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Accounting for Derivatives

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Course Description

A derivative is a financial instrument or other contract that derives its value from the movement of prices, interest rates, or exchange rates associated with an underlying item. Uncertainty about the future fair value of assets and liabilities or about future cash flows exposes firms to risk. One way to manage the risk associated with fair value and cash flow fluctuations is through the use of derivatives. This course addresses the accounting and disclosure requirements related to derivative financial instruments (derivatives). Also addressed are selected disclosure requirements for other financial instruments, primarily those related to fair value and concentrations of credit risk.

Field of Study	Accounting
Level of Knowledge	Basic to Intermediate
Prerequisite	Basic Accounting
Advanced Preparation	None

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