

BRASIL TELECOM SA
Form 6-K
March 25, 2003

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

**REPORT OF FOREIGN ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF THE
SECURITIES EXCHANGE ACT OF 1934**

THROUGH MARCH 21, 2003

(Commission File No. 1-15256)

BRASIL TELECOM S.A.
(Exact name of Registrant as specified in its Charter)

BRAZIL TELECOM COMPANY
(Translation of Registrant's name into English)

**SIA Sul, Área de Serviços Públicos, Lote D, Bloco B
Brasília, D.F., 71.215-000
Federative Republic of Brazil**
(Address of Registrant's principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): .

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): .

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):

PUBLIC FEDERAL SERVICE
CVM - Comissão de Valores Mobiliários (Brazilian Exchange Commission)
Standard Financial Statements
Commercial, Industrial and Other Companies

Corporate Law
12/31/2002

01131-2 BRASIL TELECOM S.A.

76.535.764/0001-43

02.01 - FINANCIAL STATEMENTS - ASSETS

Account Number	Description	12/31/2002	12/31/2001	12/31/2000
1	Total Assets	15,219,953	14,052,227	12,493,482
1.01	Current Assets	3,422,330	2,074,976	2,423,688
1.01.01	Cash and cash equivalents	1,377,432	331,258	801,642
1.01.02	Credits	1,548,634	1,230,937	1,198,214
1.01.02.01	Trade accounts receivable	1,548,634	1,230,937	1,198,214
1.01.03	Inventories	23,309	8,351	10,994
1.01.04	Other	472,955	504,430	412,838
1.01.04.01	Loans and financing	1,525	622	1,166
1.01.04.02	Deferred and recoverable taxes	313,041	310,022	225,629
1.01.04.03	Judicial deposits	724	58,663	76,846
1.01.04.04	Other Assets	157,665	135,123	109,197
1.02	Noncurrent Assets	1,170,201	992,317	487,042
1.02.01	Other Credits	0	0	0
1.02.02	Related Party Credits	65,654	33,367	0
1.02.02.01	Associated companies	1,809	30,000	0
1.02.02.02	Subsidiaries	63,845	3,367	0
1.02.02.03	Other Related Party Credits	0	0	0
1.02.03	Other	1,104,547	958,950	487,042
1.02.03.01	Loans and financing	6,554	5,169	1,314
1.02.03.02	Deferred and recoverable taxes	657,725	665,797	387,363
1.02.03.03	Judicial deposits	331,364	198,050	95,558
1.02.03.04	Inventories	39,862	50,576	0
1.02.03.05	Other Assets	69,042	39,358	2,807
1.03	Permanent Assets	10,627,422	10,984,934	9,582,752
1.03.01	Investments	129,059	87,226	86,322
1.03.01.01	Associated companies	36,018	3,870	0
1.03.01.02	Subsidiaries	26,840	18,341	0
1.03.01.03	Other Investments	66,201	65,015	86,322
1.03.02	Property, plant and equipment	9,846,140	10,333,900	8,846,980
1.03.03	Deferred charges	652,223	563,808	649,450

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02.01 - FINANCIAL STATEMENTS - LIABILITIES

