COCA COLA CO
Form 11-K
June 25, 2009
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 11-K

x	**ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2008

OR

o	**TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File No. 1-2217

THE COCA-COLA COMPANY THRIFT & INVESTMENT PLAN

(Full title of the plan)

(Name of issuer of the securities held pursuant to the plan)

One Coca-Cola Plaza

Atlanta, Georgia 30313

(Address of the plan and address of issuer s principal executive offices)

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THE COCA-COLA COMPANY

THRIFT & INVESTMENT PLAN

Financial Statements and Supplemental Schedule

As of December 31, 2008 and 2007

and for the Year Ended December 31, 2008

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BANKS, FINLEY, WHITE & CO.

CERTIFIED PUBLIC ACCOUNTANTS

To The Coca-Cola Company

Benefits Committee

The Coca-Cola Company

Atlanta, Georgia

Report of Independent Registered Public Accounting Firm

We have audited the accompanying statements of net assets available for benefits of The Coca-Cola Company Thrift & Investment Plan (the Plan) as of December 31, 2008 and 2007, and the related statement of changes in net assets available for benefits for the year then ended December 31, 2008. These financial statements are the responsibility of the Plan s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2008 and 2007, and the changes in net assets available for benefits for the year ended December 31, 2008 in conformity with U.S. generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets held at end of year is presented for purposes of additional analysis and is not a required part of the basic financial statements but is supplemental information required by the Department of Labor s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan s management. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ BANKS, FINLEY, WHITE & CO.

June 25, 2009

College Park, Georgia

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THE COCA-COLA COMPANY THRIFT & INVESTMENT PLAN

Statements of Net Assets Available for Benefits

December 31, 2008 and 2007

		2008		2007
ASSETS				
Investments (Notes 3 and 4)	$	1,337,587,167	$	1,793,776,255
Accrued interest receivable		121,282		88,210
Due from broker for securities sold		250,692		114,948
NET ASSETS AVAILABLE FOR BENEFITS	$	1,337,959,141	$	1,793,979,413

Refer to Notes to Financial Statements.

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THE COCA-COLA COMPANY THRIFT & INVESTMENT PLAN

Statement of Changes in Net Assets Available for Benefits

Year Ended December 31, 2008

Additions to net assets:		
Investment income:		
Dividend income from common stock	$	23,385,871
Interest and dividend income		28,837,694
Total investment income		52,223,565
Contributions:		
Employer		23,664,652
Participants		67,553,032
Rollovers from other qualified plans		2,767,876
Total contributions		93,985,560
Total additions		146,209,125
Deductions from net assets:		
Net depreciation in fair value of investments		494,233,275
Distributions to participants		107,923,305
Administrative expenses		72,817
Total deductions		602,229,397
Net decrease in net assets available for benefits		(456,020,272)
Net assets available for benefits, beginning of year		1,793,979,413
NET ASSETS AVAILABLE FOR BENEFITS, END OF YEAR	$	1,337,959,141

Refer to Notes to Financial Statements.

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THE COCA-COLA COMPANY THRIFT & INVESTMENT PLAN

NOTES TO FINANCIAL STATEMENTS

Note 1 Description of Plan

The following description of The Coca-Cola Company Thrift & Investment Plan (the Plan) provides only general information. Participants should refer to the Summary Plan Description for a more complete description of the Plan s provisions.

General

The Plan was originally adopted effective July 1, 1960 and was restated most recently effective January 1, 1999. The Plan is a defined contribution pension plan covering a majority of the domestic employees of The Coca-Cola Company and its participating subsidiaries (the Company), with the exception of employees represented by bargaining units which have not negotiated coverage and others listed in the Plan document. Eligible employees may begin participating in the Plan upon hire with the Company. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The trustee of the Plan is the Merrill Lynch Trust Company (the Trustee).

Plan Amendments

Effective January 1, 2007, the Plan was amended to allow participants, at any time, to redirect the investment of any or all Company contributions, which are initially invested in common stock of The Coca-Cola Company, into other investment options in the Plan.

Contributions

The election to contribute to the Plan by employees (Participants) is voluntary. Participant contributions are in the form of payroll deductions with the Company currently making a matching contribution equal to 100% of the first 3% of compensation contributed by a Participant each payroll period, subject to certain limitations imposed by the Internal Revenue Code (the Code). All Company contributions are initially invested in the common stock of The Coca-Cola Company.

