

Season Corporation had excess cash on hand on January 1, 20X1 and invested in three separate bond issues on that date. Each bond investment had a maturity date of December 31, 20X6 and a maturity value of \$100,000. The bond issues each pay interest on June 30 and December 31 of each year, and it is intended that these investments be held to maturity. Additional information about each investment follows:

Spring Company bonds were purchased at par and pay 7% annual interest.

Summer Company bonds were purchased for \$95,168.33 and pay 6% annual interest.

Fall Company bonds were purchased for \$104,831.67 and pay 8% annual interest.

- (a) Prepare journal entries for the Spring Company bonds to record the initial investment, a periodic interest payment, and the maturity.
- (b) Prepare journal entries for the Summer Company bonds to record the initial investment, a periodic interest payment, and the maturity.
- (c) Prepare journal entries for the Fall Company bonds to record the initial investment, a periodic interest payment, and the maturity.