SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2002

or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ________to _________

Commission file number: 000-15686

ENSTAR INCOME PROGRAM IV-3, L.P.

(Exact name of registrant as specified in its charter)

Georgia	**58-1648320**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification Number)*

12405 Powerscourt Drive
St. Louis, Missouri 63131
(Address of principal executive offices including zip code)

(314) 965-0555
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file reports), and (2) has been subject to such filing requirements for the past 90 days. YES [X] NO [ ]

Enstar Income Program IV-3, L.P.
Quarterly Report on Form 10-Q for the Period ended June 30, 2002
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PART I. FINANCIAL INFORMATION.

ITEM 1. FINANCIAL STATEMENTS.

ENSTAR INCOME PROGRAM IV-3, L.P.

CONDENSED BALANCE SHEETS

	June 30, 2002 (unaudited)	December 31, 2001
ASSETS		
ASSETS:		
Cash	$ 3,255,800	$ 2,698,500
Accounts receivable	18,600	20,800
Prepaid expenses and other assets	8,300	9,100
Equity in net assets of joint venture	1,874,800	859,900
Property, plant and equipment, net of accumulated depreciation of $2,151,300 and $2,096,700, respectively	401,100	446,700
Franchise cost, net of accumulated amortization of $1,477,000 and $1,476,700, respectively	3,000	3,300
Assets related to discontinued operations	--	1,376,600
Total assets	$ 5,561,600	$ 5,414,900
LIABILITIES AND PARTNERSHIP CAPITAL		
LIABILITIES:		
Accounts payable and accrued liabilities	$ 196,900	$ 261,700
Due to affiliates	1,700,400	886,600
Total liabilities	1,897,300	1,148,300
PARTNERSHIP CAPITAL (DEFICIT):		
General Partners	(7,700)	(40,400)
Limited Partners	3,672,000	4,307,000
Total partnership capital	3,664,300	4,266,600
Total liabilities and partnership capital	$ 5,561,600	$ 5,414,900

See accompanying notes to condensed financial statements.

ENSTAR INCOME PROGRAM IV-3, L.P.

CONDENSED STATEMENTS OF OPERATIONS

	Three Months Ended June 30, 2002	Three Months Ended June 30, 2001	Six Months Ended June 30, 2002	Six Months Ended June 30, 2001
	(unaudited)		(unaudited)	
REVENUES	$ 197,900	$ 204,500	$ 395,300	$ 412,200
Service costs	73,800	67,300	154,200	144,100
General and administrative expenses	49,000	25,400	72,700	55,600
General partner management fees and reimbursed expenses	32,200	26,200	63,600	51,500
Depreciation and amortization	27,300	36,000	55,200	70,500
	182,300	154,900	345,700	321,700
OPERATING INCOME	15,600	49,600	49,600	90,500
OTHER INCOME (EXPENSE):				
Interest income	21,500	17,900	33,000	28,400
Interest expense	--	(6,400)	--	(6,500)
Other expense	--	(11,700)	--	(11,700)
	21,500	(200)	33,000	10,200
INCOME BEFORE EQUITY IN NET INCOME OF JOINT VENTURE	37,100	49,400	82,600	100,700
EQUITY IN NET INCOME OF JOINT VENTURE	2,304,800	49,800	2,345,100	110,900
INCOME FROM CONTINUING OPERATIONS	2,341,900	99,200	2,427,700	211,600
INCOME FROM DISCONTINUED OPERATIONS:				
Income from discontinued operations	57,500	36,000	44,000	130,100
Gain on sale of cable systems	5,885,600	--	5,885,600	--
INCOME FROM DISCONTINUED OPERATIONS	5,943,100	36,000	5,929,600	130,100
NET INCOME	$ 8,285,000	$ 135,200	$ 8,357,300	$ 341,700
Net income allocated to General Partners	$ 121,600	$ 1,400	$ 122,300	$ 3,500
Net income allocated to Limited Partners	$ 8,163,400	$ 133,800	$ 8,235,000	$ 338,200
NET INCOME FROM CONTINUING OPERATIONS PER UNIT OF LIMITED PARTNERSHIP INTEREST	$ 57.84	$ 2.49	$ 59.95	$ 5.30
NET INCOME FROM DISCONTINUED OPERATIONS PER UNIT OF LIMITED PARTNERSHIP INTEREST	$ 146.76	$ 0.90	$ 146.44	$ 3.27
NET INCOME PER UNIT OF LIMITED PARTNERSHIP INTEREST	$ 204.60	$ 3.39	$ 206.39	$ 8.56
AVERAGE LIMITED PARTNERSHIP UNITS OUTSTANDING DURING PERIOD	39,900	39,900	39,900	39,900

See accompanying notes to condensed financial statements.

