INTO QUALIFICATIONS

# IQM4010 A1 Financial Ratio Formula Booklet

**SAMPLE ASSESSMENT / 2026-S · CENTRE SUPPLIED PERMITTED MATERIAL**

**Release timing: exam release**

This booklet contains only the ratio relationships explicitly tested in the current A1 sample pack. The Module Guide states that the centre supplies an approved formula booklet. No worked examples, task values or assessment answers are included.

## Liquidity

Current ratio = Current assets ÷ Current liabilities

## Efficiency

Trade receivables collection period (days) = (Trade receivables ÷ Credit sales) × 365

## Use and notation

These are the ratio relationships explicitly tested in the current A1 sample questions. Use the figures and period specified in each question. A ratio is an analytical aid and does not establish cause, solvency or performance on its own. 365 represents days in a year.

Financial Accounting and Reporting · Assessment 1