Account Number	Description	12/31/2002	12/31/2001	12/31/2000
2	Total Liabilities and Shareholders Equity	15,219,953	14,052,227	12,493,482
2.01	Current Liabilities	2,628,346	2,669,851	2,942,018
2.01.01	Loans and financing	553,431	431,786	1,253,861
2.01.02	Debentures	129,845	98,875	0
2.01.03	Suppliers	927,418	1,207,410	800,537
2.01.04	Taxes, duties and contributions	363,199	275,697	236,499
2.01.04.01	Indirect taxes	348,520	271,681	232,682
2.01.04.02	Tax on Income	14,679	4,016	3,817
2.01.05	Dividends Payable	310,297	230,483	236,591
2.01.06	Provisions	95,376	105,071	96,610
2.01.06.01	Provision for contingencies	3,232	63,403	96,610
2.01.06.02	Provision for pension plan	92,144	41,668	0
2.01.07	Related Party debts	0	0	0
2.01.08	Others	248,780	320,529	317,920
2.01.08.01	Payroll and related charges	43,808	91,459	65,601
2.01.08.02	Consignments in favor of third parties	78,609	83,809	121,431
2.01.08.03	Profit-sharing	39,060	50,101	35,181
2.01.08.04	Other Liabilities	87,303	95,160	95,707
2.02	Noncurrent Liabilities	5,617,040	4,507,072	2,393,388
2.02.01	Loans and financing	2,198,532	2,204,489	1,959,207
2.02.02	Debentures	2,200,000	1,300,000	0
2.02.03	Provisions	795,688	764,151	304,184
2.02.03.01	Provision for contingencies	385,992	315,075	294,264
2.02.03.02	Provision for pension plan	409,696	449,076	9,920
2.02.04	Related Party debts	0	0	0
2.02.05	Others	422,820	238,432	129,997
2.02.05.01	Payroll and related charges	11,439	0	0
2.02.05.02	Suppliers	4,123	0	0
2.02.05.03	Indirect taxes	344,452	182,815	75,932
2.02.05.04	Tax on Income	26,918	21,027	10,824
2.02.05.05	Other Liabilities	27,729	26,431	16,998
2.02.05.06	Fund for Capitalization	8,159	8,159	26,243
2.03	Deferred income	11,032	10,991	10,396
2.05	Shareholders Equity	6,963,535	6,864,313	7,147,680
2.05.01	Capital	3,335,770	3,296,179	3,290,815
2.05.02	Capital Reserves	1,591,454	1,647,290	1,657,182
2.05.03	Revaluation reserves	0	0	0
2.05.03.01	Company Assets	0	0	0
2.05.03.02	Subsidiaries/ Associated companies	0	0	0

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2.05.04	Profit Reserves	273,244	251,238	237,176
2.05.04.01	Legal	273,244	251,238	237,176
2.05.04.02	Statutory	0	0	0
2.05.04.03	Contingency	0	0	0
2.05.04.04	Realizable profits reserve	0	0	0
2.05.04.05	Profit Retention	0	0	0
2.05.04.06	Special reserve for undistributed dividends	0	0	0
2.05.04.07	Other Profit Reserves	0	0	0
2.05.05	Retained earnings	1,763,067	1,669,606	1,962,507

PUBLIC FEDERAL SERVICE**CVM - Comissão de Valores Mobiliários (Brazilian Exchange Commission)****Standard Financial Statements****Commercial, Industrial and Other Companies****Corporate Law****12/31/2002****01131-2 BRASIL TELECOM S.A.****76.535.764/0001-43****02.01 - FINANCIAL STATEMENTS - INCOME STATEMENT**

