

CONSOLIDATED STATEMENTS OF CASH FLOWS

15 months ended September 30, 2002 and 13 months ended June 30, 2001

	15 months ended September 30 2002 \$'000	13 months ended June 30 2001 \$'000
OPERATING ACTIVITIES		
Net (loss)/income after cumulative change in accounting principle	(44,946)	17,075
Adjustments to reconcile net (loss)/income to net cash generated by/ (used in) operating activities:		
Cumulative effect of change in accounting principle	15,062	–
Amortisation of programme rights	90,454	41,180
Amortisation of goodwill	–	271
Depreciation	3,019	1,797
Contributed income and other non-cash items	–	(2,068)
Equity in (income) of affiliates	(1,190)	(1,492)
Minority interest	950	498
Deferred tax	(5,787)	(4,368)
Changes in operating assets and liabilities:		
Accounts receivable	12,475	(20,670)
Accounts receivable from related parties	6,087	4,417
Interest receivable from related party	(2,737)	2,933
Programme rights	(58,293)	(66,002)
Prepays and other current assets	(5,027)	(977)
Accounts payable	(587)	4,390
Accrued liabilities	8,473	17,300
Amounts due to related parties	(453)	4,186
Interest payable to related parties	2,672	(2,875)
Net cash generated by/(used in) operating activities	20,172	(4,405)
INVESTING ACTIVITIES		
Repayments from/(investments in) equity affiliates	130	(110)
Purchase of business	–	(450)
Purchases of property and equipment	(1,666)	(3,947)
Net cash used in investing activities	(1,536)	(4,507)
NET CHANGE IN CASH AND CASH EQUIVALENTS FROM OPERATING, INVESTING AND FINANCING ACTIVITIES	18,636	(8,912)
NET DECREASE IN CASH DUE FROM FOREIGN CURRENCY FLUCTUATIONS	–	(32)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS CASH AND CASH EQUIVALENTS, BEGINNING OF FISCAL PERIOD	18,636	(8,944)
	42,564	51,508
CASH AND CASH EQUIVALENTS, END OF FISCAL PERIOD	61,200	42,564
SUPPLEMENTAL CASH FLOW INFORMATION		
CASH PAID FOR TAXES	656	10
CASH PAID FOR INTEREST	10,599	14,522

The accompanying notes are an integral part of these consolidated statements of cash flows.

SIGNIFICANT NON-CASH TRANSACTIONS

On November 30, 2000, a subsidiary of the Company acquired the business and assets relating to the Fox Kids day part of the TV10 Channel for non-cash consideration (see Note 3).

The Company implemented SOP 00-2 as at July 1, 2001 and has recorded a non-cash charge of \$15.1m accordingly, being the cumulative effect of the change in accounting principle. During the period the Company recorded a non cash impairment charge of \$26.1m against the value of the Fox Kids library.

The Company has recorded revenues and costs of \$2.5m in relation to non-cash barter transactions during the 15 months to September 30, 2002.