

## **Learning Objectives**

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

### **Part I: Fair Value Accounting**

#### **I. Overview of ASC 820**

- Background
- Scope and Practicability Exceptions
- Fundamentals of Fair Value
- Comprehensive Illustrations

#### **II. The Fair Value Framework**

- Determination of Unit of Account
- Assessment of the Unit of Account
- Identification of Markets for Basis of Valuation
- Application of Valuation Techniques
- Comprehensive Illustrations

#### **III. The Fair Value Hierarchy**

- General Rules
- The Fair Value Hierarchy Framework
- Levels to the Fair Value Hierarchy
- Fair Value Measurements and Inactive Markets
- Comprehensive Illustrations

#### **IV. Disclosure Requirements**

- General Rules
- Fair Value Hierarchy Classification
- Comprehensive Illustrations

### **Part II: Fair Value Option**

#### **I. Financial Assets and Financial Liabilities**

- General Rules
- Financial Statement Presentation and Disclosure
- Comprehensive Illustration