Account Number	Description	01/01/2002 a 12/31/2002	01/01/2001 a 12/31/2001	01/01/2000 a 12/31/2000
3.01	Gross Revenue	9,858,833	8,458,496	5,113,539
3.02	Revenue deductions	(2,759,951)	(2,300,088)	(1,303,836)
3.03	Net Revenue	7,098,882	6,158,408	3,809,703
3.04	Cost of services rendered	(4,395,146)	(3,989,177)	(2,463,050)
3.05	Gross Profit	2,703,736	2,169,231	1,346,653
3.06	Operating Income (Expenses)	(2,295,980)	(1,832,712)	(981,640)
3.06.01	Selling expenses	(835,355)	(722,556)	(318,221)
3.06.02	General and administrative expenses	(632,443)	(585,329)	(371,719)
3.06.02.01	Management remuneration	(5,612)	(4,384)	(1,890)
3.06.02.02	Other General and administrative expenses	(626,831)	(580,945)	(369,829)
3.06.03	Financial	(945,286)	(468,057)	(224,369)
3.06.03.01	Financial Income	199,508	178,120	138,475
3.06.03.02	Financial Expenses	(1,144,794)	(646,177)	(362,844)
3.06.04	Other operating income	257,079	248,976	155,107
3.06.05	Other operating expenses	(138,474)	(305,746)	(201,584)
3.06.06	Equity in subsidiaries	(1,501)	0	(20,854)
3.07	Operating Income	407,756	336,519	365,013
3.08	Nonoperating Income	(138,710)	(141,736)	34,364
3.08.01	Revenues	44,978	219,965	95,561
3.08.01.01	Gain on the acquisition of tax credits -REFIS	0	0	41,136
3.08.01.02	Other Revenues	44,978	219,965	54,425
3.08.02	Expenses	(183,688)	(361,701)	(61,197)
3.08.02.01	PIS/COFINS on REFIS gain	0	0	(1,501)
3.08.02.02	IRPJ/CSLL on REFIS gain	0	0	(13,476)
3.08.02.03	Other Expenses	(183,688)	(361,701)	(46,220)
3.09	Income before Taxes/Profit Sharing	269,046	194,783	399,377
3.10	Income and social contribution taxes	(112,192)	(94,407)	(129,162)
3.11	Deferred Income Tax	0	0	0
3.12	Statutory participations/contributions	(41,387)	(50,833)	(22,780)
3.12.01	Participations	(41,387)	(50,833)	(22,780)
3.12.02	Contributions	0	0	0
3.13	Reversal of interest on capital	324,650	231,700	203,307
3.15	Net Income for the year	440,117	281,243	450,742

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02.01 - FINANCIAL STATEMENTS - STATEMENTS OF CHANGES IN SHAREHOLDERS EQUITY

Statements of Changes in Shareholders Equity
01/01/2002 to 12/31/2002

<u>Account Number</u>	<u>Description</u>	<u>Capital</u>	<u>Capital Reserves</u>	<u>Revaluation Reserves</u>	<u>Profit Reserves</u>	<u>Retained earnings</u>	<u>Total of Shareholders Equity</u>
5.01	Initial Balance	3,296,179	1,647,290	0	251,238	1,669,606	6,864,313
5.02	Prior-year adjustment	0	0	0	0	0	0
5.03	Capital increase/decrease	39,591	(39,591)	0	0	0	0
5.04	Realization of reserves	0	0	0	0	0	0
5.05	Treasury Stock	0	(21,852)	0	0	0	(21,852)
5.06	Net Income for the year	0	0	0	0	440,117	440,117
5.07	Allocations	0	0	0	22,006	(346,656)	(324,650)
5.07.01	Transfers to reserves	0	0	0	22,006	(22,006)	0
5.07.02	Proposed dividends/Interest on Capital	0	0	0	0	(324,650)	(324,650)
5.08	Others	0	5,607	0	0	0	5,607
5.08.01	Donations and Subsidies for Investments	0	554	0	0	0	554
5.08.02	Adjustment of social contribution tax additiona	0	5,053	0	0	0	5,053
5.09	Final Balance	3,335,770	1,591,454	0	273,244	1,763,067	6,963,535

Statements of Changes in Shareholders Equity
01/01/2001 to 12/31/2001

<u>Account Number</u>	<u>Description</u>	<u>Capital</u>	<u>Capital Reserves</u>	<u>Revaluation Reserves</u>	<u>Profit Reserves</u>	<u>Retained earnings</u>	<u>Total of Shareholders Equity</u>
5.01	Initial Balance	3,290,815	1,657,182	0	237,176	1,962,507	7,147,680
5.02	Prior-year adjustment	0	0	0	0	(328,382)	(328,382)
5.03	Capital increase/decrease	5,364	(5,364)	0	0	0	0
5.04	Realization of reserves	0	0	0	0	0	0
5.05	Treasury Stock	0	0	0	0	0	0
5.06	Net Income for the year	0	0	0	0	281,243	281,243
5.07	Allocations	0	0	0	14,062	(245,762)	(231,700)
5.07.01	Transfers to reserves	0	0	0	14,062	(14,062)	0
5.07.02	Proposed dividends/Interest	0	0	0	0	(231,700)	(231,700)

