Divisional income statement analysis

1. Cleaning the data

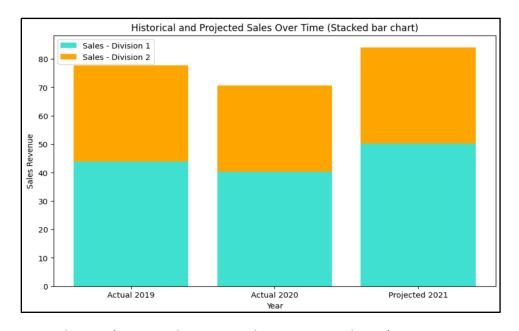
	CODE	Description	Act2019	Act2020	Proj2021		CODE	Description	Act2019	Act2020	Proj2021
1	SALE	Sales Revenue	43.9	40.3	50.2	1	SALE	Sales Revenue	33.9	30.3	33.9
2	cgs	Cost of Goods Sold	17.5	18.0	22.6	2	cgs	Cost of Goods Sold	17.5	18.0	14.3
3	PROF	GROSS PROFIT	26.4	22.3	27.6	3	PROF	GROSS PROFIT	16.4	12.3	19.7
5	SGA	Selling, General, and Admin	2.1	1.8	2.1	5	SGA	Selling, General, and Admin	2.1	1.8	2.1
6	ADV	Advertising	1.3	1.2	1.5	6	ADV	Advertising	1.3	1.2	4.5
7	DEP	Depreciation	2.6	2.5	3.2	7	DEP	Depreciation	2.1	2.0	3.2
8	RENT	Rental Expense	2.2	2.2	2.2	8	RENT	Rental Expense	1.5	1.5	2.2
9	ОТНХ	Other Expense	3.1	3.2	3.4	9	отнх	Other Expense	3.0	3.0	2.0
10	EXP	TOTAL EXPENSES	11.3	10.9	12.4	10	EXP	TOTAL EXPENSES	10.0	9.5	14.0
12	EBT	EARNINGS BEFORE TAXES	15.1	11.4	15.2	12	EBT	EARNINGS BEFORE TAXES	6.4	2.8	5.7

Division A

Division B

The data is now cleaned, the rows and columns with NaN values have been successfully removed leaving only the necessary data for visualization.

A stacked bar chart of historical and projected sales over time that includes both divisions' sales.
The X-axis being the Year.



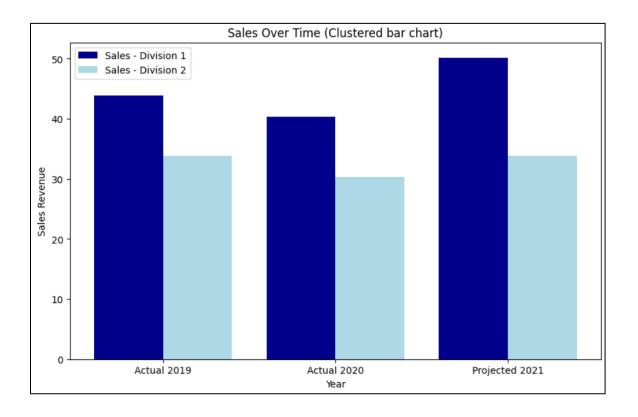
X-axis: Represents the Year (e.g., Actual 2019, Acutal 2020, Projected 2021)

Y-axis: Represents Sales Revenue or Sales Units

Analyzing the chart:

- In 2019, both divisions contributed evenly to overall sales, creating a balanced allocation.
- In 2020, both divisions' sales show a small drop. This could be due to a variety of circumstances, including market conditions, internal obstacles, or foreign economic effects.
- For expected sales (2021) A positive growth trend is foreseen, particularly in Division 2, where projected sales will increase to 45 units. Division 1 sales are expected to revert to the 2019 level.

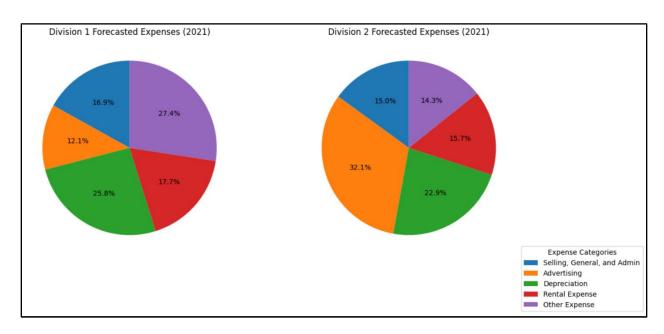
2. A clustered bar chart of sales overtime that includes both divisions' sales. The X-axis being the Year.



Key Insights:

- Both divisions' sales decreased from 2019 to 2020, possibly owing to market conditions or other external causes.
- The forecasted data for 2021 shows a recovery in both divisions, with Division 1 likely to exceed its 2019 sales and Division 2 expected to return to its 2019 level.
- Division 1 consistently outperformed Division 2 in all years.

3. Two separate pie charts, one for each division, showing the different kinds of expenses forecasted for 2021.



- Division 2 allocates a much higher percentage (32.1%) to Advertising than Division 1 (12.1%), reflecting a heavy emphasis on marketing and promotion. This could be a purposeful strategy to raise brand awareness or boost sales growth.
- Division 1 as a high allocation of 27.4% to other expenses, suggesting a broad range of miscellaneous or unforeseen costs.
- Division1 a larger allocation of 25.8% to depreciation, indicating significant investments in assets that depreciate over time.
- Division 2 allocates 15.0% for Selling, General, and Administration, which is a little less than Division 1. This could indicate disparities in organizational structure or administrative efficiency.