



## IT Entrepreneurship

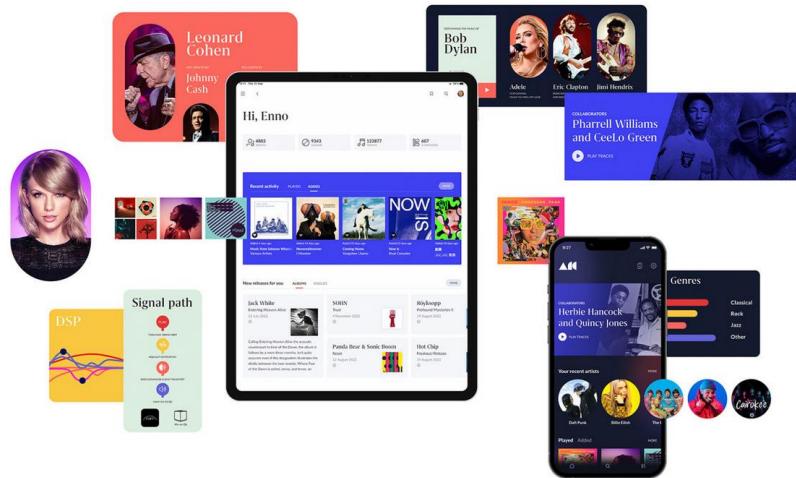
### Lecture L8 – L9 – L10

Exam Question

- L8 was review of previous slides*      Slide P59 ~~☆☆~~
- L9 and L10 will be identical ( half students in PQ306, half in W402a )*
- Short Introduction about Intellectual Property (IP)*
- Some basic on Accounting and Finance*
- Go Venture Entrepreneurship Game Video Demo*
- A Paper about “Innovation Culture”*

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## The audiophile player for music fanatics



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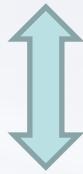
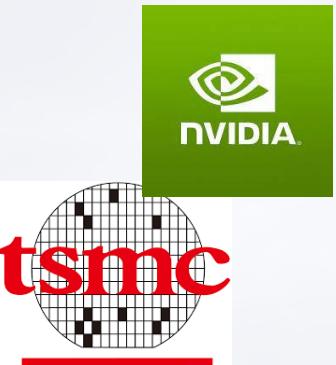
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# Discussion

- What business model is Roon ?
- What is the value proposition ?

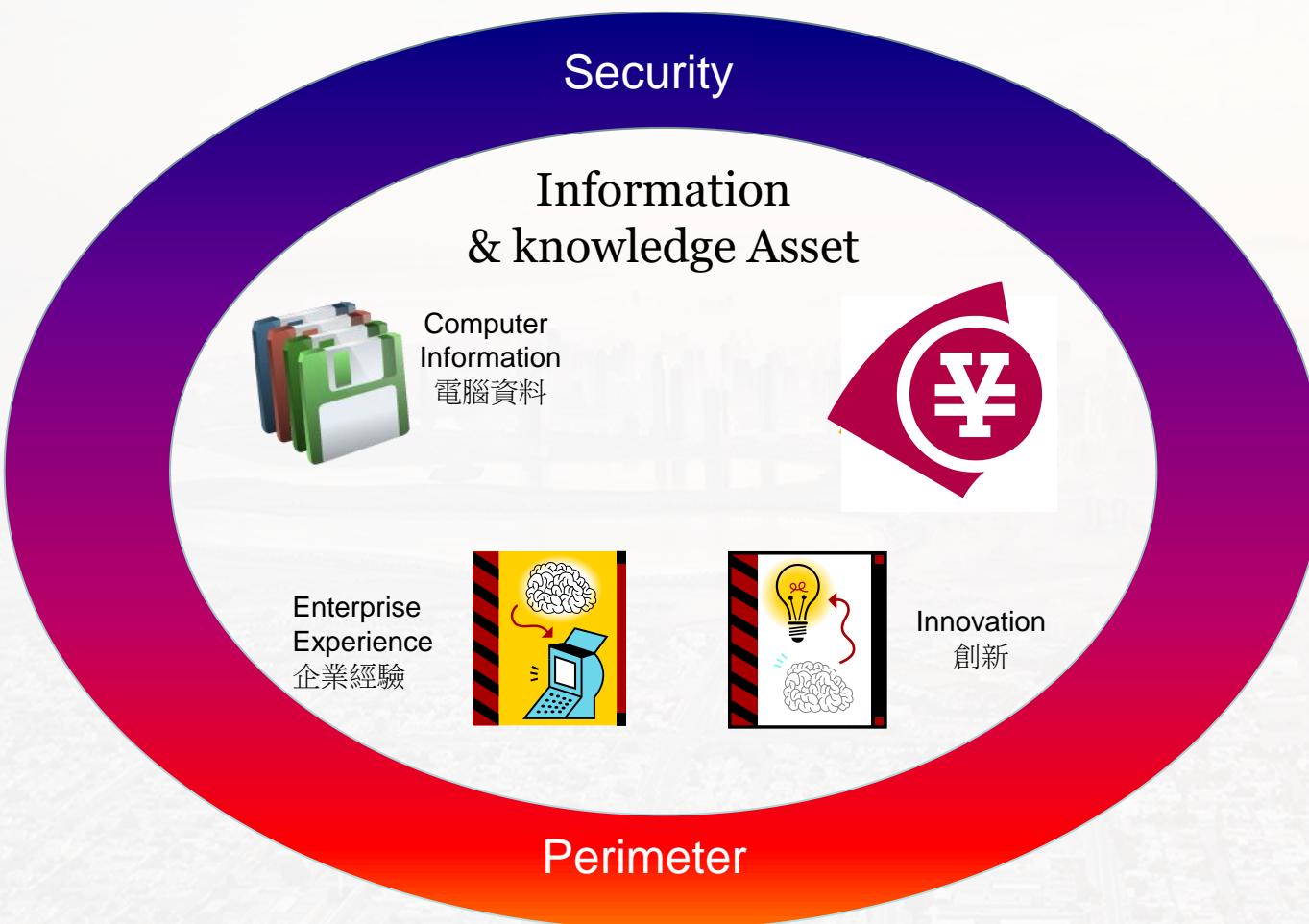
# Competitors of Emerging Technologies



Open AI competitions also on the horizon

# **Short introduction about Intellectual Property (IP)**

## Protection of Information & Knowledge Asset

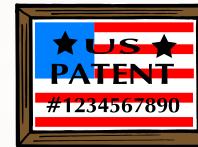


## How enterprises protect intellectual property ?



Legal protection

Infringement goes to court

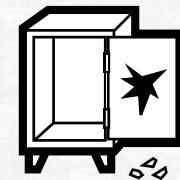


Partnership,  
Business Cartel



Others

You rob me, I rob you  
see who robs who fast !





Home    About    LLM Programmes    MCL    Joint Programmes    FAQs

## Master of Laws in Technology and Intellectual Property Law [LLM(T&IPL)]

LLM Programmes > LLM(T&IPL)



### Master of Laws in Technology and Intellectual Property Law



**Mode of Attendance**  
Full-time: 1 Year  
Part-time: 2 Years



**Programme Director**  
Dr Yahong Li  
T. (852) 3917 2953 | E. [lawpgs@hku.hk](mailto:lawpgs@hku.hk)



**Tuition Fees\***  
(for 2021-2022)  
Full-time: \$153,300 p.a.  
Part-time: \$76,650 p.a.

\* Subject to University's approval.



**Application Deadline**  
(Clearing)  
19 April 2021  
(GMT +8) 12:00 noon



Aims

Programme structure

Courses

Admission requirements

Information session

Online application

*(Each of the courses listed below carries 9 credits unless otherwise stated.)*

**□ Capstone courses**

*(Candidates must choose at least one course from the list below.)*

LLAW6132 International and Comparative Intellectual Property Law

LLAW6170 Law and the internet

**□ Core courses**

*(Candidates must choose at least two courses from the list below.)*

LLAW6139 China information technology and electronic commerce law

LLAW6223 Copyright and Creativity

LLAW6120 Intellectual property and information technology

LLAW6219 Patent Law

LLAW6046 Privacy and data protection

LLAW6200 Topics in Trademark Law

 **Electives** (*Department of Law*)

- LLAW6243 Advanced intellectual property law
- LLAW6187 Advanced topics in competition law
- LLAW6124 Communications law
- LLAW6285 Computer programming, data mining, and the law – An applied introduction
- LLAW6267 Courts
- LLAW6117 Cybercrime
- LLAW6014 18-credit Dissertation (18 credits)\*
- LLAW6054 9-credit Dissertation\*\*
- LLAW6111 E-business law
- LLAW6126 e-finance: law and regulation
- LLAW6210 Energy law
- LLAW6249 Entertainment law
- LLAW6106 Global information technology law and practice
- LLAW6005 Hong Kong intellectual property law
- LLAW6119 Human rights and cyberspace
- LLAW6188 Intellectual property policy and practice
- LLAW6212 Intellectual property protection in China: law, politics and culture
- LLAW6140 Intellectual property, innovation and development
- LLAW6280 Introduction to artificial intelligence and law
- LLAW6288 Introduction to European Union law
- LLAW6181 Management and commercialization of intellectual property
- LLAW6176 Online Dispute Resolution

# The different types of IP (I)

## Legal right

**Patents**

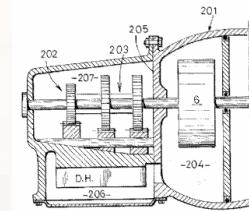
*Normally 20 years*

## What for?

New inventions

## How?

Application and examination

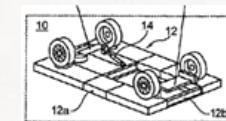


**Utility models**  
*Not USA, UK*

*Petty Patent*

New inventions

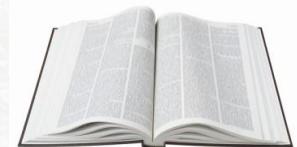
Application and registration



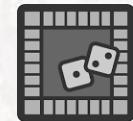
**Copyright**  
*Life of author,  
plus 70 years.*

Original creative or artistic forms

Exists automatically



Adopted from "Intellectual Property Teaching Kit", EUIPO, 2016



<http://www.businessinsider.com/apple-versus-samsung-2012-8?op=1>

# The different types of IP (I)

## These Are The 6 Apple Patents Samsung Violated



Kevin Smith

⌚ Aug. 28, 2012, 10:07 AM 596,880 ⚡ 84



FACEBOOK



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TWITTER



Apple won its big patent lawsuit against Samsung.

