IB Business Management: Exams and assessments Formulae sheets for Paper 1 and Paper 2 examinations



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IB BUSINESS MANAGEMENT EXAMS

FORMULAE SHEETS FOR SL AND HL IB BUSINESS MANAGEMENT EXAM PAPERS 1 AND 2

The following formulae will be used in the IB Business Management external assessment. A copy of the formulae **will be provided for students in the examination**. A copy should be provided for students in mock examinations and tests, where applicable.

FOMULAE FOR RATIO ANALYSIS

PROFITABILITY RATIOS

Gross profit margin = $\frac{\text{Gross profit}}{\text{Sales revenue}} \times 100$

Net profit margin = $\frac{\text{Net profit}}{\text{Sales revenue}} \times 100$

LIQUIDITY RATIOS

Current ratio = $\frac{\text{Current assets}}{\text{Current liabilities}}$

Acid test (quick) ratio = $\frac{\text{Current assets} - \text{stock}}{\text{Current liabilities}}$

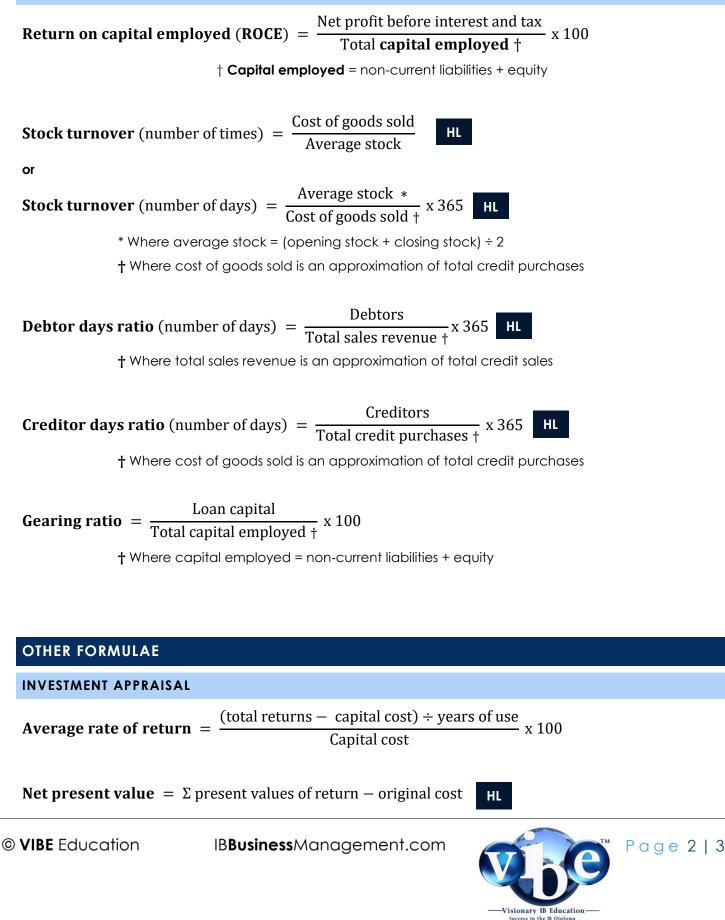
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EFFICIIENCY RATIOS



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CAPACITY UTILISATION AND PRODUCTIVITY
Capacity utilisation rate = $\frac{\text{Actual output}}{\text{Productive capacity}} \times 100$ HL
Productivity rate = $\frac{\text{Total output}}{\text{Total input}} \times 100$ HL



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