Conservatism is a concept that not only effects the accounting applications in businesses but also affects the financial reports and so businesses’ reliability. It’s supposed that businesses that ignore the conservatism concept don’t take into account the corporate governance principles efficiently. The conservatism concept should be a part of the businesses’ nature and should manage the their applications. The conservatism concept plays an important role in accounting applications. It can be defined traditionally as “anticipating no profit but anticipating all loses.” It is based on three pillars: contracts, the cases of shareholders and institutional regulations. Conservatism directs the businesses to be conservative. This article aims to illuminate the conservatism's origins with it’s details. In this frame, the definitions of the conservatism, it’s historical development and importance are given primary importance. Subsequently, the pillars of the conservatism are given. Finally, institutional regulations are given from the perspective of TAS/TFRS.