



**UNIVERSITY OF RUHUNA – FACULTY OF MEDICINE**

**ALLIED HEALTH SCIENCES DEGREE PROGRAMME**

**THIRD BPHARM PART II EXAMINATION – JUNE 2017**

**PH 3253 MARKETING AND ACCOUNTING (SEQ)**

**TIME: THREE HOURS**

**INSTRUCTIONS**

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

**PART “A”**

- (01). “Marketing is primarily concerned with engaging customers and secondarily with managing profitable customer relationships”.
- Briefly explain the societal marketing concept.
  - Explain market offerings and marketing myopia.
  - What are marketing intermediaries?
  - Discuss how the political environment affects the marketing environment.

[Total Marks 100]

- (02). “A company’s value delivery system includes all the experiences the customer will have on the way to obtaining and using the offering”.
- Explain customer-perceived value.
  - Explain the difference between the concepts of value and satisfaction.
  - Explain the differences between culture, subculture and social class.
  - What is retailing?

[Total Marks 100]

- (03). “Services refer to a form of product that consists of activities, benefits, or satisfactions offered for sale that are essentially intangible”.
- What is a product?
  - What is Vertical Marketing Systems (VMS)?
  - What is product bundle pricing strategy?
  - What is advertising?

[Total Marks 100]

**PART "B"**

(04).

i). What do you mean by Accrual Concept and why is this concept applied in accounting?

(20 marks)

ii). How do you differentiate Accounting from Bookkeeping?

(10 marks)

iii). You are required to give journal entries necessary for recording following transactions in the books of Mr.Perera for the month of July, 2015.

June 1- Perera started the business with an investment of Rs. 1,000,000.

June 2- He opened a bank account by depositing Rs. 250,000 in addition to the initial investment.

June 8- Furniture was purchased from Saniro Company for Rs.155,500 for the use of the business.

June 9- Goods were purchased from Milan for 250,000 and paid Rs. 14,500 carriage charges on it.

June 10- Goods were sold to Silva on credit Rs.50,000.

June 12- Advertisement expenses were paid by a cheque amounting Rs. 8,000.

June 15- Silva returned goods to Perera Rs.7,500.

June 18- Perera paid life insurance premium by cheque Rs. 6,000.

June 23- Silva became an insolvent and could pay only 60%.

June 28- Perera withdrew goods worth Rs.15,000 for his personal use.

(70 marks)

[Total Marks 100]

(05).

i). What do you mean by Compound Journal Entry? Give an example.

(20 marks)

ii). Write the correct journal entries on the basis of the narration stated with each journal entry.

Date	Particulars	L.F.	Debit (Rs.)	Credit (Rs.)
January 01	Bank A/C Dr. To Cash A/C (Being the cash withdrawn from the bank)		100,000	100,000
January 04	Nuwan A/C Dr. To Cash A/C (Being the salary paid to Nuwan)		12,000	12,000
January 08	Purchase A/C Dr. To Cash A/C (Being machinery purchased for cash)		25,000	25,000
January 12	Dilan A/C Dr. To Purchase A/C (Being the goods purchased from Dilan on credit)		15,000	15,000
January 15	Sales A/C Dr. To Cash A/C ( Being the goods sold to Sujeewa on credit)		25,000	25,000
January 17	Capital A/C Dr. To Drawings A/C (Being cash withdrawn from business for personal use)		7,500	7,500
January 22	Sujeewa A/C Dr. To Purchase A/C (Being the goods returned by Sujeewa)		2,500	2,500
January 25	Telephone charges A/C Dr. To Cash A/C (Being paid proprietor personal telephone bill)		2,000	2,000

(40 marks)

iii). Enter the following transactions to accounting equation. Use the following accounting equation.

$$\text{Assets} = \text{Liabilities} + \text{Owner's equity}$$

May 01- Goods were purchased for Rs. 500,000.

May 03- Furniture was purchased from ABC furniture for Rs. 40,000 for the use of the business.

May 06- Goods were sold for 100,000. The cost of these goods was Rs.80,000.

May 11- Purchased goods from Neela for Rs.125,000.

May 16- He returned goods to NeelaRs.25,000.

May 18- Paid electricity bill of the business Rs.5,000.

May 20- Sold goods to Menaka for Rs 60,000. The cost of goods sold was Rs.50,000.

May 22- He paid to ABC furniture Rs. 38,000 in full settlement.

(40 marks)

[Total Marks 100]

(06). From the following particulars extracted from the books of Mrs. Nalani, prepare an Income statement (Trading and Profit and Loss Account) and a Statement of Financial Position (Balance sheet) as on December 31, 2016 after making the necessary adjustments.

**Trial Balance as on December 31, 2016**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
✓ Plant and machinery	200,000	Capital	2,631,300 ✓ 2001 300
✓ Land and building	1,500,000	Sales	750,500 ✓ 1380500
✓ Furniture	250,000	Return outwards	5,000 ✓
✓ Opening stock	25,900	Commission received	12,000 ✓
✓ Purchases	700,000	Sundry creditors	332,000 ✓
✓ Return inwards	5,400	Interest on bank deposits	5,200 ✓
✓ Carriage inwards	14,500		

✓ Debtors	225,000		
✓ Cash in hand	204,200		
✓ Cash at bank	67,400		
✓ Drawings	12,000		
✓ General expenses	62,200		
✓ Insurance (business)	12,500		
✓ Printing and stationery	21,500		
✓ Travelling expenses	35,500		
✓ Bad debts	7,600		
✓ Rent	8,000		
✓ Wages	120,600		
✓ Electricity	11,000		
✓ Telephone charges	22,000		
✓ Salaries	230,700		
	<u>3,736,000</u>		<u>3,736,000</u>

Adjustments:

1. Closing stock as at 31st December 2016 was Rs.21,500.
2. Telephone charges includes the proprietor's personal telephone charges for which she is to be charged Rs.4,000.
3. Depreciation to be provided @ 10% on machinery and 5% on furniture.
4. Rent paid during the year was for 8 months.
5. Outstanding expenses: Salaries 9,300, Electricity 2,250.

[Total Marks 100]

\*\*\*\*\*