

# **Impact of Digital Currency on Management Accounting and Finance**

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**Abstract:** *In the recent year the digital economy has developed with active strength or force relying on interest technology and blockchain technology has played an vital role in promoting high-quality information processing. The closely connected digital currency system is still in the rising stage with faults in all aspects and hidden risks in the market that cannot be ignored. In order to ensure the lawful rights and likes of investors this paper deeply research the current global economic development of and advanced database mechanism that allows transparent information sharing within a business network. Digital currency will allow us to make efficient transfer of money.*

*A cryptocurrency is a kind of virtual or digital money that is protected by encryption, which prevents double spending on a distributed network.*

*A few nations publicly quote on the global market because of the significant price volatility of digital currency. In light of the fact that these two items somewhat fit the criteria of financial instruments, the currency is acknowledged as a financial asset for accounting purposes.*

*Risks can arise when using cryptoasset technology. The risks associated with new technology include operational and legal issues as activity migrates or new entities and business models arise, as well as financial risks from direct exposures or spillovers between markets and new forms of entities.*

**Keywords:** Cryptocurrency.