

# Cryptocurrency Accounting (Internal Methodology)

This instruction describes how to record cryptocurrency (e.g., USDT) transactions in FirstBit Software, ensuring that financial results are reflected in Finance Income / Finance Expenses, rather than in Revenue / Operating Income. This example has been prepared solely for illustrative purposes to demonstrate a possible approach to the accounting treatment of Cryptocurrency. The Company should independently assess the applicability of the relevant IFRS standards, UAE regulatory requirements, and related tax implications based on the specific facts and circumstances. Where appropriate, separate advice from auditors or professional advisers is recommended.

To record transactions in accordance with the company's accounting policy, you must first create a dedicated GL account for cryptocurrency.

Go to: **Accounting Chart of Accounts Create**. Select the Parent group where the new account will be created, then fill in the account **Code** and **Description**. Choose the appropriate section in accordance with the company's accounting policy, then save the account.

The screenshot shows the 'Other Current Assets - USDT Wallet (GL Account)' form. The 'Code' field is set to '202102' and the 'Parent Group' is 'Current Assets'. The 'Description' field is 'Other Current Assets - USDT Wallet'. The 'Type' is set to 'Debit' and the 'Section' is 'BS Other Current Assets'. There is a table for 'Extra Dimensions' with columns for 'Description', 'Turnovers Only', and 'Amount'. The 'Details' section is empty.

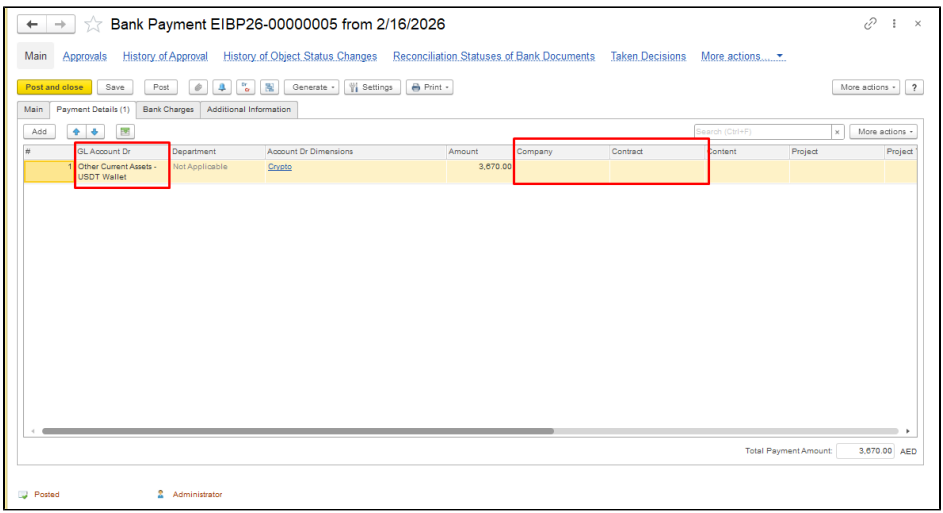
To create the account, follow the instructions at the link [Adding an Account to COA](#).

## Purchase of Cryptocurrency.

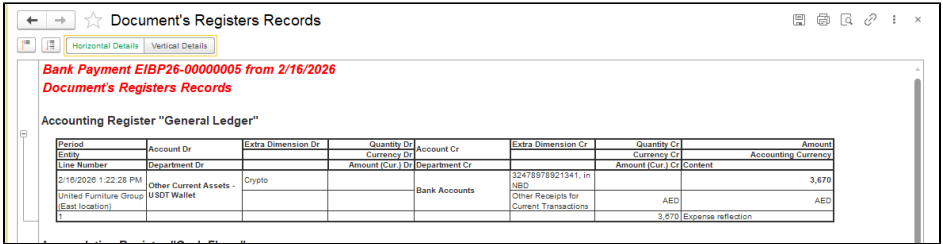
Create Bank Payment Document, go to **Money module Bank Payment**, create document and select **Transaction Type - Other**. Select the Bank Account from which payment is made, enter the amount of cryptocurrency purchased on the Main tab.

The screenshot shows the 'Bank Payment EIBP26-00000005 from 2/16/2026' form. The 'Cash Flow Item' is 'Other Receipts for Current Transaction' and the 'Amount' is '3,670.00'. The 'Transaction Type' is 'Other'. The 'Bank Account' is '32478978521341, in NBD'. The 'Main' tab is active, and the 'Payment Details' section is visible. The 'Reconciliation Status' is 'Unmatched'.