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	on Capital						
5.08	Others	0	(4,528)	0	0	0	(4,528)
5.08.01	Donations and Subsidies for Investments	0	15	0	0	0	15
5.08.02	Tax Incentives - FINAM	0	510	0	0	0	510
5.08.03	Adjustment of social contribution tax additiona	0	(5,053)	0	0	0	(5,053)
5.08.04	Reduction in treasury stock	0	0	0	0	0	0
5.09	Final Balance	3,296,179	1,647,290	0	251,238	1,669,606	6,864,313

Statements of Changes in Shareholders' Equity
01/01/2000 to 12/31/2000

Account Number	Description	Capital	Capital Reserves	Revaluation Reserves	Profit Reserves	Retained earnings	Total of Shareholders' Equity
5.01	Initial Balance	1,064,326	221,330	0	63,405	352,421	1,701,482
5.02	Prior-year adjustment	0	0	0	0	0	0
5.03	Capital increase/decrease	0	0	0	0	0	0
5.04	Realization of reserves	0	0	0	(54,312)	54,312	0
5.05	Treasury Stock	0	0	0	0	0	0
5.06	Net Income for the year	0	0	0	0	450,742	450,742
5.07	Allocations	0	0	0	24,073	(227,380)	(203,307)
5.07.01	Transfers to reserves	0	0	0	24,073	(24,073)	0
5.07.02	Proposed dividends/Interest on Capital	0	0	0	0	(203,307)	(203,307)
5.08	Others	2,226,489	1,435,852	0	204,010	1,332,412	5,198,763
5.08.01	Merger of STFC - Region II	1,778,527	860,482	0	204,010	1,407,242	4,250,261
5.08.02	Merger of CRT S.A.	447,962	573,548	0	0	(74,830)	946,680
5.08.03	Donations and Subsidies for Investments	0	1,103	0	0	0	1,103
5.08.04	Tax Incentives	0	717	0	0	0	717
5.08.05	Adjustment of social contribution tax additiona	0	2	0	0	0	2
5.08.06	Reduction in treasury stock	0	0	0	0	0	0
5.09	Final Balance	3,290,815	1,657,182	0	237,176	1,962,507	7,147,680

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02.01 - FINANCIAL STATEMENTS - STATEMENTS OF CHANGES IN FINANCIAL POSITION

Account Number	Description	01/01/2002 a 12/31/2002	01/01/2001 a 12/31/2001	01/01/2000 a 12/31/2000
4.01	Sources	4,341,645	4,526,700	4,069,221
4.01.01	From Operating Activity	2,975,808	2,485,410	1,839,404
4.01.01.01	Net Income/ Losses	440,117	281,243	450,742
4.01.01.02	Items not affecting working capital	2,535,691	2,204,167	1,388,662
4.01.01.02.01	Depreciation and amortization	2,125,609	1,998,466	1,281,129
4.01.01.02.02	Monetary variation and interest on long-term items	171,504	61,660	24,404
4.01.01.02.03	Equity in subsidiaries	1,501	0	20,854
4.01.01.02.04	Provision for contingencies	17,188	12,972	19,756
4.01.01.02.05	Effect of write-off of permanent assets	11,660	13,108	1,408
4.01.01.02.06	Indirects Taxes	154,751	73,895	26,234
4.01.01.02.07	Directs Taxes	42,039	53,986	17,194
4.01.01.02.08	Others	11,439	(9,920)	(2,317)
4.01.02	Shareholders	0	0	0
4.01.03	Third Parties	1,365,837	2,041,290	2,229,817
4.01.03.01	Increase of noncurrent liabilities	1,322,502	1,966,635	1,695,472
4.01.03.02	Reduction of noncurrent assets	10,714	43	14,545
4.01.03.03	CCL merger of STFC operators Reg. II	0	0	505,492
4.01.03.04	Others	32,621	74,612	14,308
4.02	Use of Funds	2,952,786	4,603,245	4,209,178
4.02.01	Increase of noncurrent assets	261,203	321,528	39,145
4.02.02	Increase of Permanent assets	1,773,284	3,445,540	3,250,149
4.02.03	Dividends / Interest on Capital	324,650	231,700	203,307
4.02.04	Transfer from noncurrent to current liabilities	571,797	504,009	133,508
4.02.05	Net contingencies for REFIS	0	0	65,652
4.02.06	CCL merger CRT S.A.	0	0	517,417
4.02.07	Other Uses	21,852	100,468	0
4.03	Increase (decrease) in working capital	1,388,859	(76,545)	(139,957)
4.04	Changes in Current Assets	1,347,354	(348,712)	2,136,669
4.04.01	Current Assets at the beginning of the year	2,074,976	2,423,688	287,019
4.04.02	Current Assets at the end of the year	3,422,330	2,074,976	2,423,688
4.05	Changes in Current Liabilities	(41,505)	(272,167)	2,276,626
4.05.01	Current Liabilities at the beginning of the year	2,669,851	2,942,018	665,392
4.05.02	Current Liabilities at the end of the year	2,628,346	2,669,851	2,942,018