We've pulled together the six patents the jury says Samsung violated.

[View As: One Page](#) | [Slides](#)



Adopted from "Intellectual Property Teaching Kit", EUIPO, 2016

# The different types of IP (I)

## Warner Music Pays \$14 Million to End 'Happy Birthday' Copyright Lawsuit



Adopted from "Intellectual Property Teaching Kit", EUIPO, 2016

# The different types of IP (II)

**Legal right**

Trade marks

**What for?**

Distinctive identification  
of products or services

**How?**

Use and/or  
registration



**Design Patent ( USA)**

Registered  
designs

*Normally 25 years*

External appearance

Registration



**Trade secrets**

Valuable information  
not known to the public

Reasonable efforts  
to keep secret



# One product - many IP rights

## Trade marks

- NOKIA
- Product "208"
- Start-up tone

## Copyright

- Software
- User manuals
- Ringtones
- Start-up tone
- Images



## Patents and utility models

- Data-processing methods
- Operating system
- Operation of user interface

## Designs

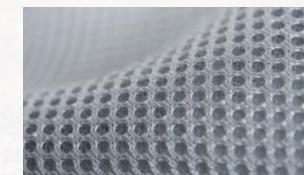
- Form of overall phone
- Arrangement and shape of buttons
- Position and shape of screen

## Trade secrets

- Some technical know-how kept "in-house" and not published

# The importance of intellectual property (I)

- IP is an essential **business asset** in the **knowledge** economy
  - [Sandvik AB: innovative high-technology tools and steel technology](#)
  - ARM Holdings: **licenses** its technology to microprocessor companies
- IP protects small innovative firms
  - [W. L. Gore & Associates: GORE-TEX®](#)
  - [Dolby Laboratories: invented noise-reduction technology](#)



Adopted from “Intellectual Property Teaching Kit”, EUIPO, 2016

# The importance of intellectual property (II)

- IP is needed to enable the release of IP into the **public** domain under controlled conditions.

- General Public License (GPL): Linux
  - [Creative Commons License](#)



- IP helps guarantee standards for **public** benefit by means of licensed trade marks.

- Fairtrade International (FAIRTRADE)
  - Forest Stewardship Council (FSC)



Adopted from "Intellectual Property Teaching Kit", EUIPO, 2016

# The IP System

## Innovators

make significant investments  
in developing new products



Heavy pressure  
may drive the  
innovator out of  
business



## IP system

Rights over the use of inventions, designs,  
brands, literary and artistic works

## Competitors

benefit from their efforts



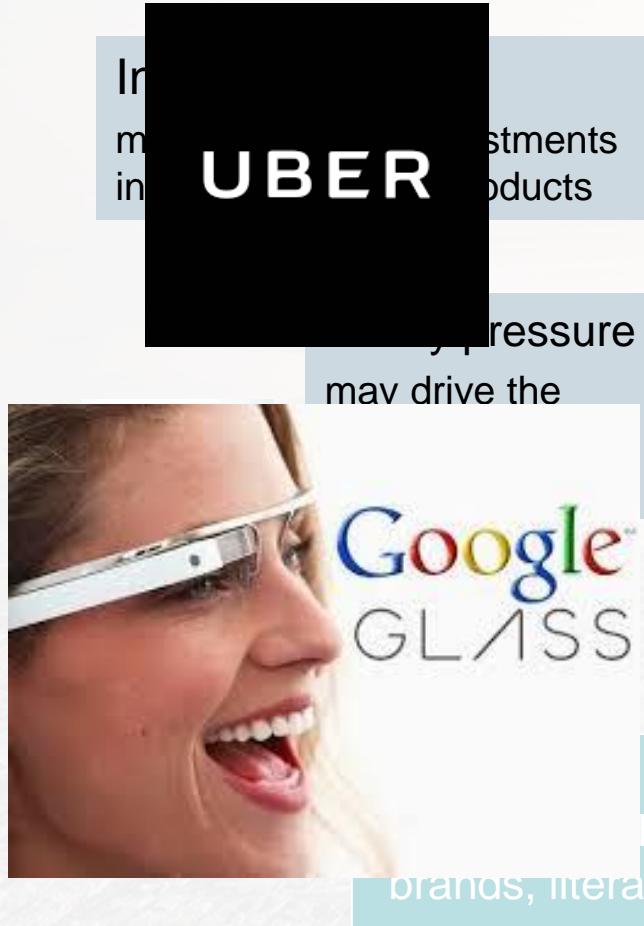
Can offer similar or identical  
products at a cheaper price



Get a free ride  
on the back of the innovator's  
creativity and inventiveness

DiDi

# The IF



the use of inventions, designs, brands, literary and artistic works

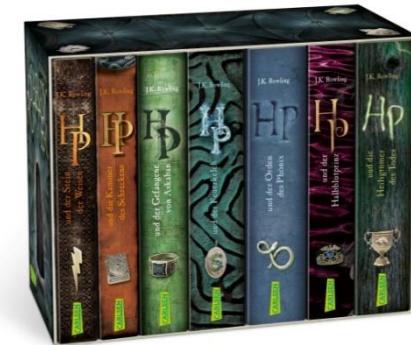
# Examples of valuable intellectual property



Coca-Cola®



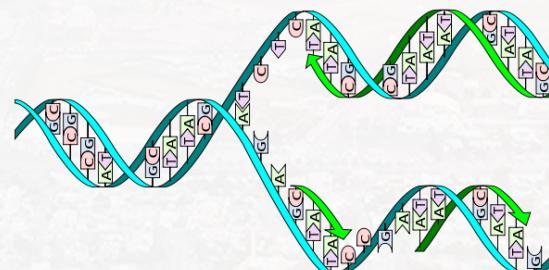
Apple® iPod touch®



Harry Potter



Polaroid® instant camera

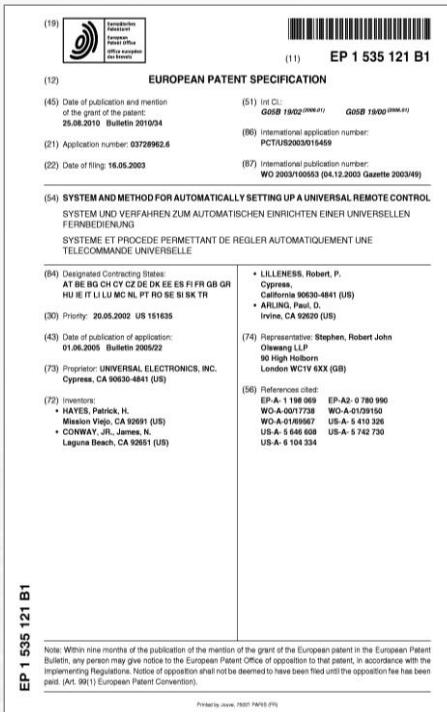


DNA copying process

# PATENTS

# What is a patent?

- A legal title which grants the holder
  - the exclusive right to **prevent others** from making, using or offering for sale, selling or importing a product that infringes his patent without his authorisation
  - in countries for which the patent was granted
  - for a limited time (up to 20 years).
- In return for this protection, the holder has to **disclose** the invention to the public.



Patents are granted in nearly every country in the world!

Reveal  
invention  
(disclosure  
)



Get  
exclusivity  
(patent)



Patent applicant



Public

# What exactly can be patented?

Patents protect inventions which solve **technical problems**:

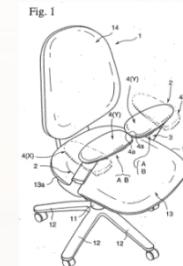
- chemical substances, pharmaceuticals



- processes, methods, uses



- products, devices, systems



For an invention to be patented, it must usually be

- ✓ **new** to the world (i.e. not available to the public anywhere in the world)
- ✓ **inventive** (i.e. not an "obvious" solution), and
- ✓ susceptible of industrial application

In most countries, patents are not granted for business methods or rules of games as such, or for methods of treatment, diagnostics and surgery on the human or animal body.



# Can one apply DNA for patented ?

U.S. | Thu Jun 13, 2013 4:35pm EDT

## U.S. top court bars patents on human genes unless synthetic



A DNA double helix is seen in an undated artist's illustration released by the National Human Genome Research Institute to Reuters on May 15, 2012. REUTERS/National Human Genome Research Institute/Handout

1/2

<http://www.reuters.com/article/us-usa-court-genes-idUSBRE95C0PW20130613>

A unanimous U.S. Supreme Court on Thursday prohibited patents on naturally occurring human genes but allowed legal protections on synthetically produced genetic material in a compromise ruling hailed as a partial victory for patients and the biotechnology industry.

