Quick Question On Selling Bonds

On January 1, the We Need Money Corporation issued \$50,000 in 4-year, 10% bonds. Interest was paid semiannually. The bonds sold to yield 8%. Make the Journal Entries to record the sale of the bonds, and the first interest payment using first the straight line method and then the effective interest method.

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Quick Question On Bond Sinking Funds

A \$2,000,000 bond issue is due in 10 years. Calculate the semiannual payments beginning on June 30 needed to accumulate \$2,000,000 over 10 years in a bond retirement sinking fund. Return on capital is expected to be 8%. Make the first year's entries.

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