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02.01 - FINANCIAL STATEMENTS - CONSOLIDATED ASSETS

Account Number	Description	12/31/2002	12/31/2001	12/31/2000
1	Total Assets	15,390,526	14,056,119	12,493,482
1.01	Current Assets	3,469,740	2,088,203	2,423,688
1.01.01	Cash and cash equivalents	1,422,899	331,363	801,642
1.01.02	Credits	1,542,851	1,230,937	1,198,214
1.01.02.01	Trade accounts receivable	1,542,851	1,230,937	1,198,214
1.01.03	Inventories	23,309	8,351	10,994
1.01.04	Other	480,681	517,552	412,838
1.01.04.01	Loans and financing	6,795	622	1,166
1.01.04.02	Deferred and recoverable taxes	314,058	310,025	225,629
1.01.04.03	Judicial deposits	724	58,663	76,846
1.01.04.04	Other Assets	159,104	148,242	109,197
1.02	Noncurrent Assets	1,106,357	988,950	487,042
1.02.01	Other Credits	0	0	0
1.02.02	Related Party Credits	1,809	30,000	0
1.02.02.01	Associated companies	1,809	30,000	0
1.02.02.02	Subsidiaries	0	0	0
1.02.02.03	Other Related Party Credits	0	0	0
1.02.03	Other	1,104,548	958,950	487,042
1.02.03.01	Loans and financing	6,554	5,169	1,314
1.02.03.02	Deferred and recoverable taxes	657,726	665,797	387,363
1.02.03.03	Judicial deposits	331,364	198,050	95,558
1.02.03.04	Inventories	39,862	50,576	0
1.02.03.05	Other Assets	69,042	39,358	2,807
1.03	Permanent Assets	10,814,429	10,978,966	9,582,752
1.03.01	Investments	112,219	68,885	86,322
1.03.01.01	Associated companies	36,018	3,870	0
1.03.01.02	Subsidiaries	0	0	0
1.03.01.03	Other Investments	76,201	65,015	86,322
1.03.02	Property, plant and equipment	10,040,469	10,333,924	8,846,980
1.03.03	Deferred charges	661,741	576,157	649,450

