



**DIGITAL CURRENCIES AND ACCOUNTING PROCEDURES:
A CONCEPTUAL REVIEW**

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Abstract

Digital currencies and assets (which include cryptocurrencies, central bank digital currencies, among others) are reorganizing financial systems globally and accounting is evolving accordingly. They are difficult to recognize, measure, value, and disclose in financial statements because they are decentralized, subject to price volatility, and technologically complex. This study offers a discussion about the accounting treatments, theoretical views and empirical studies related to report of digital currencies in the literature by a qualitative investigation of peer-reviewed journal articles published during 2022-2026. Findings of the study shows drafting and amending accounting standards on the complete is imperative for ensuring that financial reporting of digital currency becomes consistent and reliable which in turn will be utilized by the regulatory and financial performing bodies. A standard need to be developed to deal specifically with the questions of recognition and measurement in respect of digital currency. Corporations should be incentivized to implement strong internal controls and employ blockchain-based accounting solutions that increase transparency, traceability, and the reliability of digital currency transactions.

Keywords: blockchain accounting, cryptocurrency accounting, digital assets, digital currency, financial reporting

1. Introduction

Technology has brought a substantial transformation in the global financial system with electronic money that has altered the practices of financial transactions and reporting. Digital currencies refer to computer-based values that use cryptographic procedures and distributed ledger systems to perform their functions. These are cryptocurrencies like Bitcoin and Ethereum, stable coins, which are tied to traditional currencies, and central bank digital currencies (CBDCs) that are issued by central banks. Most of the cryptocurrencies are decentralized blockchain networks compared to fiat currencies, where peer-to-peer transactions securely occur without the involvement of banks and other intermediaries.

The increasing use of digital currencies by individuals, corporations, and financial institutions has presented fresh opportunities in the investment, payment systems, and digital fundraising. Cryptocurrencies are accepted as payment methods, investment tools,

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and token issuance and blockchain-based funding are all things that organizations are now engaging in. The digital assets are becoming a part of the corporate financial programs and international markets (Moffitt et al., 2023). Although these have their benefits, digital currencies pose great challenges to accounting and financial reporting. The traditional frameworks were used with physical assets and traditional financial instruments, and it is difficult to classify, recognize, and measure digital currencies.

They are intangible assets, and in most cases, they have a great deal of price volatility, and do not reflect a claim in a contract, which makes it hard to assess their fair value and impairment. The lack of specific principles under the IFRS and the US GAAP compels accountants to base on the existing ones, e.g., IAS 38 (Intangible Assets) or IAS 2 (Inventories) (Klopper & Brink, 2023). Other issues are disclosure requirements, audit verification and regulatory compliance.

Blockchain transactions have a decentralized and non-modifiable character, which makes it difficult to audit, and cryptocurrencies are volatile, which has an impact on the financial statements. At the same time, blockchain technology can provide possible enhancements in terms of transparency, reduction of fraud, and real-time reporting. Nonetheless, the use of blockchain in accounting requires a transformation in professional practice, regulatory advice, and technology infrastructure.

Since the digital currencies have developed rapidly and their effects on accounting have been noticeable, this paper undertakes a thorough literature review of the recent evidence to discuss the existing accounting treatments, theoretical approaches, and empirical evidence. It further defines the recognition, measurement, and disclosure problem, outlines emerging applications of blockchain to the accounting function and concludes by highlighting gaps in the current literature that may guide future research in the area of reporting in digital currencies and innovation in financial reporting.

The proliferation of digital assets such as cryptocurrencies like Bitcoin and Ethereum, as well as Central Bank Digital Currencies (CBDCs) have revolutionized global financial transactions and investment practices. It has become common to hear about people using digital currencies for their financial activities – be it individuals, companies, or financial institutions, who see the possibility of easy payments, portfolio diversification, or cross-border transactions. While adoption is growing, standards for accounting and financial reporting have not kept pace, resulting in significant difficulties for companies attempting to recognize, measure, value, disclose and audit transactions involving digital currency.

