

# TITLE: A DECADE IN REVIEW: ANALYZING COCA-COLA'S FINANCIAL HEALTH (2009-2019)

## TARGET AUDIENCE: RESEARCHERS AND POLICY MAKERS

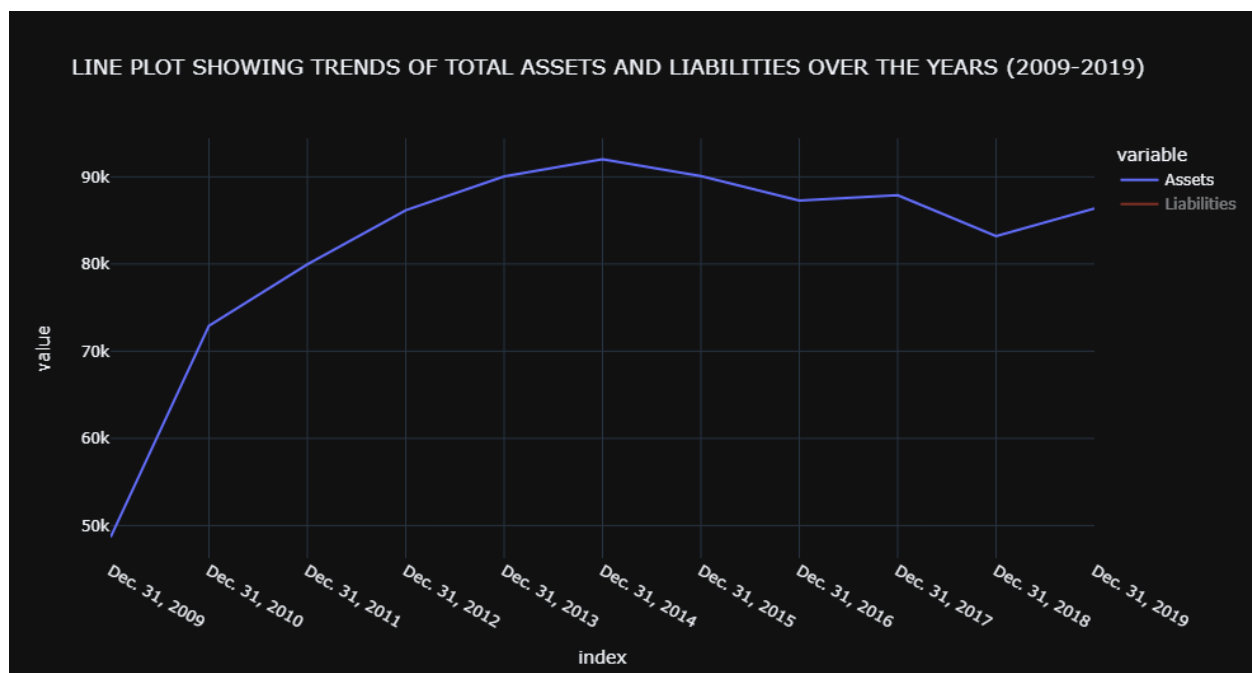
### INTRODUCTION

In this data story, we delve into a comprehensive analysis of Coca-Cola's balance sheets spanning the decade from 2009 to 2019. Our goal is to uncover trends, identify key financial indicators, and gain insights into the company's overall financial health during this period.

### Dataset Overview

The dataset used for this analysis was obtained from the Coca-Cola website and comprised of some major data points from the annual balance sheets of Coca-Cola such as assets, liabilities, equity, and other relevant indicators. The analysis of this dataset gave rise to the following:

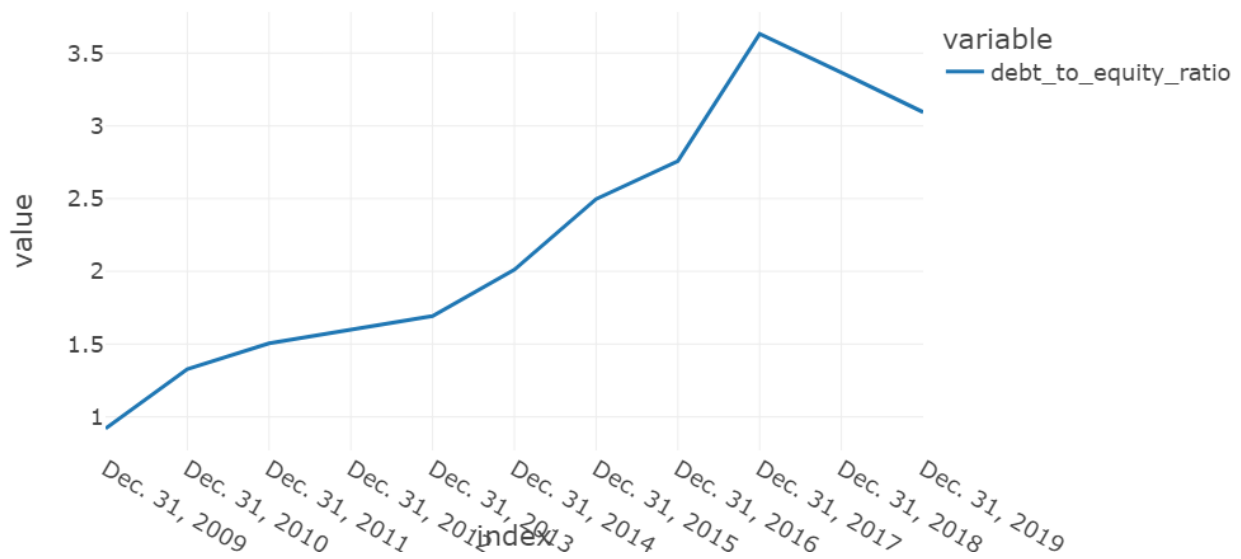
1. **Growth in Total Assets with time:** Let's start by examining the trend in Coca-Cola's total assets over the past ten years. The graph below illustrates the growth trajectory:



Our analysis reveals a steady increase in total assets, indicating consistent growth in the company's asset base. This growth could be attributed to various factors, such as successful business operations, acquisitions, or strategic investments.

2. **Debt-to-Equity Ratio:** Next, let's explore the debt-to-equity ratio, a crucial metric for evaluating a company's financial leverage. A lower ratio generally implies less financial risk. Here's how Coca-Cola's debt-to-equity ratio evolved over the analyzed period:

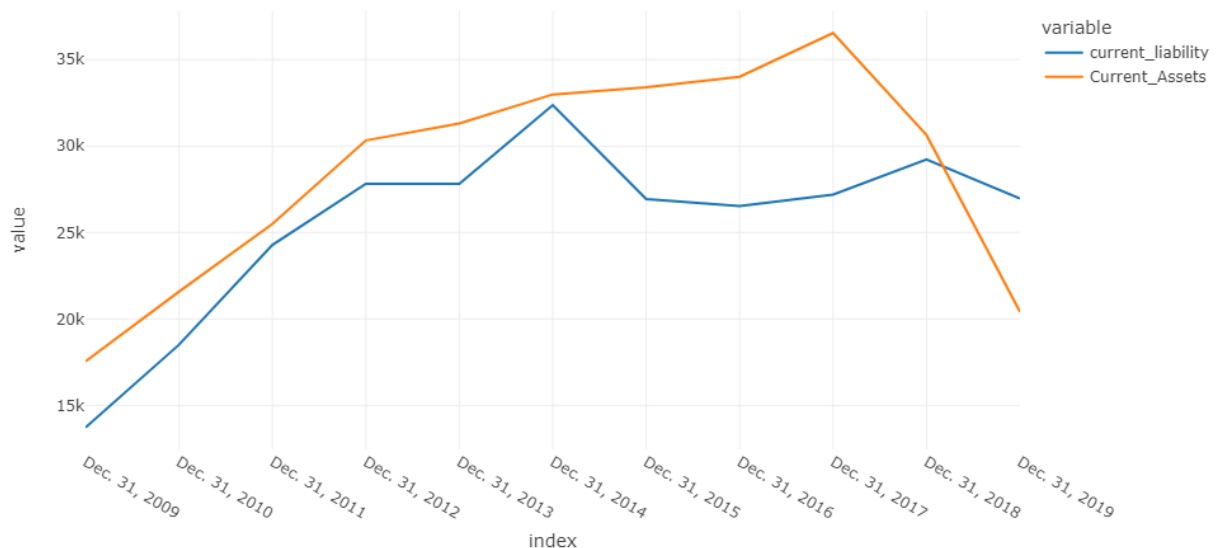
### DEBT-TO-EQUITY RATIO OF THE FIRM (2009 - 2019)