The ruling by the nine justices, the first of its kind for the top U.S. court, buttressed important patent protections relied upon by biotechnology companies while making it clear that genes extracted from the human body cannot be patented.

Researchers and advocates for patients said it could make it easier for people to get cheaper genetic tests for disease risk.

The court's ruling came in a challenge launched by medical researchers and others to seven patents owned by or licensed to Salt Lake City, Utah-based biotechnology company Myriad Genetics Inc on two genes linked to breast and ovarian cancer.

## What is a trade mark?

- A trade mark is any sign, capable of being represented graphically, which **distinguishes** the goods and services of one undertaking (company or organisation) from those of another
- Many different types: word, figurative, colour, shape
- Absolute grounds for refusal
  - Distinctiveness

*A lack of distinctive character is therefore an absolute ground for refusal of registration. Trade marks which are descriptive or generic are not capable of fulfilling the origin function.*
- Relative grounds for refusal
  - When peaceful co-existence of marks is impossible

# Possible Grounds for Refusal of a Mark

The USPTO may be required to refuse registration of your mark on numerous grounds. The most common are:

**Likelihood of Confusion:** The USPTO conducts a search for conflicting marks as part of the official examination of an application only after a trademark application is filed. In evaluating an application, the examining attorney conducts a search of USPTO records to determine whether there is a conflict between the mark in the application and a mark that is either registered or pending in the USPTO. The principal factors considered in reaching this decision are the similarity of the marks and the commercial relationship between the goods and services identified by the marks. To find a conflict, it is not required that the marks and the goods/services be exactly the same; instead, it is sufficient if the marks are similar and the goods and or services related such that consumers would mistakenly believe they come from the same source.

Similarity in sound, appearance, or meaning may be sufficient to support a finding of likelihood of confusion. The following are some examples of marks that would be considered similar:

## Sound



# GEOGRAPHICAL INDICATIONS

# What are geographical indications?

- Geographical indications identify a good as originating in the territory of a country or a region or locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin.
- Protection under EU legislation

Protected geographical indication (PGI)	Protected designation of origin (PDO)
 The logo is circular with a blue border containing the text "PROTECTED GEOGRAPHICAL INDICATION". Inside the border are twelve yellow stars arranged in a circle. The center of the logo features a stylized yellow wavy line representing water or waves.	 The logo is circular with a red border containing the text "PROTECTED DESIGNATION OF ORIGIN". Inside the border are twelve yellow stars arranged in a circle. The center of the logo features a stylized yellow wavy line representing water or waves.

## Difference between PGIs and PDOs

- Stricter conditions apply to PDOs:
  - Link between place name and product is essentially or exclusively due to the particular geographical environment.
  - **All stages** from production, processing and preparation are located in the defined geographical area.

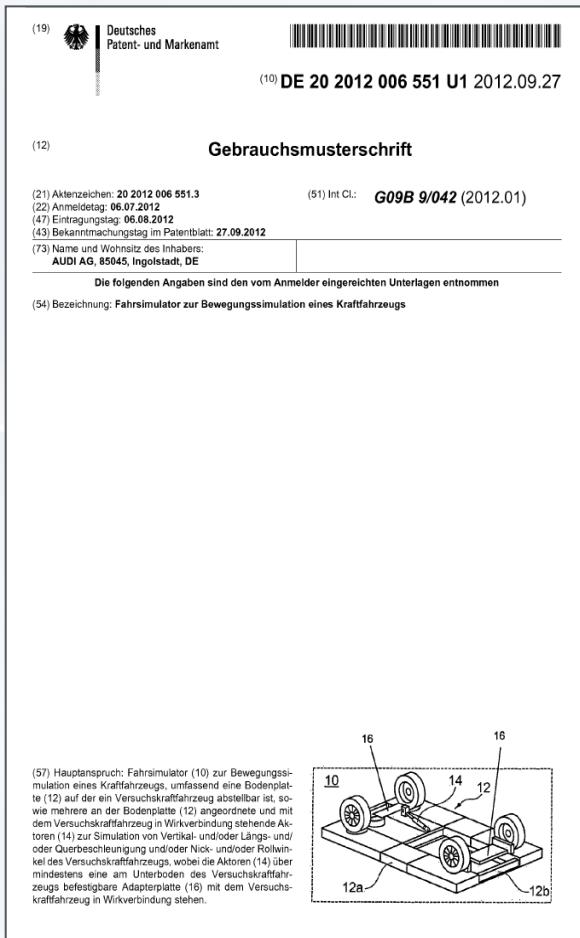


# UTILITY MODELS

Adopted from "Intellectual Property Teaching Kit", EUIPO, 2016

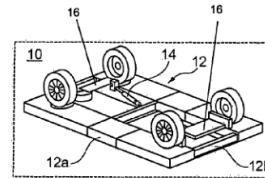
*for example Austria, China, Germany and Japan –  
but not in others - for example Canada, the UK and the USA.*

# What is a utility model?



- A utility model grants the holder the exclusive right to prevent third parties from:
  - exploiting an invention (e.g. making, using, offering for sale)
  - without authorisation in the country where the utility model was registered for a short period (3 to 10 years).
- The holder has to disclose the invention to the public.

Reveal  
invention  
(disclosure  
)



Get protection  
(utility model)

## Will a utility model be available in Switzerland?

DATE: 11 DECEMBER 2020

### Change to Swiss patent law is forthcoming

Previously, no examination of novelty and inventiveness was necessary for national patent applications in Switzerland. National patents were registered after an examination of the formal requirements and then were only examined in civil law proceedings through nullity proceedings.

The proposed change to Swiss patent law aims to introduce a full examination for Swiss patent applications. The previous regulation, which forbids the Swiss patent office, the Institute for Intellectual Property (IGE), to examine patent applications for novelty and inventive step, shall be deleted. It follows that the IGE would be obliged to first determine the state of the art for patent applications in order to assess whether the invention differs sufficiently from the known state of the art.

With the fully examined Swiss patent, inventors then receive a fully-fledged, national alternative to the likewise fully examined European patent. In terms of price, it will be positioned between a patent examined by the European Patent Office (EPO) and today's Swiss patent.

It is particularly interesting that, in addition to the fully examined patent, a so-called 'Utility Model' is now to be introduced in the same way as they are present in Germany. So far, Swiss law does not recognize any property right explicitly named in this way. Utility models, are often referred to as a "small patent" or "petty patent" abroad. They are registered in a quick and uncomplicated procedure after only a formal examination and without material examination of the content and patentability. The streamlined utility model procedure is, however, not applicable for inventions in the fields of biotechnology, pharmacy and chemistry or for inventions that concern processes or methods. This follows the German legal structure for utility models. Unlike patents, utility models only offer protection for a maximum of 10 instead of 20 years.

# Scope of protection compared with patents

## Utility models

- Registered territorial IP right
- Available in limited number of countries
- **No central filing** in Europe
- Protection for 3 -10 years
- Search reports in some countries only
- Registered and published after a few months
- Generally **no substantive** examination (novelty, inventiveness)
- Reviewed only in revocation or infringement proceedings

## Patents

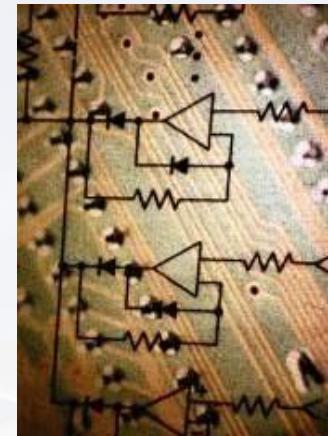
- Registered territorial IP right
- Available in most countries
- Central filing possible (e.g. EPO for Europe)
- Protection for up to 20 years
- Search reports standard
- Application published after 18 months
- Substantive examination (novelty, inventive step)
- Grant or refusal after substantive examination procedure

# SEMICONDUCTOR TOPOGRAPHY RIGHTS

# What are semiconductor topography rights?

Semiconductor topography rights protect layout designs of integrated circuits.

- Three-dimensional components and layers and their interconnections
- Copying relatively easy
- Reverse engineering accepted practice



## Substantive requirements

- Original, i.e. the result of the creator's own intellectual effort
- Not commonplace

## Formal requirements

- TRIPS member states may prescribe:
- registration
  - disclosure of electronic function
  - registration fee
  - commercial exploitation

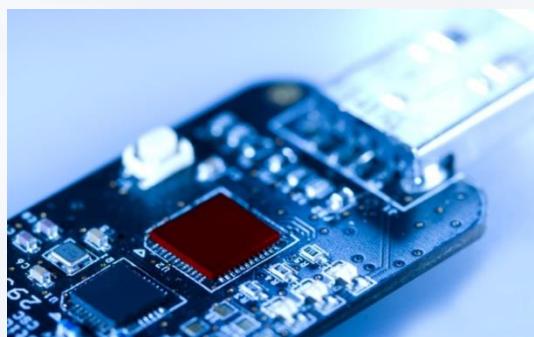
# Scope of protection

Rights prevent others from reproducing, selling or importing part or all of the protected design and of products incorporating it



## Duration of protection

10-15 years from the date of creation of the layout design



## Exceptions and limitations

- No infringement if for private use, research or teaching
- Reverse engineering to foster innovation
- Independent creation of an identical design
- Innocent infringement

# COPYRIGHT

# What is copyright?

```
##### World Cup Soccer Data "soccer.txt" #####
#####
# Read datafile into R #####
soccer<-read.table("soccer2002.txt", header=TRUE)
#####
## Sample size #####
sampleN<-sum(soccer$Freq)
#####
## Sample mean #####
meanN<-(sum(sampleN)*sum(soccer$Goals)*soccer$Freq))
#####
## Poisson probability for X=0, 1, ..., n with lambda=mean #####
prob<-dpois(0:sampleN, lambda=meanN)
#####
## Compute expected frequencies #####
efreq<-sampleN*prob
efreq
```



- Copyright protects any production of the human mind, such as literary and artistic works.
  - This production must be **an expression** and not a mere idea.
  - The expression must be original.
- Copyright creates a special legal relationship between authors and their work.
- It confers legal protection for a limited period of time.



