

Article
Digital Current Assets

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Abstract: Corporate finance and reporting is rapidly being transformed by the emergence of digital assets with such developments as cryptocurrencies, tokens, and various blockchain based payment instruments. Digitalization is happening at a global scale and so is in the Uzbek regulatory framework, with a number of major developments in respect of crypto assets recognition and regulation, nevertheless accounting gaps and the differences in its treatment remain significant and also impact the financial disclosure. Despite a burgeoning academic debate over what can and cannot be classified, valued, and restated as digital current assets, there is a woeful failure of consensus on a standard, leaving financial statement users in a haze of uncertainty. Using a literature review coupled with an empirical analysis of corporate financial statements, this study investigates the classification, measurement, and disclosure of digital assets in practice. This analysis assesses balance sheet treatment, valuation approaches and the effects of market volatility on key financial metrics. With a special focus on classification differences, the implementation of fair value, and risk management practices. Key conclusions indicate a lack of consistency in the classification of digital assets as inventory or investment assets, which has a major impact on liquidity and total asset metrics. Although many firms try to implement market value measurement, a volatility over 30 percent has a dramatic effect on equity and asset structure, and disclosures providing an explanation for this effect are still inadequate. The reporting reliability is further impaired through lack of internal control, cybersecurity loopholes and the absence of harmonization among regulations. The findings show digital current assets can cause significant changes for a company, although a lack of standardized accounting frameworks prevents transparency and comparability. The research underscores that faster standard-setting, better internal controls, clearer disclosure requirements, and more effective regulatory coordination are needed for lasting integration of digital assets into the heart of the modern-day financial system.

Keywords: digital assets, digital economy, crypto exchange, blockchain, token, electronic payment, cryptocurrency, crypto-assets



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1. Introduction

Digital current assets include cryptocurrencies, tokens, and electronic payment instruments based on blockchain technology. Their widespread adoption is transforming financial markets, corporate financial reporting, and regulatory requirements. According to the Decree of the President of the Republic of Uzbekistan dated July 3, 2018, No. 3832 "On Measures for the Development of the

Digital Economy in the Republic of Uzbekistan,” crypto-assets are legally recognized as “digital financial assets in the form of digital units created using cryptographic methods and recorded in a distributed ledger.” Furthermore, the National Agency for Project Management under the President of the Republic of Uzbekistan was established as the regulatory authority for crypto-assets in Uzbekistan [1]. The National Agency for Project Management under the President of the Republic of Uzbekistan has adopted a number of regulatory documents further clarifying the legal status of crypto-assets in Uzbekistan.

In particular, it developed crypto-exchange trading rules establishing requirements for crypto exchanges operating in Uzbekistan. It also adopted the Regulation on the Licensing Procedure for Crypto Exchange Activities, defining the requirements for obtaining a license to conduct crypto-exchange operations in Uzbekistan. According to this regulation, starting from January 1, 2023, only licensed cryptocurrency firms are permitted to provide cryptocurrency trading services to citizens of Uzbekistan. However, it should be emphasized that crypto-assets are not currently considered legal tender in Uzbekistan and cannot be used to pay taxes or other public debts. Nevertheless, they may be used to purchase goods and services and may also be traded on exchanges for profit [2].

2. Materials and Methods

This study uses a mixed methodology (i.e., doctrinal, comparative, and empirical financial research) to investigate digital current assets and their resistance to accounting treatment. Step one: A legal and theoretical framework To begin the research, the authors conducted a comprehensive review of national legislation (legal documents regulating crypto assets in Uzbekistan) and international conceptual materials on digital economy and financial reporting. A systematic literature review of the academic literature focused on digital asset valuation, accounting adaptation in digital environments, and financial reporting challenges was conducted to discover dominant approaches and conceptual gaps. In the empirical part, we examined corporate financial statements indicating the existence of digital assets in the balance sheet, with a particular focus on classification, the basis of measurement and disclosures [3]. We used comparative analysis to evaluate the treatment differences where digital assets were classified as an inventory and investment assets and how this treatment affected total assets, liquidity ratios and equity indicators. Measurement of financial indicators sensitive to price volatility was done through quantitative observation of market value fluctuations, particularly when changes in asset value exceeded important levels. This included qualitative measuring methods for the evaluation of risk management disclosures, internal control, and regulatory compliance [4]. The normative, analytical, and empirical approaches employed helped to ensure that the full-range evaluation, how transformative digital current assets are on the reporting and governance norms of corporate financial reporting and governance practices across the different environmental conditions of digital economy maturation, was considered in the examination of the potential second-manifestation based impacts.

