

P4-3A The income statement of Dreamworks International Co for the year ended December 31, 2002, reported the following condensed information

Revenue from fees	\$470,000
Operating expenses	<u>280,000</u>
Income from operations	190,000
Income tax expense	<u>47,000</u>
Net income	<u>\$143,000</u>

Dreamworks' balance sheet contained the following comparative data at December 31.

	<u>2002</u>	<u>2001</u>
Accounts receivable	\$55,000	\$40,000
Accounts payable	32,000	41,000
Income taxes payable	6,000	4,000

Dreamworks has no depreciable assets (Accounts payable pertains to operating expenses.)

Instructions

Prepare the operating activities section of the statement of cash flows using the direct method