Bitcoin is a consensus among the miners who

[Business](), [Accounting]()

Bitcoin Mining is the process of performing mathematical calculations by computer hardware to confirm bitcoin transactions and increase security. As a reward for your services, Bitcoin Miners can collect transaction fees for transactions they have confirmed and newly created Bitcoins. At the same time, you can think of Bitcoin Miner as an accountant and miner, because they do two jobs.

They dig for the gold of the Internet: Bitcoin. In addition, they confirm the transactions and thus secure the Bitcoin network (accountant). There are countless of these miners scattered all over the world, regardless of time and place – Decentralized.

The miners confirm all Bitcoin transactionsBitcoin is a decentralized virtual currency, which means that it does not have a central authority and that nobody trusts anyone. However, the payments are safe because the chain of blocks helps them to be. The Blockchain is like an Internet diary. It is a chain of successive blocks in which the transactions of those who transfer bitcoins, the amount and the recipient are saved. We can also refer to block chains with the term “ accounting book”, which is very successful. There are a couple of features that should be highlighted in this regard. The first key feature of the blockchain is that all true participants in the Bitcoin network store the entire chain of blocks with all the transactions that have always been done and the participants add new blocks continuously at the end of the chain.

The second key aspect is that the blockchain is based on cryptography. The mathematical laws, not the reputation of some people or organizations, dictate the operation of the system and guarantee the good functioning of everything. Those who add new blocks are called miners. As a reward for each block, its creator receives, today, 12. 5 bitcoins. Approximately $ 30, 000 dollars, depending on the exchange rate as of July 1, 2017. Finally, all new bitcoins are minted through the mining process (and that is the only way by which you can create a bitcoin).

The task of the miners is to " lend" their computers to verify the transaction history of Bitcoin in the so-called online ledger or accounting book of Bitcoin transactions. A transaction in Bitcoins is not considered valid until there is a consensus among the miners who have ceded their computing capacity to the system. The verification process guarantees that the same bitcoin can not be duplicated and maintains the integrity of the entire system.

Lending or giving up this computing capacity is vital so that the integrity of the system is guaranteed and for this work the miners are rewarded with the new Bitcoins that are generated. However, the system works as a kind of lottery. A draw that today is held every 10 minutes and pays 25 Bitcoins to the lucky winner. The more computing power you have made available to the Bitcoin protocol, the more numbers you have bought to participate in the raffle and therefore the more likely you are to be the lucky winner. In order to ensure constant income and not depend so much on the luck factor, many miners have been grouped in the so-called pools. In these pools it is agreed that if one of them is the lucky winner of the next 25 generated bitcoins, they will be distributed proportionally to the hash rate (or mining speed) that the resources that have made available to the pool have contributed.

The business of mining Bitcoins is not risk-free if you try to see it from a financial perspective. Your possible profitability in the business will be defined by three factors: 1. Difficulty2- Current price of Bitcoins. 3- Price and speed of the equipment needed to perform the mining (ie the price and quality of the peaks and shovels)