ENSTAR INCOME PROGRAM IV-3, L.P.

CONDENSED STATEMENTS OF CASH FLOWS

	Six Months Ended June 30, 2002	Six Months Ended June 30, 2001
	(unaudited)	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 8,357,300	$ 341,700
Adjustments to reconcile net income to net cash flows from operating activities:		
Equity in net income of joint venture	(2,345,100)	(110,900)
Depreciation and amortization	112,400	177,300
Gain on sale of cable systems	(5,885,600)	--
Changes in:		
Accounts receivable, prepaid expenses and other assets	87,000	37,300
Accounts payable, accrued liabilities and due to affiliates	543,600	221,100
Net cash flows from operating activities	869,600	666,500
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(22,800)	(56,100)
Distributions from Joint Venture	1,330,000	--
Proceeds from sale of cable systems	7,340,100	--
Other investing activities	--	(1,100)
Net cash flows from investing activities	8,647,300	(57,200)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Distributions to partners	(8,959,600)	(250,600)
Net cash flows from financing activities	(8,959,600)	(250,600)
NET INCREASE IN CASH	557,300	358,700
CASH, beginning of period	2,698,500	1,252,700
CASH, end of period	$ 3,255,800	$ 1,611,400

See accompanying notes to condensed financial statements.

ENSTAR INCOME PROGRAM IV-3, L.P.
NOTES TO CONDENSED FINANCIAL STATEMENTS
(UNAUDITED)

1. INTERIM FINANCIAL STATEMENTS

The accompanying condensed interim financial statements for Enstar Income Program IV-3, L.P. (the Partnership) as of June 30, 2002, and for the three and six months ended June 30, 2002 and 2001, are unaudited. These condensed interim financial statements should be read in conjunction with the audited financial statements and notes thereto included in the Partnership's Annual Report on Form 10-K for the year ended December 31, 2001. In the opinion of management, the condensed interim financial statements reflect all adjustments (consisting only of normal recurring adjustments) necessary for a fair presentation of the results of such periods. The results of operations for the three and six months ended June 30, 2002 are not necessarily indicative of results for the entire year.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates include useful lives of property, plant and equipment, valuation of long-lived assets and allocated operating cost. These estimates include useful lives of property, plant and equipment, valuation of long-lived assets and allocated operating costs. Actual results could differ from those estimates.

2. DISCONTINUED OPERATIONS

On April 10, 2002, pursuant to an asset purchase agreement dated August 29, 2001, the Partnership completed the sale of all of its Illinois cable television systems in and around Fairfield and Shelbyville, Illinois to Charter Communications Entertainment I, LLC, (CCE-I) an affiliate of Enstar Communications Corporation (ECC), the Corporate General Partner and a direct subsidiary of Charter Communications Holding Company, LLC (Charter), for a total sale price of approximately $7,340,100, net of transaction costs, as part of the Charter Sale. As a pre-condition to the sale, based on approval by the Limited Partners, the Partnership agreement was amended to allow the sale of assets to an affiliate of the Corporate General Partner.

The Fulton, Kentucky headend, which served 1,700 basic service customers as of June 30, 2002, was not included in the Charter Sale and will continue to be owned by the Partnership and operated by the Corporate General Partner indefinitely for the foreseeable future. The Corporate General Partner can give no assurance of when, or if, the Fulton, Kentucky headend will ever be sold.

In accordance with the Statement of Financial Accounting Standards (SFAS) No. 144, “Accounting for the Impairment or Disposal of Long-Lived Assets,” adopted by the Partnership on January 1, 2002, the cable television systems sold in the Charter Sale have been reclassified and presented as discontinued operations. The operating results of such cable systems sold are presented in the accompanying condensed statements of operations as income (loss) from discontinued operations. For the period from January 1, 2002 to April 10, 2002 and the six months ended June 30, 2001, revenues of the sold cable systems were $428,700 and $774,100, respectively, and income from discontinued operations, excluding the gain on sale of cable systems, totaled $44,000 and $130,100, respectively. For the three months ended June 30, 2001, revenue and income from discontinued operations approximated $382,600 and $36,000, respectively. Net book value of investment in the Shelbyville cable television systems sold approximated $1,454,500 at April 10, 2002. The Partnership recorded a gain of $5,885,600 in the second quarter of 2002.