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02.01 - FINANCIAL STATEMENTS - CONSOLIDATED LIABILITIES

Account Number	Description	12/31/2002	12/31/2001	12/31/2000
2	Total Liabilities and Shareholders Equity	16,102,429	14,678,908	14,208,837
2.01	Current Liabilities	2,478,708	2,622,056	2,862,816
2.01.01	Loans and financing	542,379	424,473	1,163,704
2.01.02	Debentures	49,495	24,305	23,517
2.01.03	Suppliers	919,486	1,210,838	793,805
2.01.04	Taxes, duties and contributions	371,399	281,107	236,956
2.01.04.01	Indirect taxes	356,720	277,091	233,139
2.01.04.02	Tax on Income	14,679	4,016	3,817
2.01.05	Dividends Payable	249,775	252,364	236,024
2.01.06	Provisions	95,376	105,071	96,610
2.01.06.01	Provision for contingencies	3,232	63,403	96,610
2.01.06.02	Provision for pension plan	92,144	41,668	0
2.01.07	Related Party debts	0	0	0
2.01.08	Others	250,798	323,898	312,200
2.01.08.01	Payroll and related charges	44,352	92,501	65,676
2.01.08.02	Consignments in favor of third parties	78,750	84,106	111,301
2.01.08.03	Profit-sharing	40,390	51,715	35,181
2.01.08.04	Other Liabilities	87,306	95,576	100,042
2.02	Noncurrent Liabilities	5,032,117	3,721,847	2,784,315
2.02.01	Loans and financing	2,090,400	2,126,804	1,799,958
2.02.02	Debentures	1,493,893	572,662	554,102
2.02.03	Provisions	795,688	764,151	304,184
2.02.03.01	Provision for contingencies	385,992	315,075	294,264
2.02.03.02	Provision for pension plan	409,696	449,076	9,920
2.02.04	Related Party debts	0	0	0
2.02.05	Others	652,136	258,230	126,071
2.02.05.01	Payroll and related charges	11,444	0	0
2.02.05.02	Suppliers	4,123	0	0
2.02.05.03	Indirect taxes	344,452	182,814	75,932
2.02.05.04	Tax on Income	81,238	39,530	23,649
2.02.05.05	License for operating telecoms services	174,991	0	0
2.02.05.06	Other Liabilities	27,729	26,431	16,999
2.02.05.07	Fund for Capitalization	8,159	9,455	9,491
2.03	Deferred income	11,032	10,991	10,396
2.04	Minority interests	2,355,025	2,323,040	2,438,862
2.05	Shareholders Equity	6,225,547	6,000,974	6,112,448
2.05.01	Capital	2,257,611	2,232,641	1,993,609
2.05.02	Capital Reserves	389,751	410,500	576,850
2.05.03	Revaluation reserves	0	0	0
2.05.03.01	Company assets	0	0	0

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2.05.03.02	Subsidiaries/ Associated companies	0	0	0
2.05.04	Profit Reserves	978,085	1,309,572	1,569,139
2.05.04.01	Legal	187,865	165,693	152,979
2.05.04.02	Statutory	0	0	0
2.05.04.03	Contingency	0	0	0
2.05.04.04	Realizable profits reserves	790,220	1,143,879	1,416,160
2.05.04.05	Profit Retention	0	0	0
2.05.04.06	Special reserve for undistributed dividends	0	0	0
2.05.04.07	Other Profit Reserves	0	0	0
2.05.05	Retained earnings	2,600,100	2,048,261	1,972,850