None of the current accounting standards (including or not limited to IFRS and US GAAP) offer complete guidance dedicated for digital currencies. Consequently, entities apply existing frameworks such as IAS 38 (Intangible Assets) and IAS 2 (Inventories) that were not designed to capture the nature of digital currencies. This has resulted in differing accounting treatments under different standards, in a lack of comparability of financial reporting and difficulties in assessing whether financial reports under different standards could be considered reliable or if they provide transparent information for stakeholders across countries (Luo & Yu, 2022; Klopper & Brink, 2023).

In addition, the decentralized structure of the blockchain technology and the significant fluctuation of cryptocurrency prices, as well as the development of CBDCs have posed new challenges to auditors, regulators and accounting practitioners. While some aspects of cryptocurrency accounting and blockchain technology applications in financial

reporting have been considered in a number of studies, the literature remains disjointed, and there appears to be limited agreement about appropriate accounting treatments and disclosure requirements (Ram et al., 2023; Ugochukwu et al., 2024). The lack of unified accounting guidance continues to cause uncertainty among financial statement preparers and users.

In light of this, a review of the existing literature that could provide an overview of the current state-of-the-art in digital currency accounting, highlight the key issues related to recognition, measurement, disclosure and reporting practices, and point out avenues for future research and standard-setting intervention is warranted.

The review aims to fill this void by critically analysing recent studies conducted between 2022 and 2026 on digital currencies and accounting practices to enable further improvements in relevant accounting standards and reporting practices. To conceptually review and synthesize contemporary literature on the accounting treatment of digital currencies, with emphasis on recognition, measurement, disclosure, and financial reporting implications.

2. Literature Review

Conceptual Review

Digital Currencies

Digital currencies are a form of money that is electronically created and stored and used for the purchase or sale of goods and services, without the requirement either for physical cash or for the involvement of traditional banking related party. The rise of cryptocurrencies such as Bitcoin and Ethereum has reshaped the finance industry in that it allows users to transact with one another directly in a decentralized manner through blockchain technology without relying on centralized financial entities (Auer et al., 2022).

The Potential of Central Bank Digital Currency (CBDC) Although the introduction of CBDCs has expanded the digital currency ecosystem by providing the benefits of digital payments with the regulatory oversight of monetary authorities, it also creates new challenges for financial inclusion, payment system modernization and (Genc & Takagi, 2024). In addition, digital currencies have played an increasingly important role in cross-border transactions as they can lower transaction cost and settlement time as compared with traditional payment mechanisms (Moffitt et al., 2023).

Nevertheless, academics warned of volatility, unclear regulation, and governance issues with digital currencies. Studies have found that the decentralization of cryptocurrencies makes users vulnerable to valuation risk and market manipulation, which can compromise their ability to serve as stable value storages (Klopper & Brink, 2023). In like manner, potential susceptibility to cybersecurity, money laundering, and lack of equal regulatory treatment across borders may impede wider institutional integration (Kiff et al., 2023).

Although it is claimed by supporters that digital currencies promote financial innovation and inclusion, questions have been raised whether they bring as much economic benefits as their promoters say if sufficient regulatory protections and accounting standards to allow for the integration in the conventional financial system are not put in place (Ugochukwu et al., 2024). Thus, digital currencies are a form of disruptive financial innovation whose ability to persist in the long-term depends on the establishment of sound regulatory, technological, and accounting infrastructures (Luo & Yu, 2022).

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Recognition is the process of assessing whether an item meets the definition of an element of financial statements and should be included in an entity's financial statements and selecting the appropriate accounting treatment for that item. The recognition of digital currencies in accounting has been a challenging area within the prevailing accounting standards as such assets are not easily classifiable as cash, financial instruments or tangible assets for that matter (Luo & Yu, 2022).