3. TRANSACTIONS WITH THE GENERAL PARTNERS AND AFFILIATES

The Partnership has a management and service agreement (the Management Agreement) with Enstar Cable Corporation (Enstar Cable), a wholly owned subsidiary of ECC, for a monthly management fee of 5% of gross revenues, as defined, from the operations of the Partnership, excluding revenues from the sale of cable television systems or franchises. The Partnership's management fee expense approximated $12,100 and $29,400 ($9,900 and $10,200 related to continuing operations) for the three months ended June 30, 2002 and 2001, respectively, and $41,200 and $59,300 ($19,800 and $20,600 related to continuing operations) for the six months ended June 30, 2002 and 2001, respectively. Enstar Cable has entered into an identical agreement with Enstar Cable of Macoupin County (the Joint Venture), a Georgia general partnership, of which the Partnership is a joint venturer and co-general partner, except that the Joint Venture pays Enstar Cable a 4% management fee. The Joint Venture's management fee expense to Enstar Cable approximated $2,100 and $18,600 for the period from April 1, 2002 to April 10, 2002 and for the three months ended June 30, 2001, respectively, and $21,000 and $37,600 for the period from January 1, 2002 to April 10, 2002 and for the six months ended June 30, 2001, respectively. In addition, the Joint Venture is also required to pay the Corporate General Partner an amount equal to 1% of the Joint Venture's gross revenues. The Joint Venture's management fee expense to the Corporate General Partner approximated $500 and $4,700 for the period from April 1, 2002 to April 10, 2002 and for the three months ended June 30, 2001, respectively, and $5,300 and $9,400 for the period from January 1, 2002 to April 10, 2002 and for the six months ended June 30, 2001, respectively. No management fee is payable to Enstar Cable by the Partnership with respect to any amounts received by the Partnership from the Joint Venture.

The Management Agreement also provides that the Partnership reimburse Enstar Cable for direct expenses incurred on behalf of the Partnership and the Partnership's allocable share of Enstar Cable's operational costs. Additionally, Charter and its affiliates provide other management and operational services for the Partnership and the Joint Venture as a result of agreements with Enstar Cable. These expenses are charged to the properties served based primarily on the Partnership's or Joint Venture's allocable share of operational costs associated with the services provided. The total amount charged to the Partnership for these services was $33,300 and $57,600 ($22,300 and $16,000 related to continuing operations) for the three months ended June 30, 2002 and 2001, respectively, and $97,000 and $111,000 ($43,800 and $30,900 related to continuing operations) for the six months ended June 30, 2002 and 2001, respectively.

All programming services are purchased through Charter. Charter charges the Partnership and Joint Venture for these costs based on an allocation of its costs. The Partnership recorded programming fee expense of $55,900 and $228,700 ($45,600 and $47,000 related to continuing operations) for the three months ended June 30, 2002 and 2001, respectively, and $193,600 and $469,500 ($91,400 and $95,000 related to continuing operations) for the six months ended June 30, 2002 and 2001, respectively.

All amounts owed to the General Partner and affiliates are non-interest bearing.

4. NET INCOME PER UNIT OF LIMITED PARTNERSHIP INTEREST

Net income per unit of limited partnership interest is based on the average number of units outstanding during the periods presented. For this purpose, net income, excluding gain on sale of cable systems, has been allocated 99% to the Limited Partners and 1% to the General Partners. Gain on sale of cable systems has been allocated in accordance with the partnership agreement, first to the Limited Partners and then to General Partners to eliminate any negative equity balance on the date of sale, and then in the amount of 99% to the Limited Partners and 1% to the General Partners. Gains and losses will be allocated in this manner. The General Partners do not own units of partnership interest in the Partnership, but rather hold a participation interest in the income, losses and distributions of the Partnership.

Distributions have been allocated in accordance with the partnership agreement, 99% to the Limited Partners and 1% to the General Partners. Distributions will be allocated in this manner until the Limited Partners have received an amount equal to their adjusted subscription amount and liquidation preference, as defined, and thereafter 80% to the Limited Partners and 20% to the General Partners.

