QCAA Accounting Formula Book

Original worked revision examples with notes on units and assumptions.

Use the board PDF below for the official sheet. Coverage of examples varies by subject.

Official reference material

QCAA Accounting 2025 syllabus formula book (June 2026)

What to work out beyond the sheet

Compare ratios on the same basis over time. Explain which balances changed and how that affects the business, even if the ratio itself looks favourable.

Formulas and worked examples

Liquidity · current ratio

Formula or reference: Current ratio = current assets ÷ current liabilities.

Units and conditions: Use amounts in the same currency units. Report as a ratio.

Worked example: A business with A$54,000 in current assets and A$36,000 in current liabilities has a current ratio of 1.50:1.

Liquidity · acid test ratio

Formula or reference: Quick assets ÷ current liabilities. The QCAA formula deducts inventories and prepayments from current assets.

Units and conditions: Use balances from the same date.

Worked example: With A$72,000 current assets, A$16,000 inventories, A$2,000 prepayments and A$45,000 current liabilities, the ratio is 54,000 ÷ 45,000 = 1.20:1.

Profitability · gross profit ratio

Formula or reference: Gross profit ÷ net sales × 100%.

Units and conditions: Use sales and gross profit for the same period.

Worked example: Gross profit of A$78,000 from net sales of A$260,000 gives 30%.