Participants may contribute to the Plan with Before-Tax dollars and/or After-Tax dollars. Before-Tax contributions are not subject to current federal income taxes but are subject to Federal Insurance Contributions Act (FICA) taxes. Before-Tax and After-Tax contributions are limited in total to 25% of compensation, subject to certain limitations. For 2008, the maximum Before-Tax annual contribution amount under the Code was $15,500.

Participants who are age 50 or older by the end of the year may make additional Catch-Up contributions with Before-Tax dollars provided certain Plan or Internal Revenue Service limits have been met. For 2008, the maximum Catch-Up contribution amount was $5,000.

All contributions are paid to the Trustee and are invested as directed by Participants and the Company. Participants may direct their contributions into a money market fund, common stock of The Coca-Cola Company, collective trust funds and mutual funds with various investment objectives and strategies. Participants are allowed to roll over account balances from a previous employer s tax-qualified retirement plan or Individual Retirement Accounts into the Plan.

Diversification

All Company contributions are initially invested in common stock of The Coca-Cola Company. Participants may redirect these contributions into other investment options.

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Vesting

Participants who were hired before April 1, 2002 are immediately vested in their salary deferral contributions, Company contributions and related earnings. Participants who were hired after March 31, 2002 are immediately vested in their salary deferral contributions and related earnings, while vesting in Company contributions is based on a graduated schedule over a three-year period as follows: 33% after one year of service, 67% after two years of service and 100% after three years of service.

Forfeited Accounts

Forfeited amounts are generally used to reduce employer contributions or pay administrative expenses of the Plan. The forfeited account balances were approximately $951,000 and $742,000 as of December 31, 2008 and 2007, respectively. In 2008, $18,750 was used to pay certain administrative expenses and no forfeited amounts were used to reduce employer contributions.

Valuation of Participant Accounts

Participant account balances are valued based upon the number of shares of each investment credited to Participant accounts. Shares are revalued on a daily basis to reflect earnings and other transactions. Shares of common stock of The Coca-Cola Company are revalued on a daily basis to reflect changes in fair value. Participant accounts are updated on a daily basis to reflect transactions affecting account balances.

Participant Loans

Participants may borrow from their account balances subject to certain limitations. Participant loans may be taken from a combination of Before-Tax, After-Tax, and Rollover account balances. The following applies to Participant loans:

(a) The maximum amount that a Participant may borrow is the lesser of 50% of their account balance or $50,000. The $50,000 maximum is reduced by the Participant s highest outstanding loan balance on any loans during the preceding 12 months.

(b) The minimum loan amount is $1,000.

(c) The loan interest rate is the prime rate as published in *The Wall Street Journal* on the business day prior to the day the loan is requested.

(d) The loan repayment period is limited to five years for a general purpose loan and 15 years for a loan used to purchase or build a principal residence.

Employee Stock Ownership Plan

The portion of the Plan invested in common stock of The Coca-Cola Company is designated as an employee stock ownership plan (ESOP) within the meaning of Code Section 4975(e)(7). Participants invested in common stock of The Coca-Cola Company may elect to receive their entire dividend amount as a cash payment made directly to them rather than have the dividend amount reinvested in their Plan account. The total amount of dividends paid directly to Participants making this election was $1,949,694 during 2008. These dividends are included in Dividend income from common stock and Distributions to participants on the Statement of Changes in Net Assets Available for Benefits.

Payment of Benefits

Upon retirement, termination or disability, Participants may elect to receive payment from the Plan in a lump-sum distribution, installments or in partial payments (a portion paid in a lump sum, and the remainder paid later). Participants may elect in-service distributions from After-Tax account balances, or after attaining age 59½ from all vested account balances. Participants may elect to receive payment of the

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portion of their accounts invested in common stock of The Coca-Cola Company in shares rather than cash (in-kind distributions).

Administration

The Plan is administered by The Coca-Cola Company Benefits Committee (the Committee) which, as administrator, has substantial control of and discretion over the administration of the Plan.

Note 2 Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan are presented on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires Plan management to make estimates that affect certain reported amounts and disclosures. Actual results may differ from those estimates.