5. EQUITY IN NET ASSETS OF ENSTAR CABLE OF MACOUPIN COUNTY (JOINT VENTURE)

The Partnership and two affiliated partnerships, Enstar Income Program IV-1, L.P. (Enstar IV-1) and Enstar Income Program IV-2, L.P. (Enstar IV-2), each own one-third of the Joint Venture. Each of the co-partners share equally in the profits and losses of the Joint Venture. The investment in the Joint Venture is accounted for on the equity method.

On April 10, 2002, pursuant to an asset purchase agreement dated August 29, 2001, the Partnership completed the sale, together with its affiliates, Enstar IV-1 and Enstar IV-2, of the Joint Venture's systems CCE-I, an affiliate of the Corporate General Partner and an indirect subsidiary of Charter, for a total sale price of approximately $9,076,800, the Partnership's one-third share of which is approximately $3,025,600. As a pre-condition to the sale, based on approval by the Limited Partners, the Partnership agreement was amended to allow the sale of assets to an affiliate of the Corporate General Partner.

As a result of this transaction, the Joint Venture changed its basis of accounting to the liquidation basis on April 11, 2002. Accordingly, the assets in the Joint Venture's statement of net assets in liquidation as of June 30, 2002 have been stated at estimated realizable values and the liabilities have been reflected at estimated settlement amounts. There were no significant adjustments recorded upon changing to liquidation basis accounting.

The Corporate General Partner's intention is to settle the outstanding obligations of the Joint Venture and terminate the Joint Venture as expeditiously as possible. Final dissolution of the Joint Venture and related cash distributions to the venturers will occur upon obtaining final resolution of all liquidation issues.

Summarized financial information for the Joint Venture as of June 30, 2002 and for the period from April 11, 2002 to June 30, 2002 are presented in the following statement of net assets in liquidation and statement of changes in net assets in liquidation. Summarized results of operations is also presented for the period from April 1, 2002 to April 10, 2002 and the three months ended June 30, 2001, as well as the period from January 1, 2002 to April 10, 2002 and the six months ended June 30, 2001.

ENSTAR CABLE OF MACOUPIN COUNTY
STATEMENT OF NET ASSETS IN LIQUIDATION
AS OF JUNE 30, 2002
(Unaudited)

ASSETS, at estimated realizable values:	
Current assets	$ 6,336,700
TOTAL ASSETS	6,336,700
LIABILITIES, at estimated settlement amounts:	
Current liabilities	712,400
TOTAL LIABILITIES	712,400
NET ASSETS IN LIQUIDATION	$ 5,624,300

ENSTAR INCOME PROGRAM IV-3, L.P.
NOTES TO CONDENSED FINANCIAL STATEMENTS
(UNAUDITED)

ENSTAR CABLE OF MACOUPIN COUNTY
STATEMENT OF CHANGES IN NET ASSETS IN LIQUIDATION
FOR THE PERIOD FROM APRIL 11, 2002 TO JUNE 30, 2002
(Unaudited)

Additions:	
Interest income	$ 24,400
	24,400
Deductions:	
Distribution to Joint Venturers	3,990,000
	3,990,000
Net change in net assets in liquidation	(3,965,600)
NET ASSETS IN LIQUIDATION, beginning of period	9,589,900
NET ASSETS IN LIQUIDATION, end of period	$ 5,624,300

ENSTAR INCOME PROGRAM IV-3, L.P.
NOTES TO CONDENSED FINANCIAL STATEMENTS
(UNAUDITED)

ENSTAR CABLE OF MACOUPIN COUNTY
CONDENSED STATEMENTS OF OPERATIONS

	April 1, 2002 to April 10, 2002	Three Months Ended June 30, 2001	January 1, 2002 to April 10, 2002	Six Months Ended June 30, 2001
	(unaudited)		(unaudited)	
REVENUES	$ 52,000	$ 466,100	$ 526,000	$ 940,900
GAIN ON SALE OF CABLE SYSTEMS	6,918,500	--	6,918,500	--
OPERATING EXPENSES:				
Service costs	14,400	152,100	172,300	304,100
General and administrative expenses	38,200	54,600	87,400	91,800
General partner management fees and reimbursed expenses	17,400	73,300	90,200	142,000
Depreciation and amortization	10,800	52,500	86,600	105,300
	80,800	332,500	436,500	643,200
OPERATING INCOME (LOSS)	6,889,700	133,600	7,008,000	297,700
OTHER INCOME (EXPENSE):				
Interest income	200	34,000	2,200	53,300
Other expense	--	(18,300)	--	(18,300)
	200	15,700	2,200	35,000
NET INCOME	$ 6,889,900	$ 149,300	$ 7,010,200	$ 332,700