Due to their lack of physical form and contractual rights for anticipated cash inflows, cryptocurrencies are generally considered to be intangible assets in accordance with IAS 38 under existing IFRS pronouncements (Klopper & Brink, 2023). Furthermore, there are entities which treat cryptocurrencies as inventories when held for sale in the ordinary course of business according to IAS 2 (Ram et al., 2023), thus leading to variances in the accounting of these assets.

Nonetheless the recognition methods currently used have been subject to significant criticism in the literature. Academics claim that considering very liquid and traded cryptocurrencies as intangible assets does not capture their nature as financial assets or their behavior in the market (Robles et al., 2025). In addition, decisions regarding recognition tend to depend on management's perceptions rather than on a firm set of conceptual underpinnings, and as such, comparability between preparers is impacted (Islami & Mita, 2022).

A further issue is that the existing standards were established well in advance of the digital assets, and thus the unique characteristics of the blockchain-based currencies may be not properly addressed (Georgiou et al., 2024). Therefore, the reviews indicate that an accounting standard specifically for digital currencies is required to enhance the consistency, transparency and comparability of financial reporting practices (Ugochukwu et al., 2024).

Table 1

Accounting Classification of Digital Currencies under IFRS

Accounting Standard	Classification	Conditions	Major Limitation
IAS 38	Intangible Asset	Long-term holding	Does not reflect liquidity
IAS 2	Inventory	Held for trading	Limited applicability
IFRS 9	Financial Instrument	Rarely applicable	No contractual rights
IAS 32	Financial Asset	Generally, not applicable	Crypto lacks contractual claim

Source: Author, 2026

Table 1 illustrates the different accounting treatments for digital currencies under current IFRS. The table shows that there is no apparent digital currency accounting classification, which helps explain the variation in financial reporting. IAS 38 is the most widespread applied standard as cryptocurrencies are intangible and are not tied to any contractual right.

Nevertheless, this taxonomy has been challenged as inadequate to describe the extremely liquid and investment-driven characteristics of digital currencies. IAS 2 (Inventories) is applicable in the case of digital currencies purchased for sale in the course

of business, in case of commerce or trade, specifically applicable in some cases to broker-traders. Further, IFRS 9 and IAS 32 also do not have general application in the case of cryptocurrencies since most cryptocurrencies do not grant the holder contractual rights to receive cash or another financial asset.

The above table illustrates that there is a significant void in current accounting standards when it comes to digital currencies, in that the behavior of these assets is not explicitly addressed by any of the existing IFRS rules. Such uncertainty in classification leads to variation in recognition and reporting practices across entities, thus making it challenging to compare and analyze financial statements. The findings are in favour of the claims of Luo and Yu (2022) as well as Kloppe and Brink (2023), who highlight the requirement for a unique accounting standard for digital currencies.

Measurement of digital currencies is the process of ascertaining the quantitative amount in which digital assets are to be recognized in the financial statements. The literature suggests that the measurement is still one of the debatable issues in the DCC accounting due to the associated cryptocurrencies volatility price (Kloppe & Brink, 2023).

Traditional historical cost accounting has come under fire for potentially not reflecting the relevant economic value of digital goods, especially in fast-paced market situations (Luo & Yu, 2022). Therefore, it is an interesting question whether there is an optimal degree of measurement, in between fair value and historical cost, that maximizes the utility of accounting information in terms of providing more decision-useful information to investors and other stakeholders (Habib, 2024).

The adoption of fair value measurement comes with caveats. Critics contend that cryptocurrency markets are traditionally subject to low liquidity, fragmented exchanges, and are prone to speculative behavior, which could impair the reliability of fair value estimates (Parker & Roche, 2023). Likewise, criticism has been directed at the impairment-only model under IAS 38 as it allows for recognition of losses but not for recognition of unrealized gains, resulting in asymmetric reporting outcomes (Moffitt et al., 2023).

In addition, the valuation methodology used to calculate asset values may differ from universe to universe based on the way the value of options is priced and estimated for a given pool, resulting in deviation in reported asset values (Ram et al., 2023). Thus, the literature generally suggests that the application of historical cost/fair value models do not adequately capture the intricacies associated with the valuation of digital currencies, thus indicating the necessity for development of measurement models specific to digital assets (Kloppe & Brink, 2023).