# Scope of protection

- Economic rights
  - relate to the economic exploitation of the work
  - are freely transferable or licensable
  
- Moral rights
  - relate to a moral interest of the author
  - are always retained by the author
  
- Exceptions and limitations
 

Personal use, criticism, review
- Infringement and remedies
 

May be ( just may be ) criminal



*Recognition,*

*Integrity ( Hilary Clinton was not happy when her English Autobiography was wrongly Translated in Chinese )*



# TRADE SECRETS

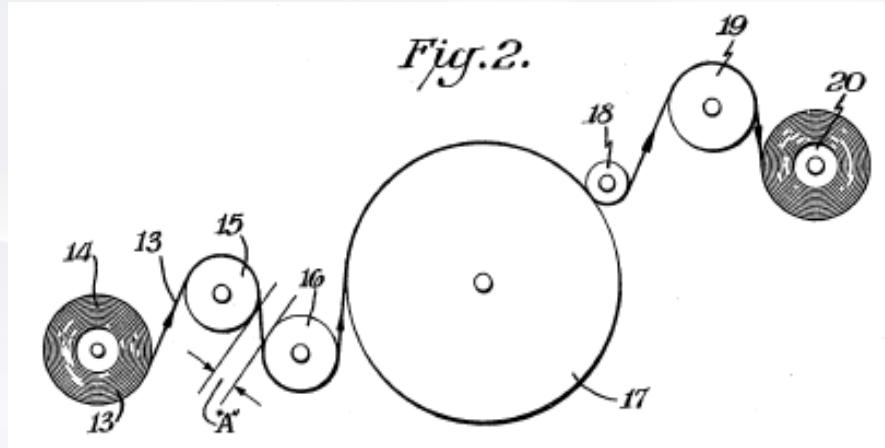
# What are trade secrets?



- Information that
  - is not generally known or easily discovered
  - has a business, commercial or economic value (actual or potential) because the information is not generally known
  - is subject to reasonable efforts to maintain secrecy
- Unlimited life, provided the information does not become public knowledge.



## Scope of protection



Products/processes  
where reverse  
engineering is  
difficult

Images from [www.coca-cola.com](http://www.coca-cola.com)

# Means of protection

## Practical

- Limited access to information
- "Need to know"
- **Encryption** of data
- Monitored entry to installations

## Contractual

- Restrictive covenants in employment contracts
- Non-disclosure agreements



# What is Accounting?

You need money to run a business. You have to **pay** salaries, pay your suppliers for your inventory, pay rent, pay for advertising, and so on. You also **receive** money when you sell your products. You need a system that will measure, record, and forecast the financial transactions of the business, i.e. a system that will account for your monetary transactions. Accounting is the system used to classify and interpret your business in units of money. In your personal life, a checkbook might be enough to keep track of your monetary transactions – your deposits, cash withdrawals, and checks written. A business, however, has more numerous and more complicated financial transactions. Therefore it needs a more detailed tracking system.



For example, a business has to track the sales **taxes** it collects and pay them to the government. It has to track all its loan payments so it knows how much is left to be paid. It has to keep records of who has invested in the company and how much. These are only a few of the transactions which are recorded. Maintaining these financial records is often called “keeping the company’s books,” or **Bookkeeping**. Before computers, all accounting records were handwritten (not even a calculator!) in a series of paper books called journals and ledgers. Today, there are many accounting software programs which do most of the work for you.



**Case full of money: Investor Si Rongbin flashes HK\$10 million, half of it in cash, in bid to save Hong Kong broadcaster ATV**



**Source : SCMP.com  
2016**

**Deloitte demand potential ATV buyers pay HK\$500,000 to look at troubled station's books**



# Auditor may be sued

PwC

+ Add to myFT

## Liquidators for China's Evergrande prepare to sue PwC over audits

Big Four firm audited the highly indebted developer as it grew fast during China's real estate boom



Eddie Middleton and Tiffany Wong, from the restructuring firm Alvarez & Marsal, were appointed Evergrande's liquidators last month © FT montage/Bloomberg/AFP via Getty Images

## Big Four firm audited the highly indebted developer as it grew fast during China's real estate boom

Evergrande's liquidators are preparing for a potential lawsuit against PwC, which audited the now-collapsed Chinese property group for more than a decade, in a move that could lead to the Big Four accounting firm facing a high-profile negligence claim. Eddie Middleton and Tiffany Wong, the Alvarez & Marsal restructuring specialists appointed as liquidators of Evergrande's Hong Kong-listed holding company last month, have spoken to at least two law firms about the prospect of bringing a claim against the audit firm, according to three people with knowledge of the conversations. Bringing a claim would require the liquidators to build a case that PwC made mis-steps that have harmed creditors, the people said. The liquidators were "taking steps to protect [their ability to bring] legal claims against auditors", one of the people said. Evergrande, the world's most indebted property developer with more than **\$300bn** in liabilities, defaulted in 2021, triggering a broader cash crunch across China's property sector. Several attempts to agree a restructuring plan failed. The liquidator's talks with lawyers are an early sign of how this latest phase of Evergrande's collapse, which began when a Hong Kong court last month ordered it to be wound up, could result in significant costs for global firms. The conversations about a possible lawsuit were at an early stage, the people cautioned, adding that the existence of the talks did not indicate Evergrande's liquidators had unearthed any evidence of wrongdoing by PwC, nor that a lawsuit was certain to take place. "In the last decade, suing the auditor has become somewhat normalised as a way of recovering value [for creditors]," said an insolvency specialist not involved in the Evergrande case. They said claims against auditors and other professional advisers had "become something a liquidator looks at as a matter of course when you've got a multibillion-dollar case".

PwC was Evergrande's auditor when the developer listed **in 2009**, and signed off its books as it expanded rapidly using eye-watering leverage during China's real estate boom. *The Big Four firm resigned from the role last year*. Two of the people said it was common for liquidators to move quickly to preserve their right to bring a lawsuit against professional advisers, so that they were not thwarted later by the statute of limitations. The people said that under Hong Kong law, liquidators usually had six years from any **alleged wrongdoing** to bring a case, unless a different time period had been agreed in advance. They added that it could take a long time for any lawsuit to materialize because the liquidators would need to collect **evidence** of any mis-steps by the auditors and build a case that creditors have lost out as a result of those mis-steps. Middleton and Wong, and PwC, declined to comment. PwC has built up a significant business auditing Chinese real estate groups, and has acted for several other developers that have struggled, including Country Garden, Sunac, R&F Properties and Shimao. It resigned as auditor of Sunac, Shimao and R&F in 2022. The Evergrande audits were carried out by PwC's Hong Kong business, filings show. Suing the auditors in the territory would be one way for the liquidators to try to recoup money for Evergrande's creditors outside of mainland China, where the process would probably be far more difficult. Other audit firms have faced negligence claims in Hong Kong in relation to their work for Chinese companies. In 2021, KPMG settled legal claims brought by liquidators over its audit of China Forestry. PwC signed off Evergrande's accounts in 2020, but when it resigned as Evergrande's auditor last year, it said it had not been able to get the information it needed for the company's 2021 audit. Hong Kong's Accounting and Financial Reporting Council said in 2021 it was investigating PwC's audit of Evergrande's 2020 accounts. It said PwC had "expressed an unmodified audit opinion" in its report on Evergrande's 2020 accounts, "but made no reference to going concern material uncertainties". It added it believed there were reasons to "investigate whether PwC's audit work on China Evergrande's going concern assessment" in its 2020 audit "complied with applicable auditing standards".

# The Worldcom Scandal Explained



## Investing for Beginners

### ECONOMICS

### BASICS

### PERSONAL FINANCE

### RETIREMENT

### PORTFOLIO MANAGEMENT

### BONDS

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## How One of the World's Largest Companies Made \$3.8 Billion Disappear



BY [JOSHUA KENNON](#) | Updated November 14, 2019

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You've probably heard about the Worldcom scandal, one of the most shocking and widespread frauds to rock [Wall Street](#) in a generation. In case you haven't, or wanted a quick overview of the story, here are the basics of the situation.

In 2001, Worldcom, a household name and one of the world's largest telecommunication companies, and also a core [dividend-paying stock](#) that many retirees held in their portfolios, attempted to falsely inflate the earnings on its profit and loss statement by nearly \$4 billion.



## (a) Profit and Loss ( Income ) Statements

## (b) Balance Sheet



### Profit and Loss ( Income ) Statements

$$\text{Revenues} - \text{Expenses} = \text{Net Income (or Loss)}$$

**Revenues:** Money received or which will be received from sales in the operation of the business during this period.

**Expenses:** The costs of running the business and making the sales during this period. (This excludes purchasing things which will have value to the company in the future – these are called Assets and are recorded on the Balance Sheet.)

**Net Income (or Loss):** Also called Net Profit (or Loss), or Earnings, this is the difference between the sales and the costs of operating the business during this period. Your company's Net Income is usually not the same amount as your cash balance because of assets purchased (reductions to cash) and money loaned to or invested in the company (additions to cash), which are not considered sales or expenses.