6. RECENTLY ISSUED ACCOUNTING STANDARDS

In June 2002, the Financial Accounting Standards Board issued SFAS No. 146, "Accounting for Costs Associated with Exit or Disposal Activities." SFAS No. 146 addresses financial accounting and reporting for costs associated with exit or disposal activities and nullifies Emerging Issues Task Force Issue No. 94-3, "Liability Recognition for Certain Employee Termination Benefits and Other Costs to Exit an Activity (including Certain Costs Incurred in a Restructuring)." SFAS No. 146 requires that a liability for costs associated with an exit or disposal activity be recognized when the liability is incurred rather than when a company commits to such an activity and also establishes fair value as the objective for initial measurement of the liability. The Partnership will adopt SFAS No. 146 for exit or disposal activities that are initiated after December 31, 2002. Adoption will not have a material impact on the Partnership's or Joint Venture's financial statements.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

INTRODUCTION

This report includes certain forward-looking statements regarding, among other things, our future results of operations, regulatory requirements, competition, capital needs and general business conditions applicable to us. Such forward-looking statements involve risks and uncertainties including, without limitation, the uncertainty of legislative and regulatory changes and the rapid developments in the competitive environment facing cable television operators such as us. In addition to the information provided herein, reference is made to our Annual Report on Form 10-K for the year ended December 31, 2001, for additional information regarding such matters and the effect thereof on our business.

We conduct our cable television business operations both (i) through the direct ownership and operation of certain cable television systems and (ii) through our participation as a partner with a one-third interest in Enstar Cable of Macoupin County (the Joint Venture). Our participation is equal to our affiliated partners, Enstar Income Program IV-1, L.P. (Enstar IV-1) and Enstar Income Program IV-2, L.P. (Enstar IV-2), with respect to capital contributions, obligations and commitments, and results of operations. Accordingly, in considering the financial condition and results of operations for us, consideration must also be made of those matters as they relate to the Joint Venture. The following discussion reflects such consideration, and with respect to results of operations, a separate discussion is provided for each entity.

RESULTS OF OPERATIONS

THE PARTNERSHIP

On April 10, 2002, we completed the sale of our Illinois cable television systems in and around Fairfield and Shelbyville, Illinois. The following discussion of our results of operations excludes discontinued operations for the six months ended June 30, 2002 and 2001.

Revenues decreased $6,600 from $204,500 to $197,900, or 3.2%, and $16,900 from $412,200 to $395,300, or 4.1%, for the three and six months ended June 30, 2002, respectively, compared to the corresponding periods in 2001. The decrease was due to a decline in the number of basic and premium service customers. As of June 30, 2002 and 2001, we had approximately 1,700 and 1,800 basic service customers, respectively, and 300 and 800 premium service customers, respectively.

Service costs increased $6,500 from $67,300 to $73,800, or 9.7%, and $10,100 from $144,100 to $154,200, or 7.0%, for the three and six months ended June 30, 2002, respectively, compared to the corresponding periods in 2001. Service costs represent programming costs and other costs directly attributable to providing cable services to customers. The increase was primarily due to an increase in personnel costs.

General and administrative expenses increased $23,600 from $25,400 to $49,000, or 92.9%, and $17,100 from $55,600 to $72,700, or 30.8%, for the three and six months ended June 30, 2002, respectively, compared to the corresponding periods in 2001. The increase was primarily due to an increase in personal property taxes and professional fees.

General partner management fees and reimbursed expenses increased $6,000 from $26,200 to $32,200, or 22.9%, and $12,100 from $51,500 to $63,600, or 23.5%, for the three and six months ended June 30, 2002, respectively, compared to the corresponding periods in 2001. The increase was primarily due to an increase in administrative activities provided by Enstar Communications Corporation (the Corporate General Partner) on our behalf.

Depreciation and amortization expense decreased $8,700 from $36,000 to $27,300, or 24.2%, and $15,300 from $70,500 to $55,200, or 21.7%, for the three and six months ended June 30, 2002, respectively, compared to the corresponding periods in 2001. The decrease was primarily due to decreases in capital expenditures for cable system upgrades and certain fixed assets becoming fully depreciated during the last half of 2001 and the first half of 2002.