Disclosure and Financial Reporting Challenges of Digital Currencies

Disclosure is the inclusion of pertinent information about digital currency transactions, holdings, risks, and assumptions about valuation in the financial reports. The literature highlights that the importance of an efficient disclosure system lies in the fact that digital currencies bring with them a special type of risk for organizations (e.g. market volatility, cyber-security risk, liquidity risk, and regulatory risk) (Habib, 2024).

It has been contended that users of financial statements need full information about valuation techniques, the governance structures of blockchains and risk management processes to make informed decisions with regard to their economic interests (Georgiou et al., 2024). It should be commented that with information technology innovations, more transparency and traceability of transactions can be attained through the use of blockchain

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technology and transactions can be transformed to financial disclosures with better quality if these new technologies are suitably applied to the accounting systems (Nofel et al., 2024).

Nonetheless, there are still major challenges in financial reporting. The lack of a specific international accounting standard has led to a diversity of disclosure practices and to different degrees of transparency among reporters (Luo & Yu, 2022). Some scholars have also argued that the currently available financial reporting/fair value frameworks do not adequately address matters such as classification of digital assets, measurement uncertainty and auditing of blockchain-based transactions that may influence the reliability and comparability of financial statements (Moktar et al., 2025).

In addition, the adoption of blockchain technology in accounting systems poses operational and control challenges which many business entities are yet to be prepared (Agustini & Mustakini, 2024). Therefore, although digital currencies may contribute to advancing financial innovation, reporting them efficiently necessitates development of disclosure standards, enhancement of auditing techniques, and harmonization of accounting standards at the global level (Georgiou et al., 2024).

Empirical Review

Auer et al. (2022) analyzed the incentives and costs related to issuing CBDCs in a number of economies. They find that central banks regarded the CBDC as a tool to foster financial inclusion, the efficiency of payments, and the transmission of monetary policy. The report ended with the prediction that digital currencies will alter financial system worldwide to a large extent.

Luo and Yu (2022) studied the practice of financial report for cryptocurrency in multinational corporations. The results suggest that in the reporting of cryptocurrencies, there is a significant variation in the way of classifying, measuring and disclosing, because there are no specific accounting rules for cryptocurrencies.

Ram et al. (2023) examined the accounting processes for digital currencies and concluded that currently available accounting standards do not sufficiently cover the related recognition and measurement issues for cryptocurrencies and CBDCs. This research suggested the creation of an all-encompassing international accounting standard for digital currencies.

Kiff et al. (2023) provided a critical evaluation of the current state of the art in CBDCs, and noted that governments are increasingly backing CBDCs for their potential to enhance payment systems and decrease reliance on private digital currencies. The research also highlighted the privacy and regulatory issues related with the adoption of the CBDC.

Genc and Takagi (2024) surveyed across CBDC design and development and observed that central banks currently have a focus on financial inclusion, payment system modernization and cross-border payment efficiency in CBDC development. They also identified cybersecurity and governance issues.

Ugochukwu et al. (2024) discussed the accounting issues and standardization requirements for digital currencies. They found that the divergent accounting treatment made reporting difficult for the entities that owned cryptocurrencies and digital assets.

Georgiou et al. (2024) reviewed blockchain applications in accounting and auditing. It is observed from the study that the technology has increased transparency, the risk of fraud is lowered, and real-time verification of accounting transactions is enhanced.

Mohammed et al. (2025) reviewed the literature and performed a bibliometric analysis on blockchain-enabled CBDCs, revealing an increasing interest among scholars on the application of blockchain technology in current financial systems. Their results suggest that the scope of the financial innovation and digital transformation agendas worldwide are progressively being associated with the concept of CBDCs.

Moktar et al. (2025) reviewed blockchain applications in accounting and auditing and concluded that blockchain technology improves audit efficiency, transaction reliability, and financial reporting quality. The study also identified regulatory uncertainty as a continuing challenge.

