

# CONSOLIDATED STATEMENTS OF CASH FLOWS

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

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