

**STATE OF DELAWARE**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2002**  
(Expressed in Thousands)

	<b>Business-Type Activities- Enterprise Funds</b>			
	<b>Unemployment</b>	<b>Lottery</b>	<b>DELDOT</b>	<b>Total</b>
<b>Cash Flows from Operating Activities</b>				
Receipts from employers	\$ 54,933			\$ 54,933
Payments for insurance claims	(105,740)		\$ (1,459)	(107,199)
Receipts from customers and users		\$ 671,435		671,435
Other operating receipts		30	312,966	312,996
Payments to suppliers for goods and services		(42,189)	(408,230)	(450,419)
Payments to employees for services		(1,559)		(1,559)
Payments for prizes		(60,465)		(60,465)
Payment for commissions		(275,930)		(275,930)
Other receipts (payments)			986	986
Net Cash Provided (Used) by Operating Activities	<u>(50,807)</u>	<u>291,322</u>	<u>(95,737)</u>	<u>144,778</u>
<b>Cash Flows from Noncapital Financing Activities</b>				
Federal grants and other contributions	26,415		3,422	29,837
Transfers in			29,990	29,990
Transfers out		(294,956)	(1,674)	(296,630)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>26,415</u>	<u>(294,956)</u>	<u>31,738</u>	<u>(236,803)</u>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Proceeds from capital debt			88,878	88,878
Capital grants			108,611	108,611
Purchases of capital assets		(15)	(51,013)	(51,028)
Principal paid on capital debt			(39,565)	(39,565)
Interest paid on capital debt			(32,890)	(32,890)
Loan to Diamond State Port Corporation			(27,500)	(27,500)
Other receipts (payments)			279	279
Net Cash Provided (Used) by Capital and Related Financing Activities		<u>(15)</u>	<u>46,800</u>	<u>46,785</u>
<b>Cash Flows from Investing Activities</b>				
Interest and investment revenues	20,209		5,682	25,891
Purchase of Investments			(37,184)	(37,184)
Proceeds from sales and maturities of investments		2,743	26,656	29,399
Net Cash Provided (Used) by Investing Activities	<u>20,209</u>	<u>2,743</u>	<u>(4,846)</u>	<u>18,106</u>
<b>Net Increases (Decrease) in Cash/Cash Equivalents</b>	<u>(4,183)</u>	<u>(906)</u>	<u>(22,045)</u>	<u>(27,134)</u>
<b>Cash/Cash Equivalents - Beginning of Year</b>	<u>323,632</u>	<u>2,885</u>	<u>34,336</u>	<u>360,853</u>
<b>Cash/Cash Equivalents - End of Year</b>	<u>\$ 319,449</u>	<u>\$ 1,979</u>	<u>\$ 12,291</u>	<u>\$ 333,719</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Used by Operating Activities</b>				
Operating Income (Loss)	\$ (55,967)	\$ 293,965	\$ (103,355)	\$ 134,643
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation expense		191	14,046	14,237
Decrease (increase) in assets:				
Decrease (increase) in receivables, net	(5,639)	(2,585)	1,483	(6,741)
Decrease (increase) in inventories			(1,659)	(1,659)
Decrease (increase) in prepaid items		(72)	(472)	(544)
Increase (decrease) in liabilities:				
Increase (decrease) in accounts and other payables	11,185	1,134		12,319
Increase (decrease) in accrued liabilities	(103)	(27)	(11,776)	(11,906)
Increase (decrease) in accrued expenses		(1,284)	6,568	5,284
Increase (decrease) in accrued payroll and related expenses			(572)	(572)
Increase (decrease) in due to/from other governments	(283)			(283)
Net Cash Provided (Used) by Operating Activities	<u>\$ (50,807)</u>	<u>\$ 291,322</u>	<u>\$ (95,737)</u>	<u>\$ 144,778</u>

See Accompanying Notes to the Financial Statements