On the **Payment Details** tab, specify the GL Account where cryptocurrency transactions will be recorded in accordance with your company's accounting policy, specify counterparty and contract.

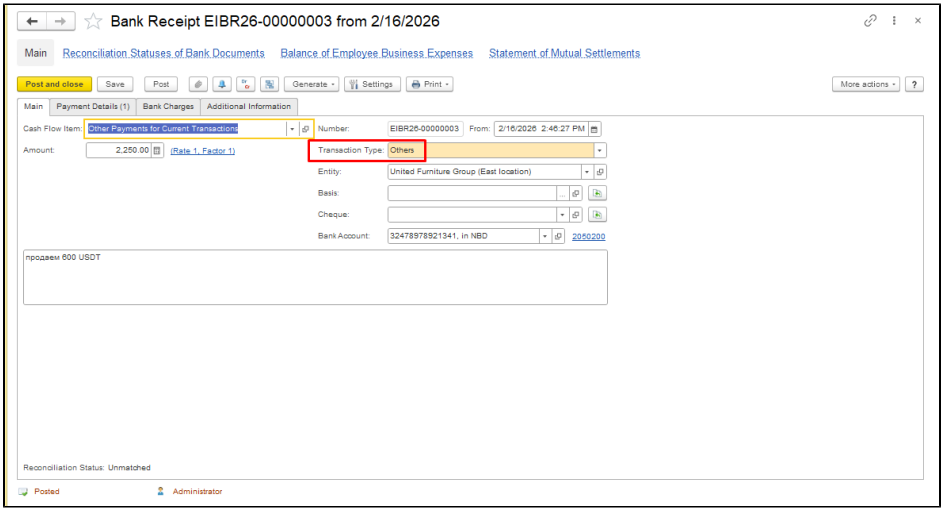


Save and Post the Document.

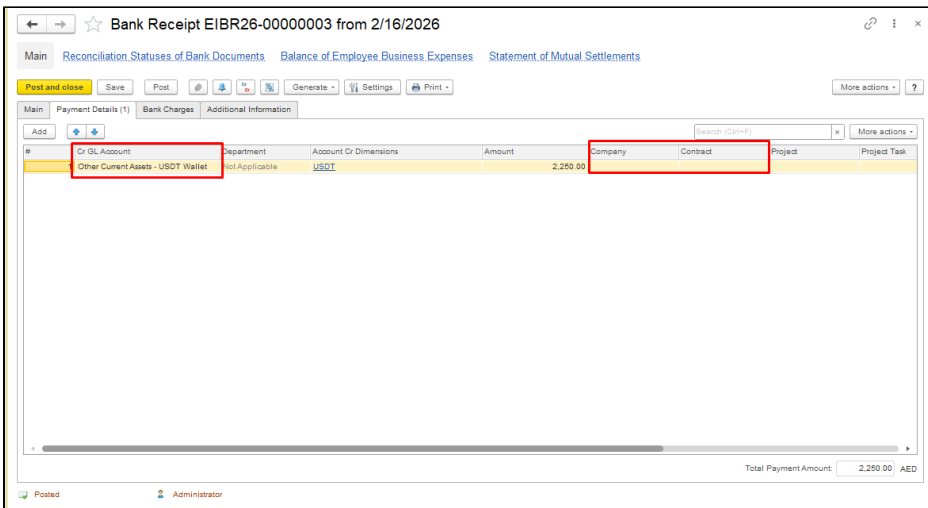


**Sale of Cryptocurrency.**

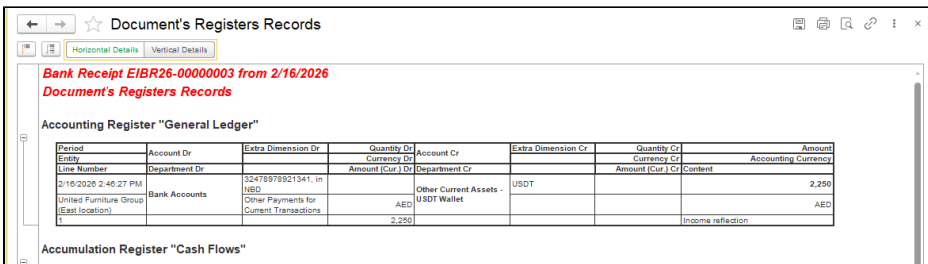
Create Bank Receipt Document, go to **Money module Bank Receipt**, create document and choose **Transaction Type - Other**. Select Bank Account where proceeds will be received, enter amount received from the sale on the Main tab.



