



UNIVERSITY OF RUHUNA – FACULTY OF ALLIED HEALTH SCIENCES

DEPARTMENT OF PHARMACY

THIRD BPHARM PART II EXAMINATION – AUGUST/SEPTEMBER 2020

PH 3253 MARKETING AND ACCOUNTING (SEQ)

TIME: THREE HOURS

INSTRUCTIONS

- There are **six** questions in the part A and B in SEQ paper.
- Answer **all** parts.
- No paper should be removed from the examination hall.
- Do not use any correction fluid.
- Use illustrations where necessary.

PART A

01. "Marketing management is the art and science of choosing target markets and creating, keeping, and growing customers through creating, delivering, and communicating superior customer value".

- 1.1 Marketers are involved in marketing 10 types of entities. List and briefly characterize these entities.
- 1.2 Selling is not the most important part of marketing. Briefly explain this statement.
- 1.3 Distinguish between the concepts of value and satisfaction.
- 1.4 Identify and define the marketing mix including traditional marketing mix elements and new elements in marketing mix.

(Total marks 100)

02. "Customer relationship management allows the company to discover who its target markets are, how they behave, and what their needs or wants. It also enables the company to respond appropriately, coherently, and quickly to different customer opportunities".

- 2.1 What is the traditional view of marketing?
- 2.2 Explain customer-perceived value.
- 2.3 Compare and contrast the typical traditional organization chart for an organization against the modern customer-oriented organization chart.
- 2.4 Explain the differences between culture, subculture, and social class.

(Total marks 100)

03. "Marketers have traditionally classified products on the basis of three characteristics: durability, tangibility, and use".

- 3.1 List the four main classifications of consumer goods and explain what elements are included.

- 3.2 Explain the concepts of product-mix width, length, depth, and consistency.
- 3.3 Product-mix pricing can involve a number of pricing strategies for the brand manager. List each of these strategies and briefly define each.
- 3.4 Explain the three distribution strategies based on the number of intermediaries.

(Total marks 100)

PART B

04.

- 4.1 "Accounting information is important for stakeholders to make effective decision making". Briefly discuss how accounting information is used to make effective decisions using suitable examples? *(30 marks)*
- 4.2 Mr. Muthukumara started a business by depositing Rs.1,000,000 on 1st of July 2020. The following transactions have taken place during the month of July.

Transaction Date	Description	Amount Rs.
1-July	Cash Sales	100,000
2-July	Loan taken from Bank of Ceylon	1,000,000
2-July	Credit Sales - Rajitha	200,000
3-July	Purchased materials on credit from ABC Company	600,000
4-July	Receipt from Rajitha (Allowed discount is 10%)	180,000
5-July	Payment to petty cashier	10,000
6-July	Paid Water bill	5,000
7-July	Other income received	150,000
8-July	Commission received	75,000
9-July	Paid to ABC Company (Received discount is 10%)	540,000
25-July	Purchased office equipment	250,000
26-July	Cash Drawings	50,000

- 4.3 You are required to prepare,
- 4.3.1 Cash Receipts Journal. *(20 marks)*
- 4.3.2 Cash Payments Journal. *(20 marks)*
- 4.3.3 Cash Control Account and Relevant Ledgers. *(30 marks)*

05. The trial balance extracted from Sunrays Traders, which is a sole proprietorship owned by Sandun, is given below.

Sunrays Traders
Trial Balance as at 31st March 2020 (Rs. 000)

Description	Dr.	Cr.
Buildings	7,000	
Office Equipment	2,000	
Plant and Machinery	3,500	
Provision for Depreciation as at 01st April 2019		
Buildings		500
Office Equipment		1,000
Plant and Machinery		700
Drawings	1,000	
Stock as at 1st April 2019	2,500	
Sales		30,000
Purchases	16,000	
Trade Receivables	7,500	
Trade Payables		2,500
Sales return	750	
Insurance	700	
Accrued Expense		800
Purchased return		450
Sales Commission	500	
Discount Received		1,100
Discount Allowed	600	
Telephone Charges	2,100	
Carriage Cost	400	
Capital Balance		7,500
	44,550	44,550

Additional Information

- i. The closing stock of the business as at 31 March 2020 was Rs.1120, 000.
- ii. The fixed assets are to be depreciated on the straight line method at following rates,

Buildings	5%
Office Equipment	25%
Plant and Machinerics	20%
- iii. Two third (2/3) of telephone charges has been paid to sales staff during the period. The remaining balance is relevant for administrative staff.
- iv. Rs. 500 due from a customer who became bankrupt is to be written off as a bad debt.
- v. Rs. 1,200 water bill and Rs. 2800 electricity bill for month of March were received on 28th March 2020.

5.1 You are required to to

5.1.1 Prepare Income Statement for the year ended 31st March 2020. (60 marks)

5.1.2 Prepare the Statement of Financial Position as at 31st March 2020. (40 marks)

06.

6.1 Explain the reasons to prepare bank reconciliation. (30 marks)

6.2 The following particulars of ABC Company have been extracted from its books of accounts as on March 31st 2020.

- i. Balance as per cash control account Rs. 85,000.
- ii. The following cheques have not been presented for payment.

Cheque No	Amount (Rs.)
8444580	12,500
8444585	20,000

- iii. The business has deposited two cheques received from the customers but those were not realized by the end of the month. Details are as follows,

Cheque No	Amount (Rs.)
1345580	45,000
2457265	60,000

- iv. Rs. 25,000 dividend has been collected by the bank but was not entered in the cash control account.
- v. Rs. 500 bank charges and Rs. 750 cheque book charges were not recorded in the cash control account.

You are required to prepare,

6.2.1 Bank Reconciliation Statement. (40 marks)

6.2.2 Revised Cash Control Account. (30 marks)

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