Due to the factors described above, operating income decreased $34,000 from $49,600 to $15,600, or 68.5%, and $40,900 from $90,500 to $49,600, or 45.2%, for the three and six months ended June 30, 2002, respectively, compared to the corresponding periods in 2001.

Interest income increased $3,600 from $17,900 to $21,500, or 20.1%, and $4,600 from $28,400 to $33,000, or 16.2%, for the three and six months ended June 30, 2002, respectively, compared to the corresponding periods in 2001. The increase was primarily due to higher average cash balances available for investment during the six months ended June 30, 2002 compared to the corresponding periods in 2001.

Other expense of $0 and $11,700 for the three months ended June 30, 2002 and 2001, respectively, and for the six months ended June 30, 2002 and 2001, respectively, represents costs associated with a previously unexecuted sales proposal.

Due to the factors described above, our income before equity in net income of the joint venture decreased $12,300 from $49,400 to $37,100, or 24.9%, and $18,100 from $100,700 to $82,600, or 18.0%, for the three and six months ended June 30, 2002, respectively, compared to the corresponding periods in 2001.

The equity in net income of the joint venture increased $2,255,000 from $49,800 to $2,304,800 and $2,234,200 from $110,900 to $2,345,100 for the three and six months ended June 30, 2002, respectively, compared to the corresponding periods in 2001 as a result of the sale of the Joint Venture's cable systems as discussed below.

Due to the factors described above, our income from continuing operations increased $2,242,700 from $99,200 to $2,341,900 and $2,216,100 from $211,600 to $2,427,700 for the three and six months ended June 30, 2002, respectively, compared to the corresponding periods in 2001.

Our income from discontinued operations increased $21,500 from $36,000 to $57,500, or 59.7%, and $86,100 from income of $130,100 to $44,000, or 66.2%, for the three and six months ended June 30, 2002, respectively, compared to the corresponding periods in 2001. Gain on sale of cable systems totaled $5,885,600 for the three and six months ended June 30, 2002. Gain on sale of cable systems represents the difference between the sale proceeds and the net book value of investment in the sold cable systems.

Due to the factors described above, net income increased $8,149,800 from $135,200 to $8,285,000, and $8,015,600 from $341,700 to $8,357,300 for the three and six months ended June 30, 2002, respectively, compared to the corresponding periods in 2001.

THE JOINT VENTURE

The Joint Venture had no results of operations for the period subsequent to April 10, 2002 as a result of the sale of its cable systems as discussed in Note 4 to the condensed financial statements. Accordingly, no discussion of operating results for the period from April 1, 2002 to April 10, 2002 and the three months ended June 30, 2001, as well as the period from January 1, 2002 to April 10, 2002 and the six months ended June 30, 2001, has been provided as such analysis is not meaningful.

Net assets in liquidation at June 30, 2002 were $5,624,300, consisting of cash of $6,336,700, offset by current liabilities of $712,400. The net change in net assets in liquidation during the period from April 11, 2002 to June 30, 2002 was a decrease of $3,965,600, which was primarily due to distributions to the joint venturers partially offset by interest income.

Final dissolution of the Joint Venture and related cash distributions to the venturers will occur upon obtaining final resolution of all liquidation issues.

LIQUIDITY AND CAPITAL RESOURCES

Our primary objective, having invested net offering proceeds in cable systems and the Joint Venture, is to distribute to our partners all available cash flow from operations and proceeds from the sale of cable systems, if any, after providing for expenses and any planned capital requirements relating to the expansion, improvement and upgrade of its cable systems.

We believe that cash generated by our continuing operations will be adequate to fund any required capital expenditures and other liquidity requirements in 2002 and beyond. At this time, we do not anticipate making significant additional upgrades to the Fulton, Kentucky cable plant or headend electronics.

Operating activities provided cash of $869,600 and $666,500 during the six months ended June 30, 2002 and 2001, respectively. Changes in liabilities owed to affiliates and third party creditors provided cash of $543,600 and $221,100 during the six months ended June 30, 2002 and 2001, respectively, due to differences in the timing of payments. Changes in accounts receivable, prepaid expenses and other assets provided cash of $87,000 and $37,300 for the six months ended June 30, 2002 and 2001, respectively, due to differences in the timing of receivable collections and the payment of prepaid expenses.

