

EDITORIAL

Greetings!!!

Blockchain was first introduced as the core technology behind Bitcoin, the headline-grabbing decentralized digital currency ecosystem proposed in 2008. A blockchain is a continuously growing distributed database that protects against tampering and revision of data and has the potential to shapeshift the nature of today's accounting. It has the ability to constitute a way of vastly automating accounting processes in compliance with the regulatory requirements. At its core, blockchain is an open, decentralized ledger that records transactions between two parties in a permanent approach without requiring third-party authentication. This creates an extremely efficient process and would reduce the cost of transactions.

The move to a financial system with a significant blockchain element offers many opportunities for the accountancy profession. Accountants are seen as experts in record keeping, application of complex rules, business logic and standards setting. They have the opportunity to guide and influence how blockchain is embedded and used in future, and to develop blockchain-led solutions and services. Blockchain could enhance the accounting profession by reducing the costs of maintaining and reconciling ledgers, and providing absolute certainty over the ownership and history of assets. Blockchain could help accountants gain clarity over the available resources and obligations of their organisations, and also free up resources to concentrate on planning and valuation, rather than record keeping.

A blockchain solution, when combined with appropriate data analytics, could help with the transactional level assertions involved in an audit, and the auditor's skills would be better spent considering higher-level questions.

When entrepreneurs understood the power of blockchain, there was a surge of investment and discovery to see how blockchain could impact supply chains, healthcare, insurance, transportation, contract management and more. Nearly 15% of financial institutions are currently using blockchain technology.

To become truly an integral part of the financial system, blockchain must be developed, standardised and optimised. This process is likely to take certain years since bitcoin began operating and there is much work still required to be done. There are many blockchain applications and start-ups in this field, but there are very few that are beyond the proof of concept or pilot study stage. Accountants are already participating in the research, but there are more works for the profession to perform.

The spread of internet complemented with the rising speed of browsing over the last few years has led to exponential advancement of the digital world. Blockchain is set to be the next step on this evolution. Extensive research is being conducted worldwide in order to explore the prospects in revolution of technologies related to accounts and audit. It has even reached to the level of building a premise that Blockchain technology can bring tremendous improvement in terms of efficiency and reduction in consumption of time for the performance of services related to its concerned areas.

Accountants will find enormous opportunities for participating in the process of developing market driven entity-specific business strategies, dovetailing the same with digital transformation strategies, providing consultations for risk-enabled performance management, etc. They can immensely contribute for articulating digitally transformed business requirements, participate in solution development using Blockchain technologies, AI, Machine Learning, Forensic Data Analytics, etc. testing them before use and would ensure sustainable value creation for business entities and the society as a whole for inclusive happiness. Blockchain credentials serve to establish a standard for education in the subject of alternate currencies, and it helps to reinforce acceptance of cryptocurrencies as a viable means of payment. Programmers, cryptocurrency developers, and security specialists are some of the other occupations, in addition to accounting, that can benefit from blockchain certification, as it provides a knowledge base and helps workers in a wide array of disciplines.

This issue presents a good number of articles on the cover story theme 'Blockchain Technology-A Game Changer in Accounting' by distinguished experts and authors. We look forward to constructive feedback from our readers on the articles and overall development of the journal. Please send your mails at editor@icmai.in. We thank all the contributors to this important issue and hope our readers enjoy