# Profit and Loss ( Income ) Statements

## **Income Statement**

**ABC Company**

**For the Period of \_\_\_\_\_**

### **Revenues**

- Cost of Goods Sold
- = **Gross Profit**
  
- Other Expenses
- = **Income/(Loss) before Taxes**
  
- **Income Taxes**
  
- = **Net Income/(Loss)**

## (a) Profit and Loss ( Income ) Statements

## (b) Balance Sheet

### Balance Sheet

$$\text{資產} = \text{負債} + \text{資本淨值}$$

**Assets = Liabilities + Equity**

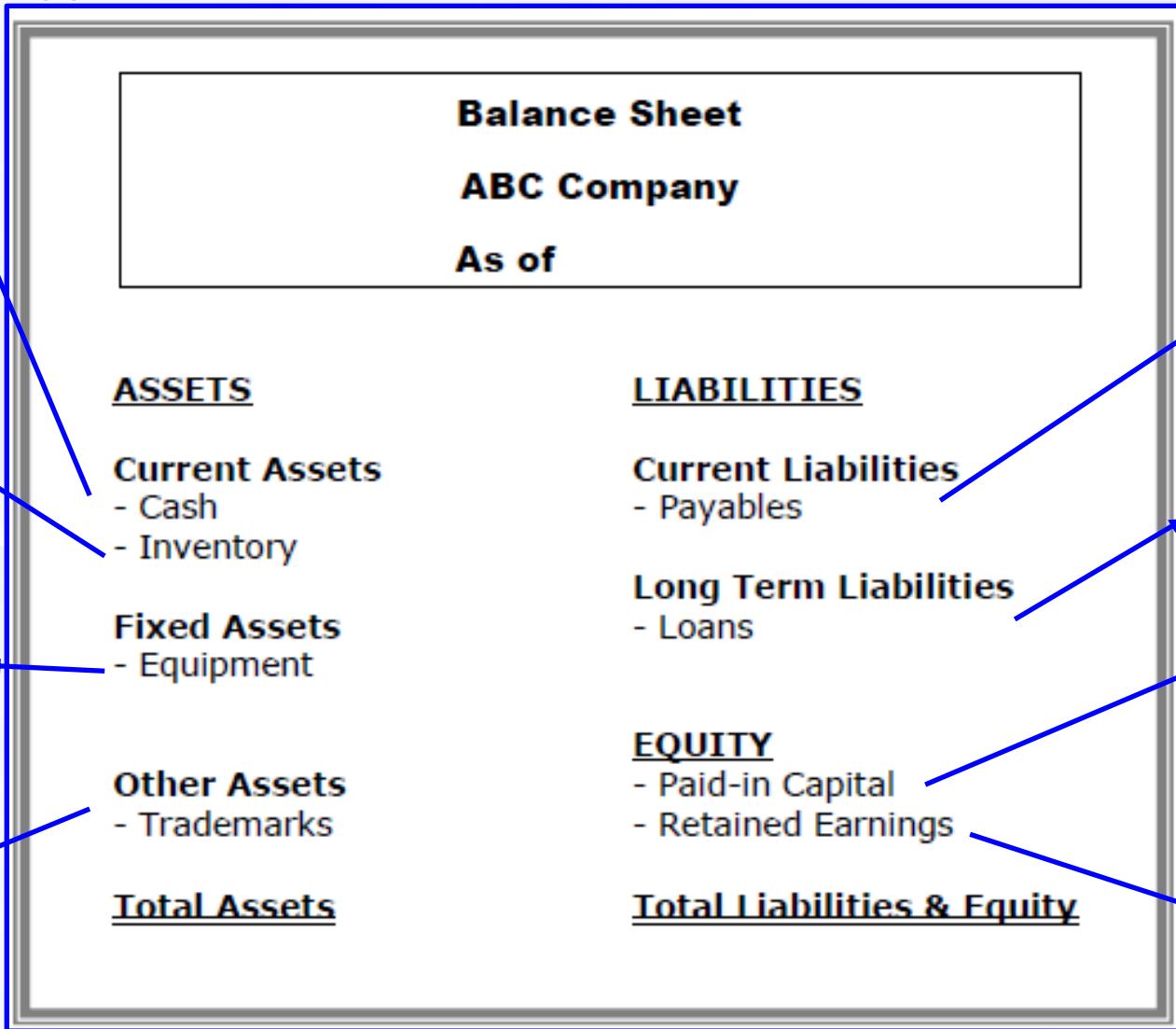
**Asset:** Something owned by the business which has future value (cash, inventory, equipment, etc.).

**Liability:** A debt of the company with set repayment terms (payables, loans, mortgages, etc.).

**Equity:** Investment into the business (which, unlike a loan, is not paid back) and the net profits (earnings) from operations that are retained in the company.



# Balance Sheet



## Relationship of Income Statement to Balance Sheet

### Balance Sheet

**ABC Company**

**As of**

#### ASSETS

##### **Current Assets**

- Cash
- Inventory

##### **Fixed Assets**

- Equipment

##### **Other Assets**

- Trademarks

#### Total Assets

#### LIABILITIES

##### **Current Liabilities**

- Payables

##### **Long Term Liabilities**

- Loans

#### EQUITY

- Paid-in Capital
- Retained Earnings

#### Total Liabilities & Equity

Income Statement  
**ABC Company**  
For the Period of \_\_\_\_\_

- Revenues
- Cost of Goods Sold
- Gross Profit
- Other Operating Expenses
- Operating Income
- Income Taxes
- Net Income( loss)

## Accounting General Journal

The Accounting General Journal is a list of all financial transactions as they happen. To record a financial transaction, enter the Month, the Account and Explanation, and the amount as a Debit or Credit.

- increasing an Asset account, enter as a Debit.
- decreasing an Asset account, enter as a Credit.
  
- ❖ increasing a Liability account, enter as a Credit.
- ❖ decreasing a Liability account, enter as a Debit.

### **Asset Accounts**

Cash  
Gwidget Sales  
Gwidget Inventory  
Other Income

### **Liability Accounts**

Gwidget Cost of Sales  
Debt  
Rent  
Employee Payroll  
Marketing  
Quality  
Interest  
Taxes  
Other Expenses  
Stock

## Accounting General Journal

- increasing an Asset account, enter as a Debit.
- decreasing an Asset account, enter as a Credit.
  
- ❖ increasing a Liability account, enter as a Credit.
- ❖ decreasing a Liability account, enter as a Debit.

<b>Cash</b>				
Month	Explanation	Debit	Credit	Balance
-	Opening Balance			30,000
Jan	Rent	3,000		27,000
Jan	Gwidgets	10,000		17,000
Jan	Quality	10,000		7,000
Jan	Marketing	5,000		2,000
Feb	Gwidget Sales	30,000		32,000
Feb	Employees	4,000		28,000
Feb	Loan Payment	500		27,500

<b>Gwidget Inventory</b>				
Month	Explanation	Debit	Credit	Balance
-	Opening Balance			0
Jan	Purchase	10,000		10,000
Feb	Sold 1,000		10,000	0

<b>Gwidget Sales</b>				
Month	Explanation	Debit	Credit	Balance
-	Opening Balance			0
Feb	Sold 1,000		30,000	30,000

<b>Gwidget Cost of Goods</b>				
Month	Explanation	Debit	Credit	Balance
-	Opening Balance			0
Feb	Sold 1,000	10,000		10,000

### Asset Accounts

Cash  
Gwidget Sales  
Gwidget Inventory  
Other Income

### Liability Accounts

Gwidget Cost of Sales  
Debt  
Rent  
Employee Payroll  
Marketing  
Quality  
Interest  
Taxes  
Other Expenses  
Stock

#### January

1. Paid Rent \$3,000.
2. Purchased 1,000 Gwidgets for \$10 each with \$10,000 cash.
3. Paid \$10,000 to improve Gwidget Quality.
4. Spent \$5,000 for Marketing.

#### February

5. Sold 1,000 Gwidgets for \$30,000.
6. Paid Employees \$4,000.
7. Made \$500 Loan Payment, which included \$200 in interest.

<b>Rent</b>				
Month	Explanation	Debit	Credit	Balance
-	Opening Balance			0
Jan	Rent	3,000		3,000

<b>Employee Payroll</b>				
Month	Explanation	Debit	Credit	Balance
-	Opening Balance			0
Feb	Employees	4,000		4,000

<b>Marketing</b>				
Month	Explanation	Debit	Credit	Balance
-	Opening Balance			0
Jan	Marketing	5,000		5,000

<b>Quality</b>				
Month	Explanation	Debit	Credit	Balance
-	Opening Balance			0
Jan	Quality	10,000		10,000

<b>Debt</b>				
Month	Explanation	Debit	Credit	Balance
-	Opening Balance			25,000
Feb	Loan Payment	300		24,700

<b>Interest</b>				
Month	Explanation	Debit	Credit	Balance
-	Opening Balance			0
Feb	Loan Payment	200		200

## No Credit / Debit questions on exam

Cash				
Month	Explanation	Debit	Credit	Balance
-	Opening Balance			30,000
Jan	Rent	3,000		27,000
Jan	Gwidgets	10,000		17,000
Jan	Quality	10,000		7,000
Jan	Marketing	5,000		2,000
Feb	Gwidget Sales	30,000		32,000
Feb	Employees	4,000		28,000
Feb	Loan Payment	500		27,500

Gwidget Inventory				
Month	Explanation	Debit	Credit	Balance
-	Opening Balance			0
Jan	Purchase	10,000		10,000
Feb	Sold 1,000		10,000	0

Gwidget Sales				
Month	Explanation	Debit	Credit	Balance
-	Opening Balance			0
Feb	Sold 1,000		30,000	30,000

Gwidget Cost of Goods				
Month	Explanation	Debit	Credit	Balance
-	Opening Balance			0
Feb	Sold 1,000	10,000		10,000

## Accounting General Journal

- increasing an Asset account, enter as a Debit.
- decreasing an Asset account, enter as a Credit.
- ❖ increasing a Liability account, enter as a Credit.
- ❖ decreasing a Liability account, enter as a Debit.