3. Results and Discussion

If we examine scientific materials related to digital assets and the views of economists, we encounter the following definitions. In an article published in the journal “*Digital Economy*” of Singapore, a country currently regarded as one of the developed nations, the following definition is provided:

“The digital economy uses the latest technologies to digitalize processes and stimulate business growth. This, in turn, attracts foreign investment and creates new jobs and opportunities for residents of Singapore.”

“The digital economy is economic activity based on digital technologies, associated with e-business and e-commerce, producing and delivering digital goods and services.”

O.V. Loseva and others define it as follows: “By a digital asset, we understand a type of property (an economic asset, an object of transferable civil rights) that has an intangible nature and exists in digital form created using digital technology, possesses value (price) within an information

system, and is capable of participation in civil (property) circulation [5], [6]. A digital asset combines economic (value), legal, and technological essence."

According to Z.N. Qurbanov, "the process of digitalizing the economy necessitates a reconsideration of the theoretical issues of accounting. Under these conditions, it is appropriate to adapt existing accounting models, objects, and methods to the process of economic digitalization."

According to N.X. Jumaev, "today the digital economy also plays an important role in creating added value. Various algorithms, processes, and digital information are becoming decisive forces in the strategic development of corporate business. Digital non-financial factors determine the competitiveness of banks and affect their efficiency," expressing his views and considerations [7].

In our opinion, the digital economy is a modern economic system operating on the basis of the internet and digital technologies. It is an economic model in which the main part of economic activity is created, managed, and developed through digital technologies, the internet, data, and information systems. A digital asset is an identifiable, controllable intangible resource that exists in an electronic environment and generates future economic benefits [8]. Today, the types of digital assets are numerous and diverse (Table 1)

Table 1. Types of diver digital assets

Column names	Term definition
<i>Cryptocurrencies (e.g., Bitcoin, Ethereum, and others)</i>	digital monetary units whose main feature is secured through encryption technologies. Cryptocurrencies ensure a high level of security and transparency in conducting transactions and storing funds.
<i>Shares, bonds, and corporate equity interests</i>	existing in the form of digital assets and tradable as ownership interests in the charter capital of corporations. Such assets are used to attract investment and make corporate financial markets more flexible and efficient.
<i>Tokens</i>	digital financial assets issued by legal entities or individual entrepreneurs for the purpose of raising financing. Tokens may be used to support various projects or to derive benefits from them.
<i>Intellectual property objects</i>	including creative products such as musical works, artworks, and books. In digital form, their copyright can be managed and utilized more effectively.
<i>Photographs</i>	digital photographs widely used for various purposes, including advertising and marketing, due to their quality and accessibility.
<i>Electronic insurance policies</i>	the digital provision of insurance services, creating convenience for customers and improving operational efficiency.
<i>Smart contracts</i>	independent legal objects possessing informational value. They ensure the automated, reliable, and error-free execution of contracts and agreements.
<i>Personal data</i>	personal data are also valuable as digital assets, and their management and protection are critically important.
<i>Bonus points and others</i>	digital assets of various loyalty programs that play an important role in attracting and retaining customers.

Digital assets are intangible resources existing in an electronic environment and possessing economic value [9]. In accounting, finance, and digital economy theory, they are characterized by several fundamental features:

- a. **Intangibility** – Digital assets have no physical form. They exist as databases, code, tokens, or electronic records (cryptocurrency, electronic money, software licenses, digital documents).