3. Methodology

Research Design

This research consolidates and conceptually evaluates established academic literatures on the knowledge of the Digital Currencies accounting. The SLR method was appropriate as it assists in presenting a structured, transparent and potentially replicable process of gathering, evaluative and synthesizing evidence pertaining to prior investigations on a given research topic. In contrast to traditional narrative reviews, a systematical literature review reduces the risk of researcher bias through predefined search strategies, inclusion criteria, and analytical methods.

The research analyzed based on the peer reviewed journal published between 2022 and 2026 that fell within scope of the recognition, measurement, disclosure, and financial reporting of digital currencies (to include cryptocurrencies and central bank digital currencies (CBDCs)).

The analysis of the selected studies was conducted using thematic content analysis to examine themes, patterns, and gaps in research within the literature. The findings were subsequently combined and condensed into the following overarching themes: accounting classification, valuation and measurement methods, disclosure requirements, accounting systems as implemented with the blockchain technology, auditing issues, and regulatory issues. The use of a systematic literature review method is consistent with previous accounting and financial reporting research that seeks to synthesize fragmented research and offer a path forward for future studies.

Data Source

This study relied on secondary data sources, among which are the peer reviewed journal articles about digital currency and accounting processes published between 2022 and 2026. These accounts provided scientific justification of accounting of cryptocurrencies, blockchain-financial reporting systems, and financial disclosure techniques in the contemporary literature (Luo & Yu, 2022; Georgiou et al., 2024).

4. Discussion

Digital Currencies

Implication is that digital currencies, once only niche technology experiments, have rapidly become integral components of modern financial architectures. Literature shows that e-currencies and CBDC are emerging as means of payments, investments, remittances and financial inclusion services. The widespread adoption of digital currencies has been attributed to the ability to employ them in conducting faster, cheaper and more convenient transaction activities relative to those based on conventional banking

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(Auer et al., 2022). So too, Genc and Takagi (2024) detail that governments and central banks are researching CBDCs as a tool to improve the efficiency of payments and delivery of financial services.

The review also highlights the fact that digital currencies, such as Bitcoin, have been particularly successful in developing countries with poor banking infrastructure and high levels of inflation causing people to lose trust in their national currency as these financial tools can be used by people who are banked or unbanked. This supports Luo and Yu's (2022) argument that cryptocurrencies have been increasingly used as alternative stores of value in countries with currency instability.

In the same vein, Ugochukwu et al. (2024) contended that digital currencies afford an alternative financial mechanism for those shut out of conventional banking systems. The increasing support of financial institutions and businesses to digital currencies also is a good indicator of their growing importance in global financial markets (Moffitt et al., 2023). However, their advantages aside, the decentralized architecture and the price volatility of digital currencies still give rise to various legal and accounting challenges that needs to be tackled further by policy makers and accounting standard-setters (Kiff et al., 2023).

Recognition of Digital Currencies

The results suggest that recognition remains a highly debated accounting area in the context of digital currencies. The current accounting guidance on recognition criteria are not tailored for cryptocurrencies or CBDCs, which requires entities to apply that guidance on other types of assets as applicable. Most of the entities apply IAS 38 for the recognition of crypto assets as intangible asset since the crypto assets have no physical substance and they do not give rise to contractual cash flows (Luo & Yu, 2022). Nonetheless, this reasoning has been challenged for ignoring the economic substance of the digital currencies, especially as most of the currencies were held for investment or trading (Robles et al., 2025).

The results also indicate some diversity in recognition procedures at the level of individual companies and countries, which challenges comparability in financial statements. Islami and Mita (2022) also find that recognition votes are often swayed by managerial motives rather than solid accounting principles.

Like Ram et al. (2023), they claim that the lack of a specific accounting standard has led to the expansion of divergent readings of IFRS standards as different reporting practices emerges. These findings align with the idea that existing recognition models are not appropriate for the particular characteristics of digital currencies, indicating that specific accounting guidance is necessary.

