MINUTES

FINANCIAL ACCOUNTING STANDARDS BOARD

MEMORANDUM

To:	Board Members		
From:	Crypto Assets Team		
Subject:	Minutes of August 31, 2022 Board Meeting on Accounting for and Disclosure of Crypto Assets	**Date:**	September 1, 2022
cc:	Tosches		

The Board meeting minutes are provided for the information and convenience of constituents who want to follow the Board's deliberations. All of the conclusions reported are tentative and may be changed at future Board meetings. Decisions become final only after a formal written ballot to issue an Accounting Standards Update or a Statement of Financial Accounting Concepts.

Topic: Accounting for and Disclosure of Crypto Assets *(formerly Accounting for and Disclosure of Digital Assets)*

Basis for Discussion: FASB Memo No. 4, "Scope"

Length of Discussion: 9:12 a.m. to 9:45 a.m. (EDT)

Attendance:

Board members present:	Jones, Kroeker, Botosan, Buesser, Cannon, Cosper, and Hunt
Board members absent:	None
Staff in charge of topic:	Cappiello
Other staff at Board table:	Wyszkowski, Manders, Bishop, Sardo, Mongold, Brickman, Frederick, and Hoyer
Outside participants:	None

<u>Type of Document and Timing Based on the Technical Plan</u>:

The Board met to discuss the scope criteria for the project.

<u>Tentative Board Decisions</u>:

Agenda Decisions

The Board decided that crypto assets that are held by an entity must meet the following criteria to be within the project's scope:

1. Meet the definition of intangible asset as defined in the Codification Master Glossary
2. Do not provide the asset holder with enforceable rights to, or claims on, underlying goods, services, or other assets
3. Are created or reside on a distributed ledger or "blockchain"
4. Are secured through cryptography
5. Are fungible.

(Vote 7-0)

The Board decided that all entities would be within the scope of the project and that throughout the remaining deliberations, the Board will consider the applicability of its decisions to those entities.

(Vote 7-0)

Next Steps

The Board will consider potential measurement alternatives for crypto assets at a future Board meeting.

<u>General Announcements</u>: None