Valuation of Investments

Money market funds are stated at cost, which approximates fair value. The investments in common stock of The Coca-Cola Company are stated at fair value based upon quoted prices in active markets at the last reported sales price on the last business day of the Plan year. The investments in collective trust funds are stated at fair value, based on quoted redemption values, also known as net asset values, determined by the investment managers on the last business day of the Plan year. The investments in mutual funds are based on the publicly quoted final net asset values on the last business day of the Plan year. Participant loans are valued based upon remaining unpaid principal balance plus any unpaid accrued interest.

Investment Transactions and Income

Investment transactions are recorded on a trade-date basis. Dividend income is recorded on the ex-dividend date. Interest is recognized on an accrual basis. The net appreciation or depreciation in market value of investments consists of realized gains and losses and changes in unrealized appreciation or depreciation of these investments during the year. Realized gains and losses on investments are determined on the basis of average cost. Unrealized gains or losses on investments are based on changes in the market values or fair values of such investments.

Payment of Benefits

Distributions to participants are recorded when payment is made. In-kind distributions are recorded based on the market value of the shares at the date of distribution.

Administrative expenses

Certain administrative expenses were paid by the Plan, as permitted by the Plan Document. All other administrative expenses were paid by the Company.

Note 3 Investments

Statement of Financial Accounting Standards (SFAS) No. 157, Fair Value Measurements defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. SFAS No. 157 established a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

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- Level 1 Quoted prices in active markets for identical assets or liabilities.
- Level 2 Observable inputs other than quoted prices included in level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

The fair values of investments as of December 31, 2008 are summarized in the table below:

	Level 1	Level 2	Level 3	Total
Common stock	$ 690,472,923	$	$	$ 690,472,923
Mutual funds	384,344,788			384,344,788
Collective trust funds		222,866,499		222,866,499
Participant loans			21,027,464	21,027,464
Money market funds	125,031	18,750,462		18,875,493
Total investments	$ 1,074,942,742	$ 241,616,961	$ 21,027,464	$ 1,337,587,167

The change in the fair value of the Plan s level 3 assets for the year ended December 31, 2008 is set forth in the table below:

	Participant Loans
Balance, beginning of year	$ 20,646,462
Realized gains/(losses)	
Unrealized gains/(losses) relating to assets still held at reporting date	
Purchases, sales, issuances and settlements, net	381,002
Balance, end of year	$ 21,027,464

The fair value of individual investments that represented 5% or more of the Plan s net assets as of December 31, 2008 and 2007 was as follows:

	2008	2007
Common stock of The Coca-Cola Company	$ 690,472,923	$ 970,762,504
Merrill Lynch Retirement Preservation Trust	135,185,232	117,188,220
Barclay s S&P 500 Stock Fund	87,681,267	139,698,780

During the year ended December 31, 2008, the Plan s investments (including investments purchased, sold, as well as held during the year) depreciated in fair value as follows:

Common stock of The Coca-Cola Company	$ 248,891,056
Mutual funds	194,435,630
Collective trust funds	50,906,589

Net depreciation in fair value of investments	$	494,233,275

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Note 4 Transactions with Parties-in-Interest

During the year ended December 31, 2008, the Plan had the following transactions relating to common stock of The Coca-Cola Company:

	Shares	Fair Value	Realized Gain
Purchases	1,523,722	$ 83,136,284	N/A
Sales	1,425,747	78,403,512	$ 24,522,183
In-Kind Distributions	663,839	36,131,297	N/A
Dividends Received	N/A	23,385,871	N/A

The Plan held the following investments in common stock of The Coca-Cola Company:

	Shares	Fair Value
December 31, 2008	15,252,329	$ 690,472,923
December 31, 2007	15,818,193	$ 970,762,504

The Plan s investments in the Cash Management Account and Retirement Preservation Trust are managed by Merrill Lynch Bank & Trust Company, FSB and Merrill Lynch Bank USA, respectively. The Plan s investments in the Government Fund, Small Cap Index Fund, International Index Fund, Basic Value Fund, Value Opportunities Fund, Global Allocation Fund, and Large Cap Core Fund are managed by BlackRock, Inc., an affiliate of the Trustee, and, therefore, the transactions in these funds qualify as party-in-interest.

