

## **Important notice regarding the attached report**

**Please read the terms and conditions set out below. It is on the basis that you have read, understood and agreed to abide by these terms and conditions that the report is made available to you.**

The Australian Competition and Consumer Commission (ACCC) has asked PricewaterhouseCoopers (PwC) to permit the ACCC to disclose the attached report to the public. PwC has agreed that the ACCC may make the report available to the public on the basis set out below

### **Caution: incomplete report**

With the consent of the ACCC, FOXTEL has instructed PwC to obscure certain information from PwC's report because the information is confidential to FOXTEL. PwC's report is intended to be read in its entirety and, without the obscured information, the report does not represent PwC's opinion or the findings of PwC's work. While PwC has no responsibility to readers of the report other than FOXTEL (see below), PwC believes that anyone reading the report for information should seek access to a complete copy of the report. PwC has been told that this will be made available if FOXTEL is given an appropriate confidentiality undertaking in relation to the information which has been obscured.

### **Terms and conditions**

By reading the PwC report you acknowledge and agree to the following terms and conditions on which a copy of the report is made available to you:

- (a) in performing its work for FOXTEL (including, where applicable, carrying out the procedures agreed with FOXTEL) and preparing its report, PwC acted solely for FOXTEL and owed no duty or responsibility to any other party
- (b) PwC should not be taken to have assumed any duty of care or responsibility to any party because that party is shown or given a copy of the PwC's report
- (c) where a report relates to agreed upon procedures, the sufficiency of the procedures performed is solely the responsibility of FOXTEL and PwC makes no representation to FOXTEL, the ACCC or any other person regarding their sufficiency for the purpose of its engagement by FOXTEL or for any other purpose
- (d) neither the ACCC nor any other party to whom PwC's report may be shown or given is entitled to rely on the report for any purpose or to claim to have done so. However, this does not prevent the ACCC or you from considering and commenting on PwC's reports in connection with any assessment of FOXTEL's special access undertaking
- (e) subject to paragraph (d), PwC's report may not be copied for any purpose or disclosed to any other party
- (f) you agree not to bring any action, claim, suit, demand, claim or any other proceedings whatsoever against PwC arising directly or indirectly out of or in connection with the report being made available to you.

Independent Audit Report on the schedule of gross capital purchase costs of  
Satellite Set Top Units (STU's)

To FOXTEL Management Pty Limited (as Manager of the FOXTEL  
Partnership)

Scope

We have audited the attached 'schedule of gross capital purchase costs of  
Satellite STU's' extracted from the books and records of the FOXTEL Partnership (FOXTEL) for  
the period 1 July 1999 to 30 June 2004('the Schedule'). FOXTEL management is responsible for  
the preparation of the Schedule. We have conducted an independent audit of the Schedule in order  
to express an opinion on the gross capital purchase costs of Satellite STU's for the period 1 July  
1999 to 30 June 2004.

We understand that the Schedule will form part of FOXTEL's legal submission to the ACCC to  
support FOXTEL's special access undertaking relating to its digital access regime. We disclaim  
any assumption of responsibility for any reliance on this report or on the Schedule to which it  
relates to any person other than the management of FOXTEL, or for any purpose other than that for  
which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures  
included examination, on a test basis, of evidence supporting the costs summarised on the  
Schedule. These procedures have been undertaken to form an opinion whether, in all material  
respects, the Schedule is presented fairly in accordance with the books and records of the company  
and on the accruals basis of accounting.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion, the gross capital purchase costs of Satellite Set Top Units of [REDACTED]<sup>1</sup>  
included on the attached Schedule, presents fairly, in all material respects, the gross capital  
purchase costs of Satellite Set Top Units of FOXTEL for the period 1 July 1999 to 30 June 2004,  
and has been prepared in accordance with the books and records of FOXTEL, and on the accruals  
basis of accounting.



PricewaterhouseCoopers



DN Ridehalgh  
Partner

Sydney  
13 July 2005

<sup>1</sup> Obscured by FOXTEL – Please refer to notice accompanying for further information. Please contact ACCC for conditions  
on which full copy of the report is available.



## Schedule of Satellite STU Gross Purchase Costs

Marked for the purpose  
 of identification only  
 PRICEWATERHOUSECOOPERS  
 ST/1000

	99/00	01/02	02/03	03/04	TOTAL
Satellite STU Purchase Costs					

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**NOTES**  
 \* Satellite service commenced in July 98