- b. **Identifiability** – The asset must be separable and independently identifiable. Technically, this includes a unique identifier (hash, token ID), a blockchain record, or an account number.
- c. **Control** – The owner must exercise control over the asset. Forms of control include a private key (cryptographic key), access rights, or license rights.
- d. **Ability to Generate Economic Benefits** – A digital asset must provide future economic benefits, such as increased revenue, reduced costs, faster transactions, or growth in investment value.
- e. **High Liquidity** – Many digital assets are easily exchangeable, such as in cryptocurrency markets and electronic payment systems.
- f. **Transferability** – Digital assets can be transferred quickly and at low cost via networks, blockchain transactions, or API integration.
- g. **Technological Dependence** – The existence of digital assets depends on technological infrastructure, including the internet, server systems, blockchain, and information systems.
- h. **Volatility** – The market value of many digital assets changes rapidly, especially cryptocurrencies, tokens, and NFTs.

In the future, digital assets are expected to further develop and become one of the main components of a new type of economy [10]. Resolving legal and technical issues related to them, as well as expanding their areas of application, will create new opportunities across various sectors of the economy.

Digital assets also have undeniable similarities with non-cash funds: they can be transferred from one person to another; as intangible property, they do not lose their characteristics over time; and different digital assets are uniquely represented in circulation (with their own names, logos, and proprietary software). Therefore, digital assets may be equated to payment instruments both officially and economically, and due to their intangible nature, they closely resemble non-cash funds [11]. However, there is a lack of consistency in international standards regarding the accounting and valuation of digital assets, which limits the transparency and comparability of financial statements for firms.

Classification: Most enterprises classify digital assets differently, either as “inventory” or as “investment assets.” This distinction has significantly affected financial indicators (total assets, liquidity ratios).

Valuation Methods: 60% of firms attempted to apply market value as the primary measurement criterion; however, considering price volatility, it was found that the practice of regularly updating fair value remains insufficient [12].

Impact on Financial Indicators: Changes exceeding 30% in the value of digital assets significantly affected a company’s total assets and equity, yet disclosures explaining these changes in financial reports were inconsistent.

Risks: Deficiencies were identified in audit and internal control capabilities, cybersecurity measures, and relevant regulatory compliance.

Research findings indicate that digital current assets can rapidly alter a company’s financial position; however, the absence of a unified and consistent reporting approach makes it difficult for users to compare information [13]. Although adopting market value is logically justified, high price volatility combined with weak risk management and lack of consistency reduces reporting reliability.

Digital current assets significantly impact financial statements, yet standardization in accounting and reporting remains insufficient. Different corporate practices lead to uncertainty and lack of comparability in financial indicators. For this reason, we propose the following recommendations:

- For accounting standard-setting organizations (e.g., IASB/IFRS Foundation): accelerate the development of clear standards on digital assets (classification, valuation, disclosure requirements).
- For enterprises: require reporting digital assets based on market value and introduce consistent journal disclosures regarding value changes and risks [14].

- For auditors and internal control bodies: implement specific internal control measures for digital assets (cybersecurity, key management, independent verification of transaction records).
- For regulators: update tax regulations, AML/CFT requirements, and consumer protection norms related to digital assets.
- For future research: conduct long-term empirical analyses, industry-specific case studies, and examine the impact of IFRS and local standards [15].

4. Conclusion

In conclusion, the study demonstrates that digital current assets, including cryptocurrencies, tokens, and electronic payment instruments, are rapidly reshaping corporate financial structures and governance practices by introducing high liquidity, transferability, and significant volatility into balance sheets. The findings reveal that inconsistent classification practices, insufficient fair value updates, and inadequate disclosure of value fluctuations exceeding 30 percent materially distort financial indicators and reduce the comparability and reliability of financial reporting. Furthermore, weaknesses in internal control systems, cybersecurity safeguards, and regulatory compliance mechanisms amplify financial and operational risks. These results underscore the urgent need for harmonized accounting standards, clearer valuation guidance, and strengthened monitoring procedures at both corporate and regulatory levels. The implications are substantial: without standardized reporting frameworks and robust risk management systems, digital assets may undermine transparency, investor confidence, and financial stability despite their economic potential. Therefore, coordinated action by standard setters, regulators, enterprises, and auditors is essential to ensure accurate recognition, measurement, and disclosure of digital assets. Future research should focus on longitudinal empirical studies, sector specific analyses, and comparative assessments of IFRS and national standards to evaluate the long term financial, governance, and regulatory impacts of digital current assets in evolving digital economies.

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