

STATE OF DELAWARE
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2003
(Expressed in thousands)

	Business-Type Activities- Enterprise Funds			
	<u>Unemployment</u>	<u>Lottery</u>	<u>DELDOT</u>	<u>Total</u>
Cash Flows from Operating Activities				
Receipts from employers	\$ 51,928			\$ 51,928
Payments for insurance claims	(123,270)		\$ (2,710)	(125,980)
Receipts from customers and users		\$ 627,293		627,293
Other operating receipts			315,058	315,058
Payments to suppliers for goods and services		(38,227)	(405,061)	(443,288)
Payments to employees for services		(1,453)		(1,453)
Payments for prizes		(51,565)		(51,565)
Payment for commissions		(260,955)		(260,955)
Other receipts			2,524	2,524
Net Cash Provided (Used) by Operating Activities	<u>(71,342)</u>	<u>275,093</u>	<u>(90,189)</u>	<u>113,562</u>
Cash Flows from Noncapital Financing Activities				
Federal grants and other contributions			3,883	3,883
Transfers in			28,517	28,517
Transfers out		(275,189)	(1,247)	(276,436)
Net Cash Provided (Used) by Noncapital Financing Activities		<u>(275,189)</u>	<u>31,153</u>	<u>(244,036)</u>
Cash Flows from Capital and Related Financing Activities				
Proceeds from capital debt			259,402	259,402
Capital grants			116,560	116,560
Purchases of capital assets			(53,463)	(53,463)
Principal paid on capital debt			(41,490)	(41,490)
Interest paid on capital debt			(45,007)	(45,007)
Other receipts			427	427
Net Cash Provided by Capital and Related Financing Activities			<u>236,429</u>	<u>236,429</u>
Cash Flows from Investing Activities				
Interest and investment revenues	17,916		5,537	23,453
Purchase of Investments			(190,016)	(190,016)
Proceeds from sales and maturities of investments		2,730	7,577	10,307
Net Cash Provided (Used) by Investing Activities	<u>17,916</u>	<u>2,730</u>	<u>(176,902)</u>	<u>(156,256)</u>
Net Increases (Decrease) in Cash/Cash Equivalents	(53,426)	2,634	491	(50,301)
Cash/Cash Equivalents - Beginning of Year	319,449	1,979	12,291	333,719
Cash/Cash Equivalents - End of Year	<u>\$ 266,023</u>	<u>\$ 4,613</u>	<u>\$ 12,782</u>	<u>\$ 283,418</u>
Reconciliation of Operating Income (Loss) to Net Cash Used by Operating Activities				
Operating Income (Loss)	\$ (71,745)	\$ 274,224	\$ (146,064)	\$ 56,415
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation expense		181	16,412	16,593
Loss on Disposal of Equipment		98		98
Decrease (increase) in assets:				
Decrease (increase) in receivables, net	(2,317)	(771)	(890)	(3,978)
Decrease (increase) in inventories			815	815
Decrease (increase) in prepaid items		(159)	556	397
Increase (decrease) in liabilities				
Increase (decrease) in accounts and other payables	1,927	388	28,150	30,465
Increase (decrease) in accrued liabilities	499	(56)	4,762	5,205
Increase (decrease) in accrued expenses		1,188	4,966	6,154
Increase (decrease) in accrued payroll and related expenses			1,104	1,104
Increase (decrease) in due to/from other governments	294			294
Net Cash Provided (Used) by Operating Activities	<u>\$ (71,342)</u>	<u>\$ 275,093</u>	<u>\$ (90,189)</u>	<u>\$ 113,562</u>

See Accompanying Notes to the Financial Statements