Measurement of Digital Currencies

The review found that volatility poses a further challenge in digital currency accounting, as the markets for cryptocurrencies are incredibly volatile. The analyses suggest that the historical cost accounting fails to measure the current economic value of digital assets as they are highly volatile in the market even for short interval of times (Klopper & Brink, 2023).

As a result, some researchers point to fair value measurement as the more appropriate reflection of the economic substance of holding digital currency (Luo & Yu, 2022). Yet, to the extent that fair value accounting's merits can be applied in the case of the highly speculative and fragmented cryptocurrency markets, the literature does provide

some consideration to its trustworthiness. Estimations of fair value might be influenced by market manipulation, illiquidity, and differences in prices among exchanges, which were highlighted by Klepper and Brink (2023).

In addition, Parker and Roche (2023) criticize also the impairment-only approach contemplated by IAS 38 as it leads to loss recognition but defers gain recognition until such a time that gain is realized, biasing the financial reporting result of that Standard. They argue that these findings imply that neither cost nor the current fair value-based approaches seem to fully encompass the notion of digital currency measurement, and again call for support for alternative valuation models that would be appropriate for digital assets can be found in Ugochukwu et al., 2024.

Disclosure of Digital Currencies

The review also concluded that measuring adds yet another layer of difficulty in the accounting for digital currencies due to the highly volatile nature of crypto markets. Reviewed literature indicates that historical cost accounting would not be able to provide useful information on the economic value of digital assets at the reporting date, as the prices on the markets are highly volatile in short time periods (Klopper & Brink, 2023). Consequently, there is a large body of literature suggesting the use of fair value measurement reflects more closely the economic reality of digital currency holdings (Luo & Yu, 2022).

Although fair value accounting holds several benefits, there are worries related to its credibility in an extremely speculative and dissociated cryptocurrency market in the literature. Klopper and Brink (2023) also stated that fair value estimations are subject to market manipulation, illiquidity and pricing anomalies between exchanges.

Moreover, under IAS 38 the impairment-only model is criticized by Parker and Roche (2023) as it obligates the recognition of losses and postpones the recognition of gains until they are realized, thus creating asymmetrical financial reporting results. These results imply that both historical cost and current fair value methods fall short in capturing the complex nature of digital currency, lending support to the notion that novel valuation models specifically designed for digital assets are required (Ugochukwu et al., 2024).

Financial Reporting Challenges of Digital Currencies

The results show that digital money has several challenges in financial reporting because of its financial and technology attributes. What makes the regulation so difficult is that there is no specific accounting guidance when it comes to reporting digital currencies. Current regulations were implemented before the development of blockchain-related instruments, and as such, the regulations do not fully interpret aspects of recognition, measurement, disclosure, and presentation (Ram et al., 2023).

The analysis also noted that the variation in the price of digital currencies leads to challenges in establishing dependable asset values and financial performance. Luo and Yu (2022) noted that different accounting treatments may result in material earnings, asset and key financial ratio differentials. Additionally, blockchain technology presents novel audit and assurance complications such as the need to confirm ownership of digital wallets, to evaluate cybersecurity threats and to audit blockchain transaction records (Dai & Vasarhelyi, 2022).

Georgiou et al. (2024) also found that while blockchain increases transparency and traceability, accounting professionals still encounter challenges in adopting blockchain systems within conventional accounting structures. The persistence of these challenges

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supports the claims of Ugochukwu et al. (2024) and Moffitt et al. (2023), who argue for the development of high-level international accounting standards that are flexible to the evolving nature of digital currencies and that may enable harmonized reporting at the global level.