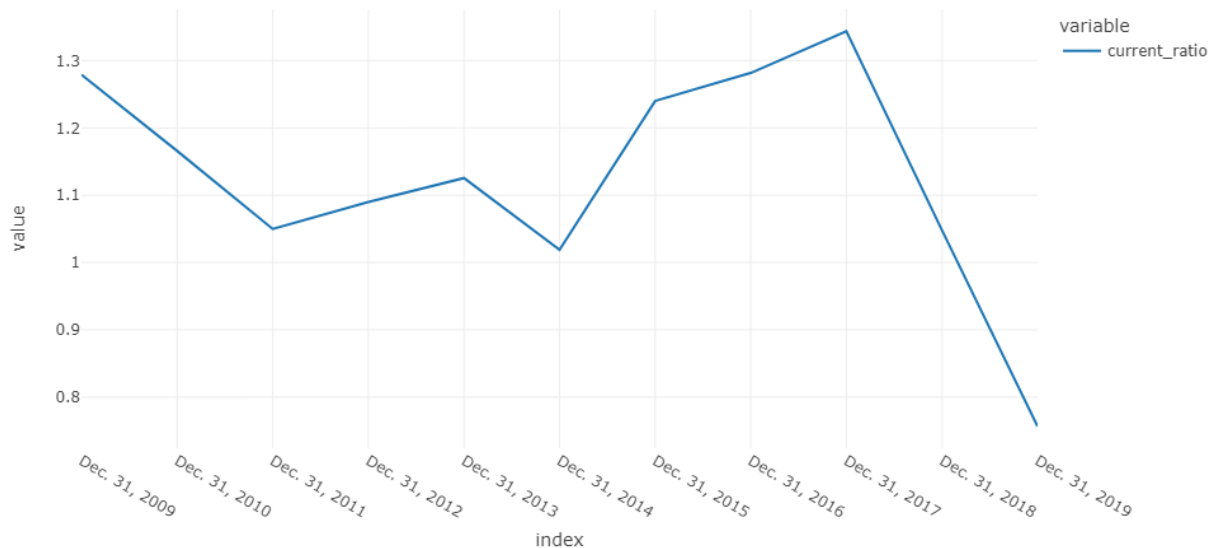
The increasing trend suggests that Coca-Cola has not been effectively managing its debt levels in comparison to equity, potentially endangering its financial stability. Other effects of this could include higher financial leverage, interest expense and lower credit rating.

3. **Liquidity Ratios:** Include an examination of liquidity ratios such as the current ratio and quick ratio to assess Coca-Cola's ability to meet short-term obligations. A graphical representation of these ratios over the years can highlight changes in the company's liquidity position.

