



The Basics of Discounted Cash Flow Valuation Overview

INTRODUCTION

This interactive self-study course is designed to provide an accounting and/or auditing professional with an overview of asset valuation through discounted cash flows. To complete this course and receive credit, you must read the material and, during the course, to test your comprehension of each of the learning objectives, answer the review questions. After completing each section's review questions, you can evaluate your progress by comparing your answers to both the correct and incorrect answers and the reason for each. Once you have read all of the materials and completed the review questions, fully understanding the correct and incorrect answers, you can complete the final examination, of which you must score a 70 percent or higher in order to receive CPE credit.

AUTHOR

Christopher Demaline, CPA, CMA, CFE, is an accounting professor. Mr. Demaline has authored several accounting-related online courses. In addition, he has written several items for the CPA exam and the CMA exam. In addition, Mr. Demaline provides business start-up and business valuation advisory services. His formal education includes an MBA and doctoral studies from Grand Canyon University. He also has a Graduate Certificate in business valuation from Indiana University, the Kelley School of Business, and a Graduate Certificate in forensic accounting from Northeastern University.

COURSE DESCRIPTION

This is a basic course on asset valuation using discounted cash flows, intended to provide accounting and auditing professionals with an overview of the Discounted Cash-Flow (DCF) Method of valuation. The DCF method requires that an estimated cash-flow and a risk-adjusted discount rate be determined. This course summarizes commonly-used cash-flow proxies and discount rate estimation tools.

TOPICS COVERED

- Valuation
- Future Cash Flows
- Cash Flow vs. U.S. GAAP-based Net Income
- Cash Flow Estimation Models
- Discount Rate
- Capital Asset Pricing Model
- Arbitrage Pricing Model.

FIELD OF STUDY: Accounting

Please Note: This course must be completed within 1 year of date of receipt of the course for CPE credit.



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