Table 2

Research Gaps and Future Research Agenda

Research Area	Existing Knowledge	Gap Identified	Future Direction	Research
Classification	IAS 38 widely used	No dedicated standard	Develop for digital currencies	IFRS for
Measurement	Fair value debate	Lack of consensus	Hybrid valuation models	
CBDCs	Growing adoption	Limited accounting evidence	CBDC reporting frameworks	
Auditing	Blockchain improves traceability	Limited audit models	Blockchain audit frameworks	
Disclosure	Emerging practices	No unified requirements	Standardized disclosures	

Source: Authors', 2026

Table 2 presents the main gaps in the literature and possible future research agenda. The table reveals that although the focus on digital currencies classification and measurement has drawn much attention, it has some unresolved difficulties. Among the most glaring omissions is the lack of a specific IFRS standard for digital currencies, resulting in continued divergence in recognition and reporting. Likewise, the absence of agreement on valuation methods suggests that more research is required on hybrid valuation models which can reconcile relevance and reliability.

The table also displays that empirical evidence on accounting for CBDCs is scarce despite their rising significance in world financial systems. Moreover, even if blockchain technology has been recognized for enhancing transparency, auditability, and so on, studies of blockchain auditing models or real-time accounting system are inadequate.

The study's results imply that future research may investigate common reporting schemes, assess new valuation approaches and explore further consequences of blockchain-based integration for accounting and auditing. Filling these gaps would help bring about a more robust and internationally harmonized accounting for digital currencies.

5. Conclusion and Recommendations

The results show that although cryptocurrencies and central bank digital currencies (CBDCs) are quickly gaining ground, accounting standards are scattered and not conceptually sufficient. It is generally accepted by the scholars that the current IFRS guidance (particularly IAS 38 and IAS 2) is subject to divergent interpretations which results in a 'patchwork' of practices on financial reporting across jurisdictions (Luo & Yu, 2022; Klopper & Brink, 2023; Ugochukwu et al., 2024).

In addition, the literature also consistently points to the fact that although blockchain technology enhances transparency and traceability of accounting systems, it does not address foundational valuation and classification issues of digital assets (Dai &

Vasarhelyi, 2022; Georgiou et al., 2024; Moffitt et al., 2023). Compared to previous works, this article consolidates Auer et al. (2022) and Genc and Takagi (2024) assertions that digital currencies-and particularly CBDCs- are transforming global financial systems and call for institutional and regulation adaption. Along the same lines, Ram et al. (2023) and Moffitt et al. (2023) empirically demonstrate that the lack of a global accounting standard continues to erode comparability and reliability of financial reporting.

This review aligns with the findings of Zhang et al. (2026) and Zhao et al. (2025), which suggests that the adoption of digital currencies is increasing exponentially in developing countries due to financial inclusion and efficiency although there is a lag in the development of accounting standards.

The general conclusion that can be drawn from them is that the promulgation of a specific international accounting standard on digital currencies is the optimal solution to encourage technological innovation and the practice of financial reporting, in order to foster uniformity, transparency, and global comparability (Luo & Yu, 2022; Kloppe & Brink, 2023; Ugochukwu et al., 2024).

Accounting standard setters (i.e., IASB and FASB) should first address the recognition, measurement and disclosure aspects of digital currencies through a single, comprehensive and converged interpretation. With clear standards, companies will report consistently, making the results of financial statements easier to compare.

In addition, regulators and professional accounting organizations need to make training available and issue practical guidance to accountants and auditors on accounting for cryptocurrency and its associated issues such as blockchain-based transaction verification, fair value measurement, and disclosure requirements (Dai & Vasarhelyi, 2022). This would reduce the risk of misreporting and increase the quality of audit. Companies should be incentivized to implement strong internal controls and blockchain-based accounting solutions to increase transparency, traceability, and the reliability of digital currency transactions (Georgiou et al., 2024).

Academic scholars are encouraged to perform empirical investigations of organizational reporting, jurisdictional variation, and the uptake of CBDCs in order to identify good practices and inform standards (Luo & Yu, 2022; Moffitt et al., 2023). Collectively, these recommendations are designed to improve the precision, dependability and openness of digital currency accounting and reporting for the benefit of investors, regulators, and the broader academic and professional communities.

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