### LINE PLOT SHOWING TRENDS OF CURRENT ASSETS AND LIABILITIES OVER THE YEARS (2009-2019)



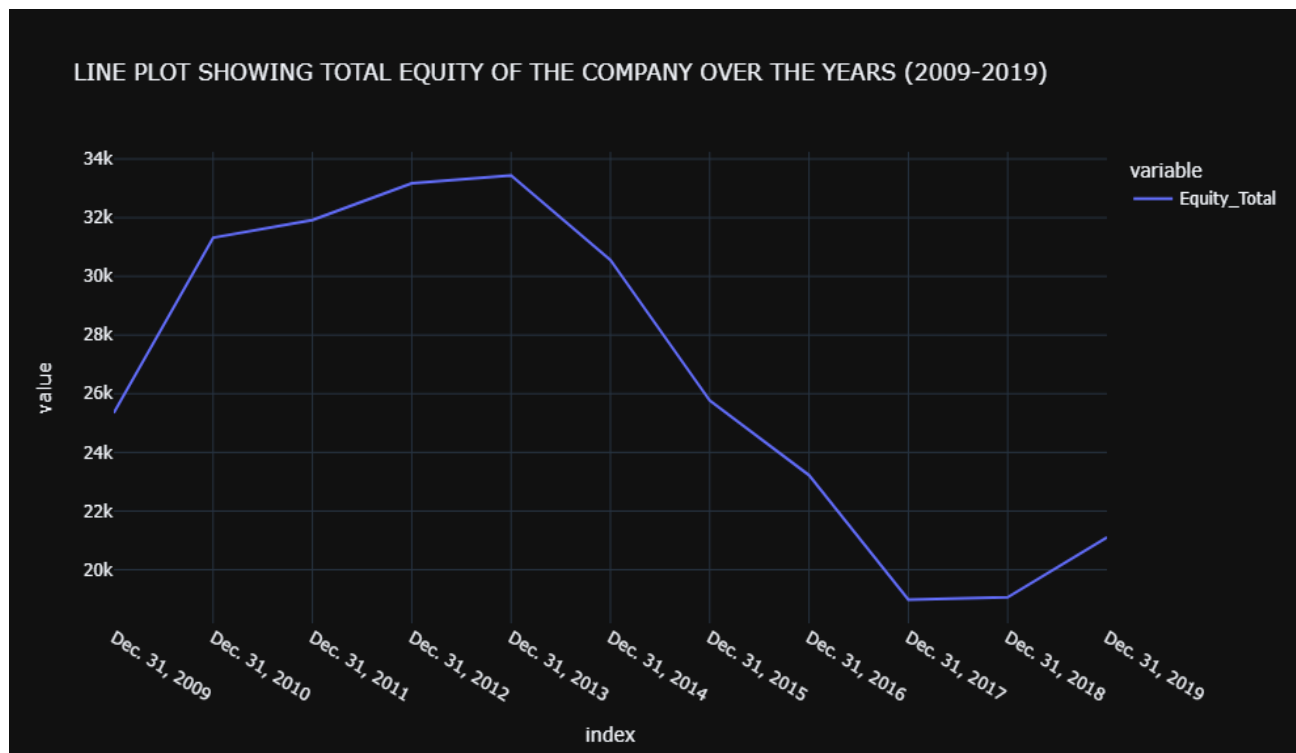
LINE PLOT SHOWING CURRENT RATIO TRENDS FROM 2009-2019



The two plots displayed showed that there was a high current ratio for most of the years which implies the following:

- Healthy Liquidity
- Ability to Meet Short-Term Obligations
- Operational Flexibility

**4. Equity trend with time:** The equity was plotted against time. From the plot, we see that equity values rose from the year 2009 and had its peak value at 2013 and then began to fall till 2017. This was due to investor concerns over the consumer staple sector. A plot of this is seen below:



**Conclusion:** In conclusion, our analysis of Coca-Cola's balance sheets from 2009 to 2019 provides valuable insights into the company's financial journey. The positive trends in total assets, prudent debt management, strong working capital, and stable profitability collectively indicate a robust and resilient financial position.

This data story serves as a snapshot of Coca-Cola's financial landscape, offering stakeholders a nuanced understanding of the company's fiscal health over the past decade.