Solution:

(1)

The price at which the share was sold is given by: $\$28 \times 1{,}500 = \$42{,}000$. The shares are now bought back for $\$38.67 \times 1{,}500 = \$58{,}000$.

The par value of the shares that are bought back are $\$0.1 \times 1{,}500 = \$150$.

The journal entry should be as follows:

Date	Particulars	Debit	Credit
2011	Treasury Stock	58,000	
	To Cash		58,000

(2)

The stocks have been retired, which means that the following balances are there:

$$Cash\ decrease = \$58{,}000\ for\ the\ company$$

$$Return\ the\ stock\ issued = \$150\ for\ the\ company$$

$$Capital\ change = \$27.9 \times 1{,}500 = \$42{,}000\ for\ the\ company$$

$$The\ remaining, retained\ earnings$$

Thus, the journal entry will be:

Date	Particulars	Debit	Credit
2011	Common Stock	150	
	Additional Paid-in Capital	41,850	
	Retained Earnings	16,000	
	To Cash		58,000