

## Authentication Functions

`authenticateToken(req, res, next)`

**Purpose:** Middleware that secures endpoints by verifying JWT tokens.

**How it works:**

Extracts the token from the Authorization header.

Uses `jwt.verify` to validate the token using the `JWT_SECRET`.

If valid, attaches the user info to `req.user` and proceeds.

If invalid or missing, responds with 401 or 403.

`app.post('/auth/login', ...)`

**Purpose:** Authenticates a user and returns a JWT if credentials are valid.

**How it works:**

Loads users from `users.json`.

Checks if the given username and `apiKey` exist and match.

If valid, generates a JWT token valid for 1 hour.

Responds with `{ token }` or an error.

## Blockchain Functions

### **calculateHash()**

**Purpose:** Generates a SHA-256 hash representing a block's unique identity.

**How it works:**

**Combines the block's previousHash, timestamp, transactions, and nonce.**

**Returns a SHA-256 hash using crypto.createHash.**

### **mineBlock(difficulty)**

**Purpose:** Performs proof-of-work for a block by finding a hash that meets the difficulty criteria.

**How it works:**

**Repeatedly increments the nonce and recalculates the hash.**

**Stops once the hash starts with difficulty number of zeros.**

### **createGenesisBlock()**

**Purpose:** Creates the very first block of the blockchain.

**How it works:**

**Calls new Block() with an empty previous hash '0' and an empty transaction list.**

**getLatestBlock()**

**Purpose:** Retrieves the most recent block in the chain.

**How it works:**

Returns the last element in the chain array.

**minePendingTransactions(miningRewardAddress)**

**Purpose:** Creates and mines a block from all pending transactions.

**How it works:**

Constructs a new block from pendingTransactions.

Sets its previousHash to the latest block's hash.

Calls mineBlock to solve the proof-of-work.

Adds it to the chain.

Clears pendingTransactions and adds a reward transaction for the miner.

Returns the mined block.

**addTransaction(transaction)**

**Purpose:** Adds a new transaction to the list of pending ones.

**How it works:**

**Appends a transaction object ({ from, to, amount }) to pendingTransactions.**

**getBalance(address)**

**Purpose:** Computes the net balance for a user from all confirmed blocks.

**How it works:**

**Iterates through every transaction in the chain:**

**Subtracts from the balance if the user sent coins.**

**Adds to the balance if the user received coins.**

## User and File Utilities

### **loadConfig()**

**Purpose:** Reads user data from users.json.

**How it works:**

**Uses fs.readFileSync to read the file.**

**Parses the JSON and returns the object.**

### **saveConfig(config)**

**Purpose:** Writes updated user data back to users.json.

**How it works:**

**Converts the config object to JSON and writes it with fs.writeFileSync.**

## API Route Handlers

### **app.get('/balance/:username')**

**Purpose:** Returns a user's total balance (local + blockchain-based).

**How it works:**

**Finds the user by username.**

**Uses blockchain.getBalance(username) to get blockchain balance.**

**Adds it to the static user balance from users.json.**

**Responds with { balance: totalBalance }.**

**app.get('/pending-transactions')**

**Purpose: Returns all transactions that haven't yet been mined into a block.**

**How it works:**

**Directly responds with blockchain.pendingTransactions.**

**app.post('/transaction')**

**Purpose: Adds a new transaction to the pending list.**

**How it works:**

**Extracts to and amount from the request body.**

**Verifies both fromUser and toUser exist.**

**Checks if fromUser has enough balance.**

**Adds the transaction to the blockchain's pending list.**

**Updates users.json to reflect the deducted and added balances.**

**Responds with success and the new balance.**

**`app.post('/mine')`**

**Purpose: Mines a new block from pending transactions and rewards the miner.**

**How it works:**

**Gets the current user's username (as the miner).**

**Calls `blockchain.minePendingTransactions(minerUsername)`.**

**Broadcasts the new block to all peers using `WebSocket`.**

**Returns success and reward info.**

**`app.get('/blockchain')`**

**Purpose: Returns the entire blockchain.**

**How it works:**

**Simply returns `blockchain.chain`.**

## WebSocket Functions

`wss.on('connection', socket => {...})`

**Purpose:** Handles a new peer connecting via WebSocket.

**How it works:**

Adds the socket to the sockets list.

Logs a connection message.

On receiving a `NEW_BLOCK` message:

Parses the message.

Appends the new block to the local blockchain.

Rebroadcasts it to all other peers.

`broadcast(message)`

**Purpose:** Sends a message to all connected peers.

**How it works:**

Loops through all sockets and sends the message.