

Students are often confused by the role of industry guidance in the Codification. Remember: Industry guidance in the Codification generally applies *in addition to* other general Codification content.

TIP from the Trenches

Describe what types of entities the Codification applies to. Does it apply equally to these entities? Explain.

Now YOU Try
1.1

What Sources of Guidance Were Used to Populate the Codification?

The Codification is an aggregation of many, many accounting standards issued over the course of the past century. These include, for example,⁴

- FASB Statements and Interpretations,
- Emerging Issues Task Force (EITF) Abstracts, and
- AICPA Statements of Position.

LO2 Identify standard setters that have contributed to the current body of authoritative guidance.

Additionally, the Codification includes all still-effective guidance from the two standard-setting bodies that preceded the FASB, namely,

- The Committee on Accounting Procedure (CAP), which issued Accounting Research Bulletins (ARBs) and
- The Accounting Principles Board (APB), which issued APB Opinions.

In 2009, when the guidance from these original standards was moved into the Codification, the original standards were superseded and became *nonauthoritative*. Today, these so-called *pre-Codification standards* still serve a limited role in research.

Figure 1-1 depicts the many sources of guidance used to populate the Codification. All guidance in the Codification today has equal authority.

The APB was in existence from 1959 to 1973 but issued its first Opinion in 1962. The CAP was replaced by the APB in 1959.

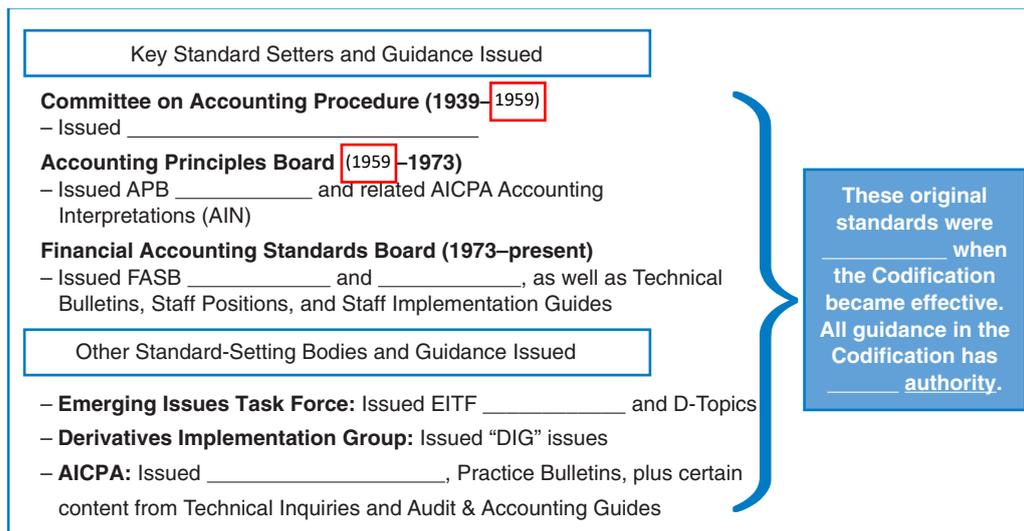


Figure 1-1
Sources of guidance used to populate the Codification

⁴To view the complete list of guidance used to populate the Codification as of its adoption in 2009, consult the FASB notice *About the Codification*, accessible from the homepage of the Codification.