Investing activities provided cash of $8,647,300 and used cash of $57,200 in the six months ended June 30, 2002 and 2001, respectively. The change was primarily due to proceeds received from the sale of cable systems.

We distributed cash of $8,959,600 and $250,600 to our partners during each of the six months ended June 30, 2002 and 2001, respectively.

INVESTING ACTIVITIES

Significant capital would be required for a comprehensive plant and headend upgrade particularly in light of the high cost of electronics to enable two-way service, to offer high speed cable modem Internet service and other interactive services, as well as to increase channel capacity and allow a greater variety of video services. The Joint Venture's and our capital expenditures for recent upgrades have been made with available funds, and have enhanced the economic value of the Joint Venture's and our systems.

The estimated cost of upgrading our system to two-way capability in order to be able to offer high-speed Internet service from the Fulton, Kentucky headend, as well as to increase channel capacity and allow additional video services, would be approximately $1.5 million (for an upgrade to 550 megahertz (MHz) capacity) to $1.8 million (for an upgrade to 870 MHz capacity).

FINANCING ACTIVITIES

We were party to a loan agreement with Enstar Finance Company, LLC, a subsidiary of Enstar Communications Corporation. The loan agreement provided for a revolving loan facility of $2,000,000 and matured on August 31, 2001. The loan facility was not extended or replaced. Cash generated by our operations together with available cash balances will be used to fund any capital expenditures as required by franchise authorities. However, our present cash reserves will be insufficient to fund a comprehensive upgrade program. If our system is sold, we will need to rely on increased cash flow from operations or new sources of financing in order to meet our future liquidity requirements. There can be no assurance that such cash flow increases can be attained, or that additional future financing will be available on terms acceptable to us. If we are not able to attain such cash flow increases, or obtain new sources of borrowings, we will not be able to fully complete any cable systems upgrades as required by franchise authorities. As a result, the value of our systems would be lower than that of systems rebuilt to a higher technical standard.

DISCONTINUED OPERATIONS

On April 10, 2002, pursuant to an asset purchase agreement dated August 29, 2001, the Partnership completed the sale of all its Illinois cable television systems in and around Fairfield and Shelbyville, Illinois for a total sale price of approximately $7,340,100 and, together with its affiliates, Enstar IV-1 and Enstar IV-2, completed the sale of Enstar Cable of Macoupin County for a total sale price of approximately $9,076,800, the Partnership's one-third share of which is approximately $3,025,600, to Charter Communications Entertainment I, LLC, an affiliate of Enstar Communications Corporation, the Corporate General Partner and a direct subsidiary of Charter Communications Holding Company, LLC (collectively, the "Charter Sale"). As a pre-condition to the sale, based on approval by the Limited Partners, our partnership agreement was amended to allow the sale of assets to an affiliate of the Corporate General Partner. The cable systems sold in the Mt. Carmel sale were presented as discontinued operations and the cable systems sold in the Charter Sale were presented in the Joint Venture's financial statements on a liquidation basis. There were no significant adjustments recorded upon changing to liquidation basis accounting.

The Fulton, Kentucky headend, which served 1,700 basic service customers as of June 30, 2002, was not included in the Charter Sale and will continue to be owned by the Partnership and operated by the Corporate General Partner indefinitely for the foreseeable future. The Corporate General Partner can give no assurance of when, or if, the Fulton, Kentucky headend will ever be sold.

After setting aside $1,400,000 to fund the Fulton headend's working capital needs for the foreseeable future, and paying or providing for the payment of the expenses of the Charter Sale, the Corporate General Partner will make one or more distributions from the Joint Venture to the Partnership of their allocable share of the remaining net sale proceeds, in accordance with its partnership agreement. We made an initial distribution on or about May 15, 2002, with a second distribution scheduled to be made on or about September 30, 2002 from the Charter Sale.

In accordance with the Statement of Financial Accounting Standards (SFAS) No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets," adopted by the Partnership on January 1, 2002, the cable television systems sold in the Charter Sale have been reclassified and presented as discontinued operations. The operating results of such cable systems sold are presented in the accompanying condensed statements of operations as income (loss) from discontinued operations. For the period from January 1, 2002 to April 10, 2002 and the six months ended June 30, 2001, revenues of the sold cable systems were $428,700 and $774,100, respectively, and income from discontinued operations, excluding the gain on sale of cable systems, totaled $44,000 and $130,100, respectively. For the three months ended June 30, 2001, revenue and income from discontinued operations approximated $382,600 and $36,000, respectively. Net book value of investment in the Shelbyville cable television systems sold approximated $1,454,500 at April 10, 2002. The Partnership recorded a gain of $5,885,600 in the second quarter of 2002.

