



Focus on Financial Statements Online

Required

Refer to WestJet's cash flow statement on page I-14 in Appendix I at the end of the textbook and answer the following questions.

1. Identify WestJet's largest cash outflow during 2002.
2. What was the largest cash inflow during 2002?
3. Under the operating section of the cash flow statement, WestJet shows a *decrease in non-cash working capital* of \$38,866 (thousand). What is *non-cash working capital*?
4. Compare the *Cash, end of year* for 2002 as it appears on the cash flow statement to the *Cash and cash equivalents* balance that appears on the December 31, 2002, balance sheet. Are these amounts the same or different?

FFS 19-2



Loblaw Companies Limited, with its head office in Toronto, Ontario, is Canada's largest food distributor with stores across Canada. Information from its cash flow statement for the 52 weeks ended December 28, 2002, follow.

FFS 19-3



(\$ millions)	2002	2001
Cash flows from operating activities*	\$ 981	\$ 818
Cash flows used in investing activities	(978)	(1,281)
Cash flows from financing activities	245	352
Cash and cash equivalents, beginning of period	?	686

*This section of Loblaw's cash flow statement begins with *Net earnings* and includes an *addition for amortization*.

Required

Answer the following questions.

1. Does the operating activities section of Loblaw's cash flow statement reflect the *direct* or *indirect method*? Briefly explain your answer.
2. Calculate the change in cash and cash equivalents for both 2001 and 2002.
3. Calculate the cash and cash equivalents at December 28, 2001.
4. Determine the cash and cash equivalents at the beginning of 2002.
5. Calculate the cash and cash equivalents at December 28, 2002.