### Assignment task

“*The recent financial crisis has turned the spotlight on fair-value accounting (FVA) and led to a major policy debate involving among others the US Congress, the European Commission as well as banking and accounting regulators around the world. Critics argue that FVA, often also called mark-to-market accounting (MTM), has significantly contributed to the financial crisis and exacerbated its severity for financial institutions in the US and around the world*” (Laux and Leuz, 2009:826).

**Required:**

Through a comprehensive critical review of literature on fair value accounting, evaluate the extent to which there is a future for fair value accounting in International Financial Reporting Standards. Your answer should include a critical discussion of:

1. The extent to which the recent global financial crisis could be attributed to fair value accounting
2. The future of fair value accounting in International Financial Reporting Standards.

Reference:

Laux, C. and Leuz, C. (2009). The crisis of fair value accounting: making sense of the recent debate. *Accounting, Organisations and Society*, 34: 826-834.

4000 words

At least 15 reference