### Asset Accounts

Cash  
Gwidget Sales  
Gwidget Inventory  
Other Income

### Liability Accounts

Gwidget Cost of Sales  
Debt  
Rent  
Employee Payroll  
Marketing  
Quality  
Interest  
Taxes  
Other Expenses  
Stock

### January

1. Paid Rent \$3,000.
2. Purchased 1,000 Gwidgets for \$10 each with \$10,000 cash.
3. Paid \$10,000 to improve Gwidget Quality.
4. Spent \$5,000 for Marketing.

### February

5. Sold 1,000 Gwidgets for \$30,000.
6. Paid Employees \$4,000.
7. Made \$500 Loan Payment, which included \$200 in interest.

## No Credit / Debit questions on exam

Rent				
Month	Explanation	Debit	Credit	Balance
-	Opening Balance			0
Jan	Rent	3,000		3,000

### Employee Payroll

Month	Explanation	Debit	Credit	Balance
-	Opening Balance			0
Feb	Employees	4,000		4,000

### Marketing

Month	Explanation	Debit	Credit	Balance
-	Opening Balance			0
Jan	Marketing	5,000		5,000

### Quality

Month	Explanation	Debit	Credit	Balance
-	Opening Balance			0
Jan	Quality	10,000		10,000

### Debt

Month	Explanation	Debit	Credit	Balance
-	Opening Balance			25,000
Feb	Loan Payment	300		24,700

### Interest

Month	Explanation	Debit	Credit	Balance
-	Opening Balance			0
Feb	Loan Payment	200		200

## Profit and Loss ( Income ) Statements

Final Question

January *Each Pmt concern months*

1. Purchased 1,000 Gwidgets at \$10 per Gwidget.
2. Made \$10,000 investment to improve Gwidget Quality.
3. Spent \$5,000 for marketing.
4. Sold 1,000 Gwidgets at \$30 per Gwidget.
5. Paid Rent \$3,000.
6. Paid Employees twice this month for a total of \$4,000.
7. Made Loan payment which included \$500 Interest.
8. Paid \$200 in taxes.
9. Paid \$300 to fix equipment.

Income		Jan	Feb
	Gwidget Sales	30,000	
	Other Income	0	
	<b>Total (Gross) Income</b>	<b>30,000</b>	
Cost of Goods			
	Gwidgets	10,000	
Net Income		<b>20,000</b>	
Expenses			
	Rent	3,000	
	Employee Payroll	4,000	
	Marketing	5,000	
	Quality	10,000	
	Interest	500	
	Taxes	200	
	Other	300	
	<b>Total Expenses</b>	<b>23,000</b>	
<b>Profit (Loss)</b>		<b>(3,000)</b>	

## Activity 1 : Profit and Loss ( Income ) Statements

February

1. Purchased 1,000 Gwidgets at \$15 per Gwidget.
2. Made \$10,000 investment to improve Gwidget Quality.
3. Spent \$10,000 for marketing.
4. Sold 1,000 Gwidgets at \$40 per Gwidget.
5. Paid Rent \$3,000.
6. Paid Employees twice this month for a total of \$4,000.
7. Made Loan payment which included \$500 Interest.
8. Paid \$400 in taxes.

Income		Jan	Feb
	Gwidget Sales	30,000	40000
	Other Income	0	
	<b>Total (Gross) Income</b>	<b>30000</b>	<b>40000</b>
Cost of Goods			
	Gwidgets	10,000	15000
	<b>Net Income</b>	<b>20,000</b>	<b>25000</b>
Expenses	墨用		
	Rent	3,000	3000
	Employee Paytoll	4,000	4000
	Marketing	5,000	10000
	Quality	10,000	10000
	Interest	500	500
	Taxes	200	400
	Other	300	
	<b>Total Expenses</b>	<b>23,000</b>	<b>27900</b>
<b>Profit (Loss)</b>		<b>(2,300)</b>	<b>2900</b>

## Activity 1 : Profit and Loss ( Income ) Statements

February

1. Purchased 1,000 Gwidgets at \$15 per Gwidget.
2. Made \$10,000 investment to improve Gwidget Quality.
3. Spent \$10,000 for marketing.
4. Sold 1,000 Gwidgets at \$40 per Gwidget.
5. Paid Rent \$3,000.
6. Paid Employees twice this month for a total of \$4,000.
7. Made Loan payment which included \$500 Interest.
8. Paid \$400 in taxes.

Income		Jan	Feb
Gwidget Sales	30,000	40,000	
Other Income	0	0	
<b>Total (Gross) Income</b>	<b>30,000</b>	<b>40,000</b>	
Cost of Goods			
Gwidgets	10,000	15,000	
Net Income	<b>20,000</b>	<b>25,000</b>	
Expenses			
Rent	3,000	3,000	
Employee Payroll	4,000	4,000	
Marketing	5,000	10,000	
Quantity	10,000	10,000	
Interest	500	500	
Taxes	200	400	
Other	300	0	
<b>Total Expenses</b>	<b>23,000</b>	<b>27,900</b>	
<b>Profit (Loss)</b>	<b>(3,000)</b>	<b>(2,900)</b>	

62 Balance Sheet ( Feb transactions )

**Assets = Liabilities + Equity**

Purchased 1,000 Gwidgets at \$5 per Gwidget. Paid with cash.	$1000 \times \$5 = \$5000$ Cash - $\$5000$ $1000 \times \$5 = \$5000$ Gwidget + $\$5000$
Sold 500 Gwidgets at \$20 per Gwidget. Received \$10,000 cash.	$500 \times \$20 = \$10000$ Cash + $\$10000$ $500 \times \$5 = \$2500$ Gwidget - $\$2500$
Made \$1,000 loan payment which included \$500 on principal.	Cash - $\$1000$ Debt - $\$500$
Profit (Loss) for the month is \$7,000	Retained Earnings + $\$7000$

Assets		Jan	Feb	Mar
	Cash	20,000	$-\$5000 + \$10000$ $-\$100 = \$24000$	
	Gwidges X \$5 ( or price paid )	10,000	$+\$5000 - \$2500$ $= \$12500$	
	Total Assets	30,000	36500	
Liabilities				
	Debt	25,000	$-\$500$ $= \$24500$	
Equity				
	Stock	1,000	$1000 + 0 = 1000$	
	Retained Earnings	4,000	$7000 + 4000 = 11000$	
	Total Liability & Equity	30,000	36500	

Purchased 1,000 Gwidgets at \$5 per Gwidget. Paid with cash.			Decrease Cash account by \$5,000 Increase Gwidget account by $\$5 \times 1,000 = \$5,000$
Sold 500 Gwidgets at \$20 per Gwidget. Received \$10,000 cash.			Increase Cash account by $\$20 \times 500 = \$10,000$ Decrease Gwidget account by $\$5 \times 500 = \$2,500$
Made \$1,000 loan payment which included \$500 on principal. <del>本金</del>			Decrease Cash account by \$1,000 Decrease Debt account by \$500
Profit (Loss) for the month is \$7,000			Increase Retained Earnings by \$7,000

Assets		Jan	Feb	Mar
	Cash	20,000	$-5,000 + 10,000 - 1,000 = 24,000$	
	Gwidges X \$5 ( or price paid )	10,000	$+5000 - 2,500 = 12,500$	
	<b>Total Assets</b>	<b>30,000</b>	<b>36,500</b>	
Liabilities				
	Debt	25,000	$-500 = 24,500$	
Equity				
	Stock	1,000	1,000	
	Retained Earnings	4,000	$+7,000 = 11,000$	
	<b>Total Liability &amp; Equity</b>	<b>30,000</b>	<b>36,500</b>	

**Balance Sheet ( Feb transactions )****Assets = Liabilities + Equity**

Purchased 1,000 Gwidgets at \$5 per Gwidget. Paid with cash.	Decrease Cash account by \$5,000 Increase Gwidget account by \$5 x 1,000 = \$5,000
Sold 500 Gwidgets at \$20 per Gwidget. Received \$10,000 cash.	Increase Cash account by \$20 x 500 = \$10,000 Decrease Gwidget account by \$5 x 500 = \$2,500
Made \$1,000 loan payment which included \$500 on principal.	Decrease Cash account by \$1,000 Decrease Debt account by \$500
Profit (Loss) for the month is \$7,000	Increase Retained Earnings by \$7,000

Assets		Jan	Feb	Mar
	Cash	20,000	24,000	
	Gwidges X \$5 ( or price paid )	10,000	12,500	
	<b>Total Assets</b>	<b>30,000</b>	<b>36,500</b>	
Liabilities				
	Debt	25,000	24,500	
Equity				
	Stock	1,000	1,000	
	Retained Earnings	4,000	11,000	
	<b>Total Liability &amp; Equity</b>	<b>30,000</b>	<b>36,500</b>	

