

Solution:

(1)

Total	Cash	\$1,000	Paid in Capital	\$1,000
		\$1,000		\$1,000

(2)

Total	Cash	\$400	Paid in Capital	\$1,000
	Inventory	\$600		
		\$1,000		\$1,000

(3)

Total	Cash	\$1250	Paid in Capital	\$1,000
			Retained Earnings	\$250
		\$1,250		\$1,250

Retained earnings here represent the increase in cash, since entire inventory is sold.

(4)

Total	Cash	\$150	Paid in Capital	\$1,000
	Inventory	\$300	Retained Earnings	\$250
	Equipment	\$800		
		\$1,250		\$1,250

Retained earnings is related to accumulated profit over years due to sales and does not reflect the current cash balance.

(5)

Total	Cash	\$150	Accounts Payable	\$500
	Inventory	\$800	Paid in Capital	\$1,000
	Equipment	\$800	Retained Earnings	\$250
		\$1,750		\$1,750