Question 9-6. 신주인수권부사채 → 나중에 신주인수권 행사 → 주식 받아도 사채는 그대로 냄고 부채로 존재함

Seoul Co. issued bonds with warrants at face value under the following terms on January 1, 2021.

사채부분 → 부채
신주인수권 부분 → 자본 으로 인식

Principal	₩1,000,000
Interest payment	Interest is paid at 4% per annum on December 31.
Exercise price (권리행사 가격)	₩2,000, Par value per share of issued stock: ₩1,000
Redemption	Redemption of the face value without a redemption premium on December 31, 2023.
Market yield for general bonds as of the issuance date of bonds with warrants	7% per annum (Market interest rate)

(1) Prepare the journal entries that Seoul Co. should make on the issuance date of the bonds with warrants. BW 발행업자 → 분개

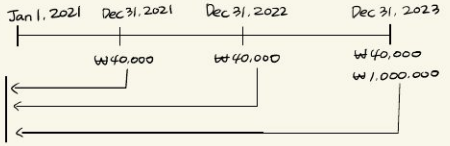
(2) Prepare the journal entries for recognizing the interest expense on the bonds with warrants at the end of 2021.

(3) At the beginning of 2022, if 80% of the warrants attached to the bonds with warrants were exercised, prepare the journal entries that Seoul Co. should make.

(4) Prepare the journal entries to recognize the interest expense on the bonds with warrants at the end of 2022.

(5) Prepare the journal entries for the redemption of the bonds with warrants at the end of 2023, assuming the remaining warrants were not exercised.

(1)



$$PV_0 = \frac{40,000}{0.07} \times \frac{1.07^3 - 1}{1.07^3} + \frac{1,000,000}{1.07^3} = ₩921,273$$

Jan 1, 2021 Dr. cash 1,000,000 Cr. Bonds payable with warrant 1,000,000

↓ 장부가액 : ₩921,273

Dr. Adjustment of warrants 78,727 Cr. consideration of warrants 78,727
(1,000,000 − 921,273)

(2) Dec 31, 2021 Dr. Interest expense 64,489 Cr. cash 40,000
(921,273 × 7%) Adjustment of warrants 24,489

↓ 장부가액 : ₩945,762 (921,273 + 24,489)

(3) Jan 1, 2022 Dr. cash 800,000 Cr. Share capital 400,000
(= 400 × ₩2,000) (= 400 × ₩1,000)

Share premium 400,000

Dr. consideration of warrants 62,982 Cr. Share premium 62,982
(78,727 × 80%)

(4) Dec 31, 2022 Dr. Interest expense 66,203 Cr. cash 40,000
(945,762 × 7%) Adjustment of warrants 26,203

(5) Dec 31, 2023 Dr. Bonds payable with warrants 1,000,000 Cr. Cash 1,000,000

<Optional> → 위에서 80%만 제거했음, 나머지 20% 반영

Dr. consideration of warrants 15,745 Cr. Share premium 15,745
(78,727 − 62,982)