

Time for Companies to Connect CPA Firms About Blockchain

Accounting firms are already examining how the industry is likely to change

By **Joanne Cleaver** - March 15, 2018

Change comes slowly to the CPA profession. After all, the point of accounting is to keep track of money, and that is

Blockchain, though, offers the promise of both streamlined accounting and complicated changes. The accounting Street Blockchain Alliance and [efforts](#) by the [Association of International Certified Professional Accountants](#) to dev

It will take a while for those standards to emerge, but businesses can use the wait to sketch out how they might pl already widening their radar screens to include blockchain in their view, says [Andries Verschelden](#), a Menlo Park-b technology practice that is rapidly expanding its cryptocurrency and blockchain work.

To be sure, blockchain is at such an early stage that it isn't affecting many organizations' audit cycles. "It doesn't re financial technology handles transactions quickly and securely (for the most part), so blockchain doesn't offer com

But that makes the timing right to let the developers work through their projects. Blockchain capabilities will impro say that now is the time to have big-picture discussions with your CPA firm.

"The short-term view is that we're helping our clients prepare for an explosive moment, similar to how cloud softw SaaS companies," Verschelden says, referring to software as a service. "The long-term play is that it affects non-tec agencies to food and beverage companies. Our job is how to be sure that clients can benefit from this developme and compensation."

Verschelden adds that "it's too early to tell how this technology will replace Quickbooks or NetSuite, or tax prepar

"We think that it will at some point, because often these things become more impactful as they grow and more sm technology that will have that kind of momentum."

Querying Your Accounting Firm

Verschelden says that there are key questions to explore with your CPA firm:

- How are they staffing up for blockchain? Do they intend to grow their own talent or acquire startups or convert
- Do they anticipate developing a specific blockchain and cryptocurrency practice that you will have to engage se expect most of the firm's accountants to be conversant in blockchain and how it affects your operation?
- Is the firm developing alliances with consultants and specialty accounting firms that add up to the expertise yo
- How should you be planning and budgeting for training, system conversion, and accessing expanded software with blockchain-based functions?

Rippling Through Audit

Monika Miles, president of [Miles Consulting Group](#) of San Jose, a boutique CPA firm, predicts that large firms, inclu She says those internal consultants will probably be pulled into industry-specific assignments, if the precedent set

“Eventually, this will ripple through audit, so you’ll need to keep that in mind for training,” she says. “Finance office in the finance department to say, ‘Blockchain? What’s that?’”

Verschelden adds that the most fundamental preparation is to expect to change and to dismantle internal barriers: it’s clear what that will be.

The transparency and “attached accountability” of blockchain could upend some longtime staffers’ understanding of various financial controls and practices.

“If we can get transactions all to a single environment, it will be a whole lot more efficient,” says Verschelden, “We’re but it’s moving so fast that we’re learning on the job, because it’s new for everyone.”

***Disclosure:** Armanino participates in an industry benchmarking project sponsored by the Accounting and Financial Women’s Association. She does not own any cryptocurrencies.*

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