

Response to comments on dq1 hunt and dq2 smithw11



**ASSIGN
BUSTER**

DQ1 I agree with you that using worksheets is a great way to apply accounting. A program that is very useful for an accountant is Microsoft Excel. Excel has many financial features that can be used by accountants to perform comprehensive analysis. You mentioned the importance of the dual entry system. The dual entry journal system was created by Luca Pacioli back in 1494 (Luc). The founding principles of accounting can be very useful for anyone in their everyday life. Understanding more about finance and accounting can help people apply that knowledge to make better financial decisions and to keep a more accurate and detail personal budget. Another great attribute about learning about accounting is that that knowledge can be used to improve a person's ability to analyze investment opportunities. By analyzing the four basic financial statements a person can perform a good assessment of whether a company is doing well or not. DQ2 I want to congratulate you on your career aspirations of pursuing an MBA to become a manager in the hospitality industry. The use of accounting is very important to effectively run a hotel operation. Accounting can help the manager determine what are the fixed and variable costs of the operation. Based on that information the manager can determine the needed occupancy rate for the hotel to exceed the breakeven point in order to make a financial profit. Having knowledge about GAAP is very important and has lot of practical uses. A few years my brother who is an accountant learned about an accounting change that drastically affected the financial results of some companies including VTSS. Due to the accounting change the value of the stock went up for \$0.35 to over \$4 in less than 6 months. Accounting knowledge is very useful to make investment decisions. References Luc. edu.

Accounting Trivia. Retrieved June 14, 2011 from http://www.luc.edu/sba/accounting_trivia.shtml