Note 5 Plan Termination

The Company expects the Plan to be continued indefinitely but reserves the right to terminate the Plan or to discontinue its contributions to the Plan at any time, by written approval from the Committee. In the event of termination, the Committee may either:

(a) continue the trust for as long as it considers advisable, or

(b) terminate the trust, pay all expenses from the trust fund, and direct the payment of Participant account balances, either in the form of lump-sum distributions, installment payments, or any other form selected by the Committee.

Note 6 Risk and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect Participant account balances and the amounts reported in the statement of net assets available for benefits.

Note 7 Income Tax Status

The Plan has received a determination letter from the Internal Revenue Service dated March 25, 2003, stating that the Plan is qualified under Section 401(a) of the Code and, therefore, the related trust is exempt from taxation. The Plan was amended subsequent to receipt of the determination letter. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The Committee and the Company s tax counsel believe the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believe that the Plan, as amended, is qualified and the related trust is tax exempt.

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THE COCA-COLA COMPANY THRIFT & INVESTMENT PLAN

EIN: 58-0628465 PN: 002

Schedule H, line 4i - Schedule of Assets (Held at End of Year)

December 31, 2008

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(e) Current value
	MONEY MARKET FUNDS:		
*	BlackRock, Inc.	Government Fund	$ 18,750,462
*	Merrill Lynch Bank & Trust Company, FSB	Cash Management Account	125,031
	Total Money Market Funds		18,875,493
	COMMON STOCK:		
*	The Coca-Cola Company	Common Stock	690,472,923
	COLLECTIVE TRUST FUNDS:		
	Barclay s Global Investors	S&P 500 Stock Fund	87,681,267
*	Merrill Lynch Bank USA	Retirement Preservation Trust	135,185,232
	Total Collective Trust Funds		222,866,499
	MUTUAL FUNDS:		
	AIM Advisors, Inc.	Capital Development Fund	9,312,803
	AIM Advisors, Inc.	International Growth Fund	10,608,178
	AIM Advisors, Inc.	Large Cap Growth Fund	5,993,332
	Allianz NFJ	Small Cap Value Fund	28,842,915
	American Funds	Growth Fund of America	16,721,836
*	BlackRock, Inc.	Basic Value Fund	20,696,330
*	BlackRock, Inc.	Global Allocation Fund	48,603,042
*	BlackRock, Inc.	International Index Fund	11,626,279
*	BlackRock, Inc.	Large Cap Core Fund	9,556,066
*	BlackRock, Inc.	Small Cap Index Fund	8,535,628

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(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(e) Current value
	MUTUAL FUNDS (CONTINUED):		
*	BlackRock, Inc.	Value Opportunities Fund	11,389,888
	Calvert Asset Management Co., Inc.	Income Fund	21,108,370
	Davis Selected Advisers, L.P.	New York Venture Fund	27,420,983
	DWS Investments	U.S. Bond Index Fund	21,134,391
	Fidelity Investments	Advisor Diversified International Fund	3,236,025
	ING Investments, LLC	International Small Cap Fund	17,096,014
	ING Investments, LLC	International Value Fund	19,478,022
	Neuberger Berman Core Bond Fund	Core Bond Fund	5,124,107
	Oppenheimer Funds	Equity Fund	8,246,097
	Pacific Investment Mgt. Co. (PIMCO)	Total Return Fund	42,554,578
	Pioneer Investment Management, Inc.	Pioneer Fund	7,455,046
	RS Investments	RS Partners Fund	2,986,359
	Sentinel	Small Company Fund	1,528,181
	Thornburg Investment Management, Inc.	International Value Fund	25,090,318
	Total Mutual Funds		384,344,788
	PARTICIPANT LOANS:		
*	Participants	Loans with interest rates ranging from 3.25% to 10.5%. Maturities through 2023.	21,027,464
	TOTAL ASSETS (HELD AT END OF YEAR)		$ 1,337,587,167

* Party-in-interest

Note: Column (d) cost is not required for participant-directed investments.

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SIGNATURE

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, The Coca-Cola Company Benefits Committee has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

THE COCA-COLA COMPANY THRIFT & INVESTMENT PLAN
(Name of Plan)

Date: June 25, 2009

/s/ Susan M. Fleming
Susan M. Fleming
Chairperson, The Coca-Cola Company Benefits Committee

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EXHIBIT INDEX

Exhibit No.	Description
23	Consent of Independent Registered Public Accounting Firm