Ozark Corporation reported net income of $100,000 for 20X5. The income statement revealed sales of $1,000,000; gross profit of $520,000; selling and administrative costs of $340,000; interest expense of $20,000; and income taxes of $60,000.

The selling and administrative expenses included $25,000 for depreciation.

No equipment was sold during the year. Equipment purchases were made with cash.

Prepaid insurance included in the balance sheet related to administrative costs.

All accounts payable included in the balance sheet relate to inventory purchases.

The change in retained earnings is attributable to net income and dividends.

The increase in common stock and additional paid-in capital is due to issuing additional shares for cash.

Using the direct approach, prepare a statement of cash flows (excluding the supplemental reconciliation of net income to operating cash flow) for Ozark for the year ending December 31, 20X5.

Comparative balance sheets for Ozark follow.

OZARK CORPORATION
Balance Sheet
December 31, 20X5 and 20X4

Assets	**20X5**	**20X4**
Cash	$ 458,700	$ 471,450
Accounts receivable	199,250	171,500
Inventories	248,600	278,800
Prepaid insurance	13,000	11,000
Land	250,000	250,000
Building and equipment	1,500,000	1,300,000
Less: Accumulated depreciation	(205,000)	(180,000)
Total assets	$2,464,550	$2,302,750
Liabilities		
Accounts payable	$ 85,700	$ 93,400
Interest payable	10,500	15,000
Income taxes payable	22,000	8,000
Stockholders' equity		
Common stock	710,000	700,000
Paid-in capital in excess of par	990,000	900,000
Retained earnings	646,350	586,350
Total liabilities and equity	$2,464,550	$2,302,750