The following information is taken from French Corporation's financial statements:

|  |  |  |
| --- | --- | --- |
|  | December 31 | |
|  | 2011 | 2010 |
| Cash | $90,000 | $ 27,000 |
| Accounts Receivable | 92,000 | 80,000 |
| Allowance for Doubtful Accounts | ( 4,500) | ( 3,100) |
| Inventory | 155,000 | 175,000 |
| Prepaid Expenses | 7,500 | 6,800 |
| Land | 90,000 | 60,000 |
| Buildings | 287,000 | 244,000 |
| Accumulated Depreciation | ( 32,000) | (13,000) |
| Patents | 20,000 | 35,000 |
| Total Assets | $705,000 | $611,700 |
|  |  |  |
| Accounts Payable | $ 90,000 | $ 84,000 |
| Accrued Liabilities | 54,000 | 63,000 |
| Bonds Payable | 125,000 | 60,000 |
| Common Stock | 100,000 | 100,000 |
| Retained Earnings - Appropriated | 80,000 | 100,000 |
| Retained Earnings - Unappropriated | 271,000 | 212,700 |
| Treasury Stock, at cost | (15,000) | ( 8,000) |
|  |  |  |
| Total Liabilities and Equity | $705,000 | $611,700 |
|  |  |  |
|  | For 2011 Year |  |
| Net Income | $58,300 |  |
| Depreciation Expense | 19,000 |  |
| Amortization of Patents | 5,000 |  |
| Cash dividends declared and paid | 20,000 |  |
| Gain or Loss on Sale of Patents | none |  |

**Instructions**

Prepare a statement of cash flows for French Corporation for the year 2011. (Use the indirect method.)