On the **Payment Details tab**, specify the GL Account, counterparty and contract.



Save and Post the Document.

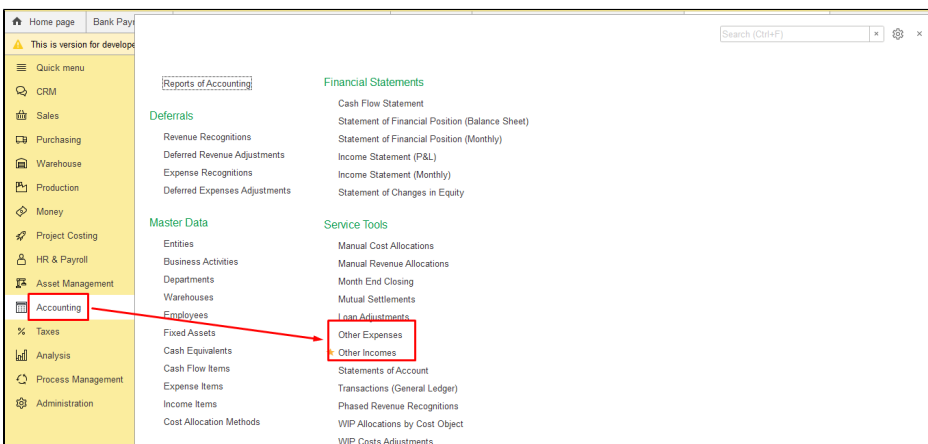


Recording Profit / Loss.

Create **Other Income / Other Expense Document**:

- **Other Income** if there is a gain from the sale
- **Other Expense** if there is a loss

Go to **Accounting module Other Income / Other Expense**.



Create a new document and select the **Transaction Type – Accrual** on the Main Tab.

Other Income EIOINC26-000002 dated 2/16/2026 2:57:12 PM

Post and close Save Post Generate Print

Main Incomes (1)

Number: EIOINC26-000002 From: 2/16/2026 2:57:12 PM

Entity: United Furniture Group (East location)

Transaction Type: **Account**

Basic: [dropdown]

Responsible: [dropdown]

Comment: [text area]

Transaction Remarks: [text area]

If the sale of cryptocurrency results in a financial gain, specify the **Finance Income** account or the account that you use in accordance with your company's accounting policy in the **Other Income** document.

Other Income EIOINC26-000002 dated 2/16/2026 2:57:12 PM

Post and close Save Post Generate Print

Main Incomes (1)

#	GL Account Dr	Account Dr Dimensions	Income GL Account Cr	Department	Account Cr Dimensions	Project
1	Other Current Assets - USDT Wallet	USDT	Finance Income	Main Department	Other Operating Income < - >	

If the sale of cryptocurrency results in a financial loss, specify the **Finance Expenses** account or the account used in accordance with your company's accounting policy in the **Other Expenses** document.

Other Expenses EIOEXP26-000004 dated 2/16/2026 12:00:00 PM

Post and close Save Post Generate Print

Main Expenses (1)

#	Expense GL Account Cr	Department	Account Cr Dimensions	Project	Project Task	GL Account Cr	Account Cr Dimensions
1	Financial Expenses	Main Department	Other Operating Expenses < - >			Other Current Assets - US...	USDT

Save and Post the document.

**Presentation in financial reports:**

**Trial Balance**

Purchase of cryptocurrency is recorded as a debit to the selected cryptocurrency account, increasing the balance of the crypto asset.

Sale of cryptocurrency is recorded as a credit to the selected cryptocurrency account for the cost of the sold units.

