

# [Coca-cola financial statements](https://assignbuster.com/coca-cola-financial-statements/)

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Coca-Cola Financial ments al Affiliation: Coca-Cola is the worlds largest beverage company. It boasts of a wide range of brands of still and sparkling soft drinks and bottled water. This paper analyses the financial status of the company using the full year financial statement for the year 2014.   
Coca-Cola Financial Statements   
In the financial year of 2014, Coca-Cola managed to register a gross profit of 28, 109, 000 dollars. After deduction of operational expenses, the company’s net income was 7, 098, 000 dollars. A global growth in volume of 2% and an increase in cash operations to 10. 6 billion dollars were noted in the 2014 financial year. A reduction in total revenue from $ 46854000 to $45998000 was felt. The company also saw a drop in net income from $8584000 in 2013 to $7098000 in 2014. Net income per share also reduced from $1. 94 in 2013 to $1. 62 in 2014. As at the end of 2014, the total liabilities of the company lay at $32374000, the total equity at $30561000 and cash and equivalents at £8958000( The Coca-Cola Company, 2015) .   
Coca Colas total asset worth is $ 92023000. The company’s largest asset is goodwill amounting to $1210000. Coming in as the second largest asset is property, plant and equipment whose net worth is $9052000. Most of the companys expense was on the purchase of investments and settlement of debts with $17800000 and $36962000 being spent on the two respectively. This goes to say that the company has some debts.   
How the financial statements are linked   
• Cash Flow Statement is linked to balance sheet in that it explains the effects of change in cash and cash equivalents balance at the beginning and end of the reporting period with reference to the cash flow impact of variation in the components of balance sheet such as assets, liabilities and equity reserves.   
• Balance Sheet relates directly to the income statement, cash flow and statement of changes in equity.   
Financial notes   
“ Certain growth rates may not recalculate using the rounded dollar amounts provided.” (NASDAQ, 2015). This note implies that the figures are an approximation since they are obtained as a result of rounding off of the actual figures.   
“ For the years ended Dec 31, 2014 and December 31, 2013, basic net income per share was $1. 62 for 2014 and $1. 94 for 2013 based on average shares outstanding — basic of 4, 387 million for 2014 and 4, 434 million for 2013. Basic net income per share and diluted net income per share are calculated based on net income attributable to shareholders of The Coca-Cola Company” (NASDAQ, 2015). This note serves to provide better understanding of the statement as it gives a clear interpretation of the data. By giving a comparison between the years, it is easy to tell the trend of the company.   
References   
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