



UNIVERSITY OF RUHUNA – FACULTY OF MEDICINE

ALLIED HEALTH SCIENCES DEGREE PROGRAMME

THIRD BPHARM PART II EXAMINATION – JUNE/JULY 2016

PH 3253 Marketing and Accounting (SEQ)

TIME: THREE HOURS

INSTRUCTIONS

- Answer **all** questions.
- No paper should be removed from the examination hall.
- Do not use any correction fluid.
- Use illustrations where necessary.

Part I

- (01). "Marketing management is the art and science of choosing target markets".
- i). What is a market?
 - ii). What do you mean by Marketing Myopia?.
 - iii). Why value proposition is important for marketers?
 - iv). Explain what you understand by the term "public" in the context of the micro environment.

[Total Marks 100]

- (02). "Customers are value maximizers. They form an expectation of value and act on it".
- i). What are customer value, satisfaction, and loyalty, and how can companies deliver them?
 - ii). What are the different levels of market segmentation? Briefly explain your answer.
 - iii). What are the requirements for effective segmentation?
 - iv). How should a company choose the most attractive target markets?

[Total Marks 100]

- (03). "Marketing managers must calculate customer lifetime values of their customer base to understand their profit implications. They must also determine ways to increase the value of the customer base.".

- i). What are the characteristics of products and how do marketers classify the consumer products?
- ii). What is the difference between 'Push Strategy' and 'Pull Strategy' in distribution channel.
- iii). What is product bundle pricing strategy?
- iv). The digital revolution has placed a whole new set of capabilities in the hands of consumers and businesses. Describe the advantages that you as a consumer have today that your parents or grandparents didn't have.

[Total Marks 100]

Part II

(04). i. What is the purpose of preparing Bank Reconciliation Statement?

(20 marks)

ii. Explain the reasons on account of which the balance as shown by the bank statement does not agree with the balance as shown by the bank column of the cash book.

(20 marks)

iii. From the following particulars of Mr. Namal, prepare a bank reconciliation statement as on March 31, 2015.

1. Bank Balance as per cash book was Rs. 50,000.
2. Cheques issued but not presented for payment is Rs.20,000
3. The bank had directly collected dividend of Rs. 8,000 and credited to bank account but was not entered in the cash book.
4. Bank charges of Rs.400 were not entered in the cash book.
5. A cheque for Rs. 6,000 was deposited but not collected by the bank.
6. A cheque amounting Rs. 2500 paid for electricity by Mr. Namal on 15th March had been entered in his cash book as Rs. 2050.

(60 marks)

(Total marks 100)

(05).What do you mean by the periodicity concept (Accounting period concept) and why is this concept applied in accounting? (20 marks)

i. Briefly explain the double entry system. (10 marks)

ii. You are required to give journal entries necessary for recording following transactions in the books of Nadee Company for the month of July, 2015.

July 1- Nadee started the business with an investment of Rs. 800,000.

July 2- She opened a bank account by depositing Rs. 25,000 out of her initial investment.

July 8- Furniture was purchased from Saniro company for Rs.77,500 for the use of the business.

July 9- Goods were purchased from Mohan for 120,000 and paid Rs. 4,500 carriage charges on it.

July10- Shop rent was paid Rs.12,500.

July 12- Advertisement expenses were paid by a cheque amounting Rs. 2,100.

July 15- Goods were sold for cash Rs.14,600.

July 18- Interest income was received from the bank Rs. 500.

July 23- Goods were sold to Mihiri for Rs. 19,800.

July 28-Nadee withdrew goods worth Rs 5,000 for her personal use.

(70 marks)

(Total marks 100)

(06). From the following particulars extracted from the books of Mr. Bhupathi, prepare an Income statement (Trading and Profit and Loss Account) and a Statement of Financial Position (Balance sheet) as on December 31, 2015 after making the necessary adjustments.

Adjustments:

1. Travelling includes the proprietor's personal travelling for which he is to be charged Rs. 2,500.
2. Closing stock as at 31st December 2015 was Rs.21, 200.
3. Depreciation to be provided @ 10% on machinery and 5% on furniture.
4. Accrued interest on bank deposit Rs 1,200.
5. Outstanding expenses: Salaries 4,900, Insurance 1,500.

(Total marks 100)

Trial Balance as on December 31, 2015

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
Purchases	501,400	Capital	750,000
Furniture	196,000	Bills payable	26,800
Opening stock	21,900	Sales	932,700
Plant and machinery	200,000	Return outwards	3,000
Return inwards	3,400	Commission received	11,900
Wages	57,600	Sundry creditors	38,000
Carriage inwards	4,500	Interest on bank deposits	5,200
Advertisement	18,000		
Cash in hand	45,600		
Cash at bank	117,400		
Debtors	143,000		
Drawings	4,000		
General expenses	13,200		
Investments	250,000		
Insurance	7,500		
Printing and stationery	11,300		
Travelling expenses	23,500		
Bad debts	5,600		
Electricity	8,000		
Telephone	5,000		
Salaries	130,700		
	<u>1,767,600</u>		<u>1,767,600</u>