**TRIAL BALANCE WITH TURNOVERS**

For the Period: From February 01, 2026 to February 28, 2026  
 Entity: United Furniture Group (East location)  
 Account: Other Current Assets - USDT Wallet, Finance Income

Account, Description	Currency	Opening Balance		Period Turnovers		Closing Balance	
		Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
2000000, Current Assets	AED	-	-	3,718.00	2,250.00	1,468.00	-
2080100, Other Current Assets - USDT Wallet	AED	-	-	3,718.00	2,250.00	1,468.00	-
6000000, Income	AED	-	-	-	48.00	-	48.00
6030000, Finance and Other Income	AED	-	-	-	48.00	-	48.00
6030100, Finance Income	AED	-	-	-	48.00	-	48.00
<b>Total</b>	<b>AED</b>	<b>-</b>	<b>-</b>	<b>3,718.00</b>	<b>2,298.00</b>	<b>1,468.00</b>	<b>48.00</b>

The result of the sale (profit or loss) is recorded in a separate account that does not affect Revenue or Operating income.

**TRIAL BALANCE WITH TURNOVERS**

For the Period: From February 01, 2026 to February 28, 2026  
 Entity: United Furniture Group (East location)  
 Account: Other Current Assets - USDT Wallet, Finance Income

Account, Description	Currency	Opening Balance		Period Turnovers		Closing Balance	
		Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
2000000, Current Assets	AED	-	-	3,718.00	2,250.00	1,468.00	-
2080100, Other Current Assets - USDT Wallet	AED	-	-	3,718.00	2,250.00	1,468.00	-
6000000, Income	AED	-	-	-	48.00	-	48.00
6030000, Finance and Other Income	AED	-	-	-	48.00	-	48.00
6030100, Finance Income	AED	-	-	-	48.00	-	48.00
<b>Total</b>	<b>AED</b>	<b>-</b>	<b>-</b>	<b>3,718.00</b>	<b>2,298.00</b>	<b>1,468.00</b>	<b>48.00</b>

### Income Statement

In the Profit & Loss report, this is reflected under the Finance Income section as either income or expense.

**Income Statement (P&L)**

Period: 2/1/2026 to 2/28/2026  
 Entity: United Furniture Group (East location)  
 Show Details by GL Accounts  
 Show Changes in Statement Period

Revenue	1,523.81	-
6010100, Sales of Goods	1,523.81	-
Cost of Sales	(202.57)	-
7010200, COS: Goods for Resale	(202.57)	-
<b>Gross Profit</b>	<b>1,321.24</b>	<b>-</b>
Selling Expenses	-	-
Administrative Expenses	(3,825.67)	(4,591.67)
7030100, Employee Benefits Expenses	(1,825.67)	(4,591.67)
7030200, Depreciation of Fixed Assets	(2,000.00)	-
Other Income / (Expenses), Net	-	-
<b>Operating Profit</b>	<b>(2,504.43)</b>	<b>(4,591.67)</b>
Finance Income / (Costs), Net	48.00	-
6030100, Finance Income	48.00	-
Foreign Exchange Gain / (Loss), Net	-	-
<b>Profit Before Income Tax</b>	<b>(2,456.43)</b>	<b>(4,591.67)</b>
Current Income Tax Expense	-	-
Deferred Income Tax (Expense) / Benefit	-	-
<b>Total Income Tax (Expense) / Benefit</b>	<b>-</b>	<b>-</b>
<b>Profit for the Year</b>	<b>(2,456.43)</b>	<b>(4,591.67)</b>

**Income Statement (P&L)**

United Furniture Group (East location)

For the Period Ended 28 February, 2026 and 2025

All Figures in Dirham (UAE)

	28 February, 2026	28 February, 2025
Revenue	1,523.81	-
6010100, Sales of Goods	1,523.81	-
Cost of Sales	(202.57)	-
7010200, COS: Goods for Resale	(202.57)	-
<b>Gross Profit</b>	<b>1,321.24</b>	-
Selling Expenses	-	-
Administrative Expenses	(3,825.67)	(4,591.67)
7030100, Employee Benefits Expenses	(1,825.67)	(4,591.67)
7030200, Depreciation of Fixed Assets	(2,000.00)	-
Other Income / (Expenses), Net	-	-
<b>Operating Profit</b>	<b>(2,504.43)</b>	<b>(4,591.67)</b>
Finance Income / (Costs), Net	(48.00)	-
7050100, Financial Expenses	(48.00)	-
Foreign Exchange Gain / (Loss), Net	-	-
<b>Profit Before Income Tax</b>	<b>(2,552.43)</b>	<b>(4,591.67)</b>
Current Income Tax Expense	-	-
Deferred Income Tax (Expense) / Benefit	-	-

Please Note: The approach ensures crypto is treated as a financial asset, not as a product sale.

#Cryptocurrency#Cryptocurrencyaccounting#