

Financial Accounting Standards Board (FASB)

Financial Accounting Standards Board (FASB) is arguably one of the two most important entities (the American Institute Certified Public Accountants [AICPA] being the other) in developing financial accounting standards.

FASB was created in 1973 with the demise of the APB (i.e. the Accounting Principles Board). FASB is a private, independent board that was designed to have several key differences between it and its beleaguered predecessor entity, APB.

- 1) Smaller Membership
- 2) Full-time, Remunerated Membership
- 3) Greater Autonomy
- 4) Increased Independence
- 5) Broader Representation