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76.535.764/0001-43

02.01 - FINANCIAL STATEMENTS - CONSOLIDATED INCOME STATEMENT

Account Number	Description	01/01/2002	01/01/2001	01/01/2000
		a 12/31/2002	a 12/31/2001	a 12/31/2000
3.01	Gross Revenue	9,839,680	8,458,496	5,113,539
3.02	Revenue deductions	(2,768,312)	(2,300,088)	(1,303,836)
3.03	Net Revenue	7,071,368	6,158,408	3,809,703
3.04	Cost of services rendered	(4,446,632)	(3,989,177)	(2,463,050)
3.05	Gross Profit	2,624,736	2,169,231	1,346,653
3.06	Operating Income (Expenses)	(2,217,746)	(1,832,712)	(981,640)
3.06.01	Selling expenses	(761,753)	(722,556)	(318,221)
3.06.02	General and administrative expenses	(630,939)	(585,329)	(371,719)
3.06.02.01	Management remuneration	(5,612)	(4,384)	(1,890)
3.06.02.02	Other General and administrative expenses	(625,327)	(580,945)	(369,829)
3.06.03	Financial	(943,550)	(468,057)	(224,369)
3.06.03.01	Financial Income	201,631	178,120	138,475
3.06.03.02	Financial Expenses	(1,145,181)	(646,177)	(362,844)
3.06.04	Other operating income	257,008	248,976	155,107
3.06.05	Other operating expenses	(138,512)	(305,746)	(201,584)
3.06.06	Equity in subsidiaries	0	0	(20,854)
3.07	Operating Income	406,990	336,519	365,013
3.08	Nonoperating Income	(138,710)	(141,736)	34,364
3.08.01	Revenues	44,978	219,965	95,561
3.08.01.01	Gain on the acquisition of tax credits -REFIS	0	0	41,136
3.08.01.02	Other Revenues	44,978	219,965	54,425
3.08.02	Expenses	(183,688)	(361,701)	(61,197)
3.08.02.01	PIS/COFINS on REFIS gain	0	0	(1,501)
3.08.02.02	IRPJ/CSLL on REFIS gain	0	0	(13,476)
3.08.02.03	Other Expenses	(183,688)	(361,701)	(46,220)
3.09	Income before Taxes/Profit Sharing	268,280	194,783	399,377
3.10	Income and social contribution taxes	(111,426)	(94,407)	(129,162)
3.11	Deferred Income Tax	0	0	0
3.12	Statutory participations/contributions	(41,387)	(50,833)	(22,780)
3.12.01	Participations	(41,387)	(50,833)	(22,780)
3.12.02	Contributions	0	0	0
3.13	Reversal of interest on capital	324,650	231,700	203,307
3.14	Minority interests	0	0	0
3.15	Net Income for the year	440,117	281,243	450,742

PUBLIC FEDERAL SERVICE**CVM - Comissão de Valores Mobiliários (Brazilian Exchange Commission)****Standard Financial Statements****Commercial, Industrial and Other Companies****Corporate Law****12/31/2002****01131-2 BRASIL TELECOM S.A.****76.535.764/0001-43****02.01 - FINANCIAL STATEMENTS - CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION**

Account Number	Description	01/01/2002 a 12/31/2002	01/01/2001 a 12/31/2001	01/01/2000 a 12/31/2000
4.01	Sources	3,990,820	4,526,700	4,069,221
4.01.01	From Operating Activity	2,976,290	2,485,410	1,839,404
4.01.01.01	Net Income/ Losses	440,117	281,243	450,742
4.01.01.02	Items not affecting working capital	2,536,173	2,204,167	1,388,662
4.01.01.02.01	Depreciation and amortization	2,126,677	1,998,466	1,281,129
4.01.01.02.02	Monetary variation and interest on long-term it	172,414	61,660	24,404
4.01.01.02.03	Equity in subsidiaries	0	0	20,854
4.01.01.02.04	Provision for contingencies	17,188	12,972	19,756
4.01.01.02.05	Effect of write-off of permanent assets	11,660	13,108	1,408
4.01.01.02.06	Indirects Taxes	154,751	73,895	26,234
4.01.01.02.07	Directs Taxes	42,039	53,986	17,194
4.01.01.02.08	Others	11,444	(9,920)	(2,317)
4.01.02	Shareholders	0	0	0
4.01.03	Third parties	1,014,530	2,041,290	2,229,817
4.01.03.01	Increase of noncurrent liabilities	969,324	1,966,635	1,695,472
4.01.03.02	Transfer from noncurrent to current assets	10,714	43	14,545
4.01.03.03	CCL merger of STFC operators Reg. II	0	0	505,492
4.01.03.04	Others	34,492	74,612	14,308
4.02	Use of Funds	2,559,463	4,593,910	4,209,178
4.02.01	Increase of noncurrent assets	191,636	318,161	39,145
4.02.02	Increase of Permanent assets	1,977,698	3,439,572	3,250,149
4.02.03	Dividends / Interest on Capital	324,650	231,700	203,307
4.02.04	Transfer from noncurrent to current liabilities	43,627	504,009	133,508