

Blockchain Technology: An Emerging Issues Forum

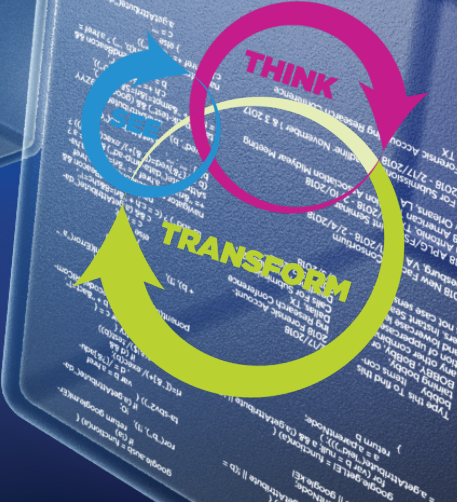
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#aaaBC2018



Auditing and Accounting

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Audit and Accounting Working Group

Chair: Mark Li, BPM LLP

Purpose / Objectives

- Focus on Audit and Accounting best practices and procedures regarding blockchain technology and digital assets.
 - Accounting treatment
 - Audit Considerations
 - Financial reporting and disclosures
- Not standards setter / authoritative body
- Approximately 40 participants and counting – CPAs, Industry Professionals, Foundations/Non-Profits, Other Associations...

Deliverables

- Provide information and documents that inform and educate, provide examples and use cases, analysis, and guides on accounting and audit topics.
- Provide audit and accounting thought leadership on digital assets relating to:
 - Recognition
 - Classification/Presentation
 - Valuation/Measurement
 - Regulatory / Compliance Matters Relating Auditing and Accounting
 - Emerging Audit and Accounting Issues or Topics
 - Industry Specific Matters / Topics (ICOs, Miners, Exchanges, Funds...)

Potential Accounting and Audit Topics

- Accounting
 - Recognition
 - Revenue recognition for miners versus ICOs versus exchanges versus funds versus token generators/creators
 - Recognition for airdrop provided by ICOs or recipients
 - How should realized gains/losses be recorded
 - Measurement / Valuation
 - How are Tokens and Cryptocurrency valued – fair value versus cost
 - What's a good fair value – pricing sources versus exchanges
 - Classification
 - What is an appropriate classification for tokens and cryptocurrency
 - Disclosure
 - What are disclosures considerations
- Auditing
 - Existence – self custodied (hardware wallets) versus exchanges
 - Large value of data – trading volume
- Understanding Internal Controls as part of the audit process
 - Consideration for SSAE 16/18 (SOC) reports
 - Perceived best practices for internal controls over cold storage
- Auditing SAFE and SAFT
- Audit Opinions



How To Join

Complete the online application on the ABC website:

<https://accountingblockchain.net/become-a-member/>

NOTE: All Charter level membership applications will be reviewed and approved by the Board of Directors.

The screenshot shows the 'Become A Member' page of the Accounting Blockchain Coalition. The page features three membership tiers, each with a corresponding icon and a list of benefits:

- Charter Member (\$10,000):** Represented by a grey icon with two white links. Benefits include: eligible to nominate company reps for Board of Director seats; company listed prominently in ABC promotional materials, including press releases; able to present at Monthly Conference Calls and Meet Ups; able to chair or co-chair Working Groups (primary selection); guaranteed participation in all Working Groups; no fee to attend F2F all-member events (for a defined number of participants).
- Promoter Member (\$5,000):** Represented by a blue icon with two white links. Benefits include: able to chair or co-chair Working Groups (secondary selection); able to be a participant in all Working Groups (possibly subject to participation criteria); may participate in the Monthly Conference Calls and Meet Ups; able to present if asked by the Board; may attend planned ABC all-member events (at a discount).
- Associate Member (\$2,000):** Represented by a yellow icon with two white links. Benefits include: access to ABC deliverables and Working Group outputs before they are made available to members; participate in the Monthly Conference Calls and Meet Ups; may attend planned ABC all-member events; access to the ABC online community.



Questions

Questions?

Email membership@accountingblockchain.net
or visit <http://accountingblockchain.net>

