 825-10, and examples. It addresses the key concepts such as applying the fair value framework, identifying common valuation techniques, and determining eligibility for the fair value option.

Completion Deadline & Exam: This course, including the examination, must be completed within one year of the date of purchase.

Course Level: Basic. This program is appropriate for professionals at all organizational levels.

CPE Credits: 5 (CPA)

Category: Accounting

Prerequisite: Basic Math

Advanced Preparation: None

Course Learning Objectives

After studying this course, you will be able to:

1. Recognize the concepts of using present values that help determine fair value
2. Identify the appropriate circumstances for using fair values in financial reporting
3. Recognize common valuation techniques used in determining the fair value of different assets and liabilities
4. Recognize how the fair value hierarchy prioritizes the inputs used to measure fair value
5. Identify the expanded disclosure requirements for fair value measurements