

# THE CHINA FUND

## CASH FLOW STATEMENT YEAR ENDED 31 MARCH 2003

	<i>Notes</i>	<b>2003</b> <i>US\$</i>	<b>2002</b> <i>US\$</i>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net (loss)/income for the year		(725,341)	1,237,607
Adjustments for:			
Bank interest income		(8,958)	(32,058)
Dividend income		(655,140)	(821,422)
Equalization on repurchase and issue of shares		26,625	34,540
		<hr/>	<hr/>
Operating (loss)/profit before working capital changes		(1,362,814)	418,667
Decrease/(increase) in listed investments		3,151,972	(98,754)
(Increase)/decrease in amounts due from brokers		(423,149)	381,945
Increase/(decrease) in accounts payable and accrued liabilities		2,454	(25,463)
Increase/(decrease) in amounts due to brokers		168,990	(593,457)
		<hr/>	<hr/>
Cash generated from operating activities		1,537,453	82,938
Interest received		8,958	32,058
Dividends received		707,867	773,848
		<hr/>	<hr/>
Net cash flows from operating activities		2,254,278	888,844
		<hr/>	<hr/>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividend paid		(404,251)	(296,552)
Repurchase of shares		(1,907,459)	(2,280,995)
Proceeds from issue of shares		355,181	1,606,958
		<hr/>	<hr/>
Net cash flows used in financing activities		(1,956,529)	(970,589)
		<hr/>	<hr/>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
		297,749	(81,745)
Cash and cash equivalents at beginning of year	5	978,429	1,060,174
		<hr/>	<hr/>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	5	<u>1,276,178</u>	<u>978,429</u>