65 Activity 2 : Balance Sheet ( Mar transactions )      **Assets = Liabilities + Equity**

Purchased 2,000 Gwidgets at \$5 per Gwidget. Paid with cash.	$2000 \times 5 = 10000$ Cash - 10000      Gwidget + 10000
Sold 1,000 Gwidgets at \$30 per Gwidget. Received \$30,000 cash.	$1000 \times 30 = 30000$ Cash + 30000 $1000 \times 5 = 5000$ Gwidget - 5000
Made \$1,000 loan payment which included \$500 on principal.	Cash - 1000 Debt - 500
Profit (Loss) for the month is \$24,500.	PE + 24500

Assets		Jan	Feb	Mar
	Cash	20,000	24,000	$-10000 + 30000$ $-1000$ $= 40000$
	Gwidges X \$5 ( or price paid )	10,000	12,500	$12500 + 1000$ $-500 = 17500$
	<b>Total Assets</b>	<b>30,000</b>	<b>36,500</b>	<b>60500</b>
Liabilities				
	Debt	25,000	24,500	$24500 - 500$ $= 24000$
Equity				
	Stock	1,000	1,000	$100000$ $= 10000$
	Retained Earnings	4,000	11,000	$11000 + 24500$ $= 35500$
	<b>Total Liability &amp; Equity</b>	<b>30,000</b>	<b>36,500</b>	<b>60500</b>

**Activity 2 : Balance Sheet ( Mar transactions )****Assets = Liabilities + Equity**

Purchased 2,000 Gwidgets at \$5 per Gwidget. Paid with cash.		Decrease Cash account by \$10,000 Increase Gwidget account by $\$5 \times 2,000 = \$10,000$
Sold 1,000 Gwidgets at \$30 per Gwidget. Received \$30,000 cash.		Increase Cash account by $\$30 \times 1,000 = \$30,000$ Decrease Gwidget account by $\$5 \times 1,000 = \$5,000$
Made \$1,000 loan payment which included \$500 on principal.		Decrease Cash account by \$1,000 Decrease Debt account by \$500
Profit (Loss) for the month is \$24,500.		Increase Retained Earnings by \$24,500

Assets		Jan	Feb	Mar
	Cash	20,000	24,000	-10,000 + 30,000 - 1000
	Gwidges X \$5 ( or price paid )	10,000	12,500	+10,000 – 500
	<b>Total Assets</b>	<b>30,000</b>	<b>36,500</b>	
Liabilities				
	Debt	25,000	24,500	-500
Equity				
	Stock	1,000	1,000	
	Retained Earnings	4,000	11,000	+24,500
	<b>Total Liability &amp; Equity</b>	<b>30,000</b>	<b>36,500</b>	

**Activity 2 : Balance Sheet ( Mar transactions )****Assets = Liabilities + Equity**

Purchased 2,000 Gwidgets at \$5 per Gwidget. Paid with cash.	Decrease Cash account by \$10,000 Increase Gwidget account by $\$5 \times 2,000 = \$10,000$
Sold 1,000 Gwidgets at \$30 per Gwidget. Received \$30,000 cash.	Increase Cash account by $\$30 \times 1,000 = \$30,000$ Decrease Gwidget account by $\$5 \times 1,000 = \$5,000$
Made \$1,000 loan payment which included \$500 on principal.	Decrease Cash account by \$1,000 Decrease Debt account by \$500
Profit (Loss) for the month is \$24,500.	Increase Retained Earnings by \$24,500

Assets		Jan	Feb	Mar
	Cash	20,000	24,000	43,000
	Gwidges X \$5 ( or price paid )	10,000	12,500	17,500
	<b>Total Assets</b>	<b>30,000</b>	<b>36,500</b>	<b>60,500</b>
Liabilities				
	Debt	25,000	24,500	24,000
Equity				
	Stock	1,000	1,000	1000
	Retained Earnings	4,000	11,000	35,500
	<b>Total Liability &amp; Equity</b>	<b>30,000</b>	<b>36,500</b>	<b>60,500</b>

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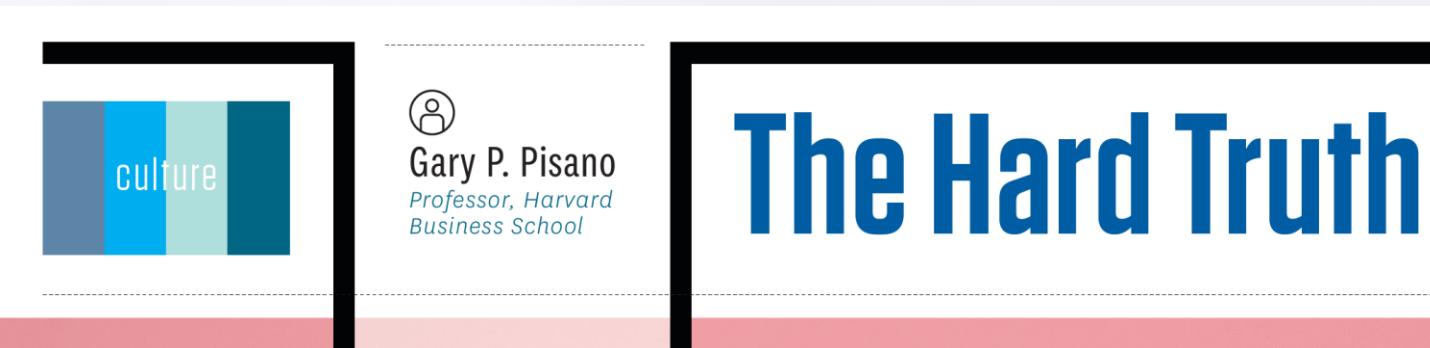
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Presented by Mathew Georghiou, Founder, CEO, Chief Experience Designer

Our story

The Hard Truth About Innovative Cultures, Pisano, Gary P. ,  
Harvard Business Review Vol. 97 Issue 1 - Jan/Feb2019



## THE FRUSTRATION

Convention wisdom is that **successful innovation** depends on providing an environment where there is a **tolerance for failure** and a **willingness to experiment**. It's safe to speak up, and it's highly collaborative and non-hierarchical. The reality is that these elements **do not suffice**.



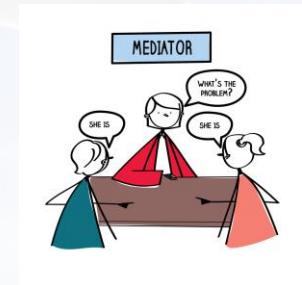
## What's Missing

Each of these easy-to-like behaviors must be counter-balanced by tougher behavior that's less fun: an **intolerance for incompetence**, **rigorous discipline**, **brutal candor**, a high level of **individual accountability**, and **strong leadership**.



## The Leader's Role

Such a culture generates **tensions** that must be carefully managed. Uncertainty and confusion must be addressed with decisiveness and transparency. People who can't adapt must be ushered out. The temptation to take shortcuts must be resisted.



*A culture conducive  
to innovation is not only  
good for a company's  
bottom line. It also is  
something that both leaders  
and employees value  
in their organizations.*

# 1. Tolerance for Failure but No Tolerance for Incompetence

- Innovation involves exploration of uncertain / unknown terrain, failure is an important characteristic of innovative cultures  

- Intolerance of incompetence: mediocre technical skills, sloppy thinking, bad work habits, poor management.
- Need good performance management; set high standard. Sometimes you may need to fire people for sub-performance. Google can accept high risk project because Google employees are very competent.
- Hard to create culture to both learning through failure and outstanding performance. “Productive Failure” vs “Unproductive Failure”.
- Any new knowledge is created ?

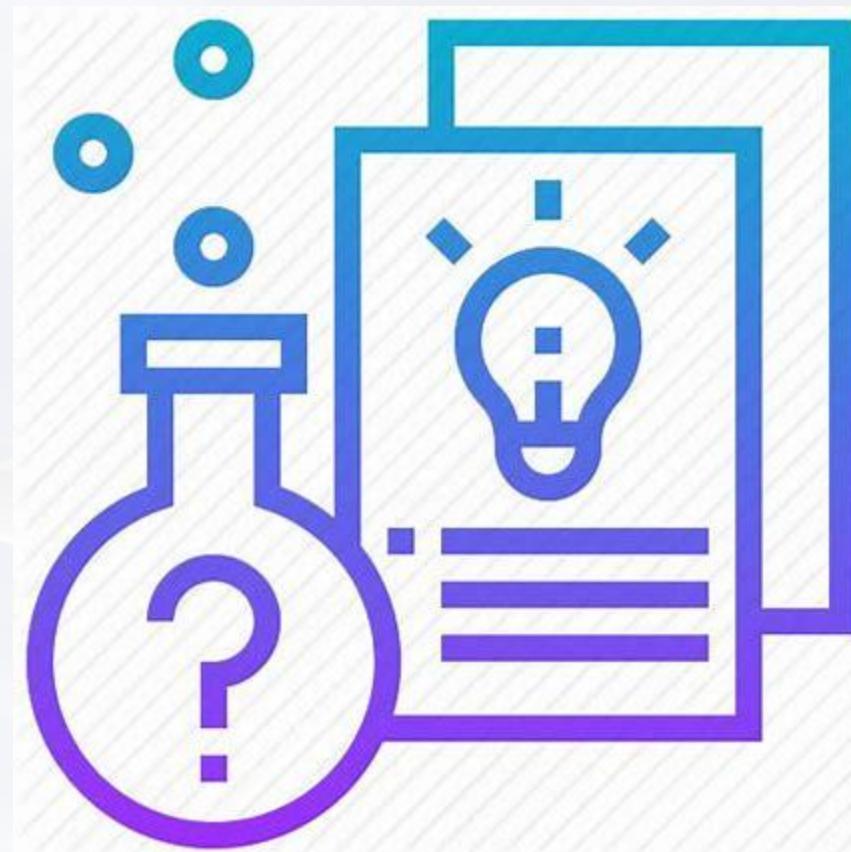


## 2. Willingness to Experiment but Highly Disciplined

- A willingness to experiment does not mean working like some third-rate abstract painter who randomly throws paint at a canvas.
- Discipline-oriented cultures select experiments carefully on the basis of their potential learning value, and they design them rigorously to yield as much information as possible relative to the costs. Criteria based.
- Willingness to experiment with strict discipline.
- Flagship a Cambridge of Massachusetts as example,
  - ❖ not ask “Is it true?”, “Is there data to support this idea?”
  - ❖ ask “what if this idea is true ?”, “If only this were true, would it be valuable ?” -> to formulate venture hypothesis.
  - ❖ Killer experiments are designed ( less than 1 million US, less than 6 months ) Learn quick at early stage.
  - ❖ Experimental data is never ignored.
- Disciplined experimentation is a balancing act. As a leader, you want to encourage people to entertain “unreasonable ideas” and give them time to formulate their hypotheses. Demanding data to confirm or kill a **hypothesis** too quickly can squash the intellectual play that is necessary for creativity.