CERTAIN TRENDS AND UNCERTAINTIES

Insurance coverage is maintained for all of the cable television properties owned or managed by Charter to cover damage to cable distribution systems, customer connections and against business interruptions resulting from such damage. This coverage is subject to a significant annual deductible which applies to all of the cable television properties owned or managed by Charter, including those of the Joint Venture and us.

All of our customers are served by our system in Fulton, Kentucky, and neighboring communities. Significant damage to this system due to seasonal weather conditions or other events could have a material adverse effect on our liquidity and cash flows. We continue to purchase insurance coverage in amounts our management views as appropriate for all other property, liability, automobile, workers' compensation and other insurable risks.

Charter and our Corporate General Partner have had communications and correspondence with representatives of certain limited partners, and others, concerning certain Enstar partnerships of which our Corporate General Partner is also the Corporate General Partner. While we are not aware of any formal litigation which has been filed relating to the communications and correspondence, or the subject matter referred to therein, it is impossible to predict what actions may be taken in the future or what loss contingencies may result therefrom.

Although we do not believe that the terrorist attacks on September 11, 2001 and the related events have resulted in any material changes to our business and operations to date, it is difficult to assess the impact that these events, combined with the general economic slowdown, will have on future operations. These events could result in reduced spending by customers and advertisers, which could reduce the Joint Venture's and our revenues and operating cash flow, as well as the collectibility of accounts receivable.

RECENTLY ISSUED ACCOUNTING STANDARDS

In June 2002, the Financial Accounting Standards Board issued SFAS No. 146, “Accounting for Costs Associated with Exit or Disposal Activities.” SFAS No. 146 addresses financial accounting and reporting for costs associated with exit or disposal activities and nullifies Emerging Issues Task Force Issue No. 94-3, “Liability Recognition for Certain Employee Termination Benefits and Other Costs to Exit an Activity (including Certain Costs Incurred in a Restructuring).” SFAS No. 146 requires that a liability for costs associated with an exit or disposal activity be recognized when the liability is incurred rather than when a company commits to such an activity and also establishes fair value as the objective for initial measurement of the liability. We will adopt SFAS No. 146 for exit or disposal activities that are initiated after December 31, 2002. Adoption will not have a material impact on the Partnership's or Joint Venture's financial statements.

INFLATION

Certain of our expenses, including those of the Joint Venture, such as those for wages and benefits, equipment repair and replacement, and billing and marketing generally increase with inflation. However, the Joint Venture and us do not believe that financial results have been, or will be, adversely affected by inflation in a material manner, provided that the Joint Venture and us are able to increase service prices periodically, of which there can be no assurance.

PART II. OTHER INFORMATION

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

CHARTER SALES PROPOSAL. The holders of limited partnership units voted to approve the sale of all its Illinois cable systems in and around Fairfield and Shelbyville, Illinois and the Macoupin Joint Venture systems to Charter Communications Entertainment I, LLC, an affiliate of Enstar Communication Corporation, the Corporate General Partner. The voting results are set forth below:

FOR	AGAINST	ABSTAIN
24,266	230	278

There are 39,900 shares outstanding with 830 total holders. 429 total holders voted on this matter. The proxy process was expired on April 4, 2002.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(A) EXHIBITS

Exhibit Number	Description of Document
99.1	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Chief Executive Officer or equivalent thereof). *
99.2	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Chief Financial Officer or equivalent thereof). *

* filed herewith

(B) REPORTS ON FORM 8-K

On April 22, 2002, the registrant filed a current report on Form 8-K dated August 29, 2001 to announce the closing of its asset purchase agreement with certain indirect subsidiaries of Charter Communications, Inc.

On June 14, 2002, the registrant filed a current report on Form 8-K dated June 14, 2002 to report that the registrant had changed its principal independent accountants.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ENSTAR INCOME PROGRAM IV-3, L.P.

By: ENSTAR COMMUNICATIONS CORPORATION
Corporate General Partner

Date: August 14, 2002

By: /s/ Paul E. Martin
Name: Paul E. Martin
Title: Senior Vice President and Corporate Controller (Principal Financial Officer and Principal Accounting Officer)

EXHIBIT INDEX

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