The chief accountant for Grandview cororation provides you with the company’s 2011 statement of cash flows and income statement. The accountant has asked for your hel with some missing figures in the company’s comparative balance sheets. These financial statements are shown next ($ in millions).

**Grandview Corporation**

**Statement of cash flows**

**For the Year Ended December 31, 2011**

**Cash flows from operating activities**

**Collections from customers $71**

**Payment to suppliers (30)**

**Payment of general & administrative expenses (18)**

**Payment of income taxes (9)**

**\_\_\_**

**Net cash flows from operating activities 14**

**Cash flow**

**Sale of investements 65**

**Cash flows from financing activities**

**Issuance of common stock 10**

**Payment of dividends 3**

**\_**

**Net cash flows from financing activities 7**

**Net increase in cash 86**

**Grandview Corporation**

**Statement of cash flows**

**For the Year Ended December 31, 2011**

**Sales revenue $80**

**Cost of good sold 32**

**\_\_**

**Gross profit 48**

**Operating expenses:**

**General and administrwtive $18**

**Depreciation 10**

**\_\_\_**

**Total operating 28**

**Operating income 20**

**Other income:**

**Gain on sale of investements 15**

**Income before income taxes 35**

**Income tax expense 7**

**Net income $28**

**Grandview Corporation**

**Balance sheets**

**At December 31**

**2011 2010**

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**Assets:**

**Cash $145 ?**

**Accounts receivable ? 84**

**Investments \_\_\_ 50**

**Inventory 60 ?**

**Property, plant & equipment 150 150**

**Less: accumulated depreciation (65) ?**

**Total assets ? ?**

**Liabilities and shareholders’ equity:**

**Accounts payable to suppliers $40 $30**

**Payables for selling & admin. Expenses 9 9**

**Income taxes payable 22 ?**

**Common stock 240 230**

**Retained earnings ? ?**

**Total liabilities and shareholders’ equity ? ?**

**Required**

1. **Calculate the missing amounts.**
2. **Prepare the operating activities section of Grandview’s 2011 statement of cash flows using the indirect method.**