# Do you have Hypothesis ?



Is it so bad to have negative  
hypothesis ?

### 3. Psychologically Safe but Brutally Candid ( honest )

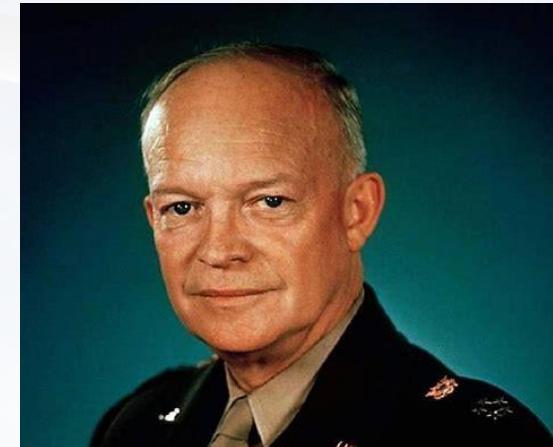
- **Psychological safety** is an organizational climate in which individuals feel they can speak truthfully and openly about problems without fear of reprisal.
- We all love the freedom to speak our minds without fear—we all want to be heard—but psychological safety is a two-way street. If it is safe for me to **criticize your ideas**, it must also be safe for you to criticize mine—whether you’re higher or lower in the organization than I am
- Unvarnished candor is critical to innovation because it is the means by which ideas evolve and improve.
- “Our problem is that we are an **incredibly nice** organization.”
- Eisenhower was not just inviting criticism or asking for input. He was literally **demanding** it and invoking another sacred aspect of military culture: **duty**

#### PSYCHOLOGICAL SAFETY

Will **OTHERS** give you the benefit of the doubt when you take a risk?



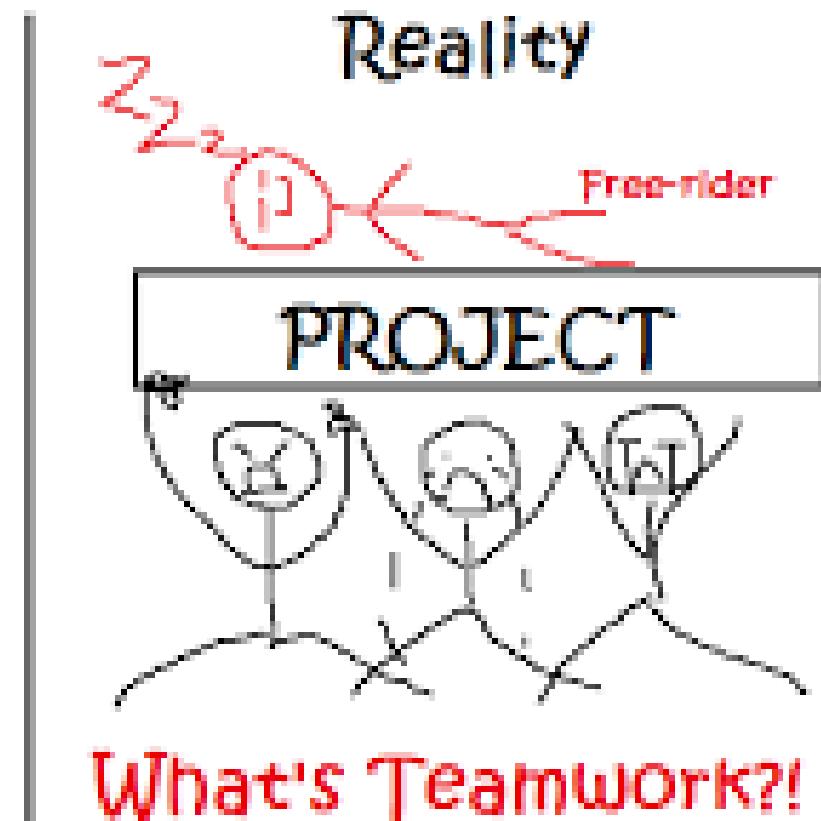
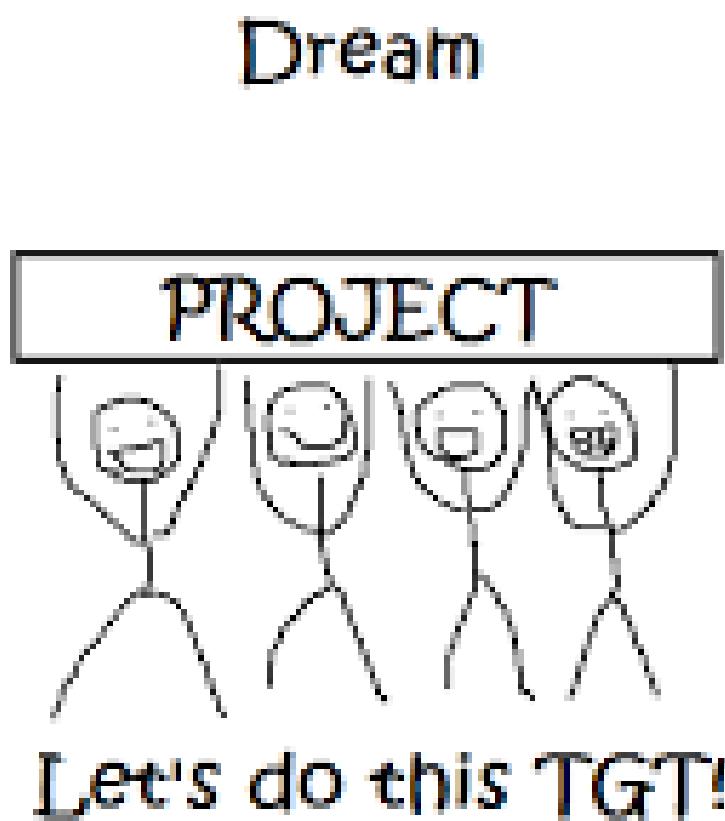
*"My team expects me to speak up. It's how we do things."*



## 4. Collaboration but with Individual Accountability

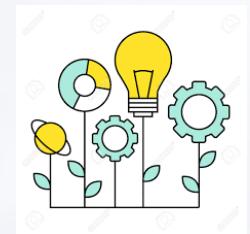
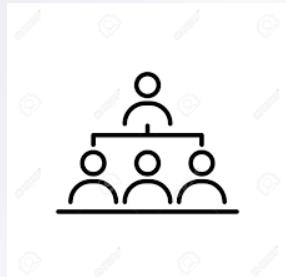
- Ultimately, someone has to make a decision and be accountable for it. An accountability culture is one where individuals are expected to make decisions and own the consequences.
- Accountability and collaboration can be complementary, and accountability can drive collaboration.
- Amazon cloud example – 12 billion profit business, collaboration was essential to the success of a program for which the head was personally accountable.
- A simple promise: “You take the risk; I will take the blame.” And then he urges his audience to cascade this principle down the organization.





## 5. Flat but strong leadership

- Culturally flat organizations can typically respond more quickly to rapidly changing circumstances because decision making is decentralized and closer to the sources of relevant information.
- They tend to generate a richer diversity of ideas than hierarchical ones, because they tap the knowledge, expertise, and perspectives of a broader community of contributors.
- **Flat organizations** often devolve into **chaos** when leadership fails to set clear strategic priorities and directions.
- For senior leaders, it requires the capacity to articulate compelling visions and strategies (big-picture stuff) while simultaneously being adept and competent with technical and operational issues.



## Summary – Leading the Journey

Leading the journey of building and sustaining an innovative culture is particularly difficult, for **three** reasons.

1. Innovative cultures require a combination of seemingly contradictory behaviors, they risk creating confusion. A major project fails. Should we celebrate? Should the leader of that program be held accountable? Without clarity around these nuances, people can easily get confused and even cynical about leadership's intentions.
2. While certain behaviors required for innovative cultures are relatively easy to embrace, others will be less palatable for some in the organization. Those who think of innovation as a free-for-all will see discipline as an unnecessary constraint on their creativity;
3. Because innovative cultures are systems of interdependent behaviors, they cannot be implemented in a piecemeal fashion. Individual accountability, success, failure, can be influencing each other.

The screenshot shows the United Nations Climate Action website. At the top, there's a search bar and a link to 'A-Z Site Index'. Below the header, a navigation menu includes 'Home', 'Raising Ambition', 'The Science', 'Actions, Solutions', 'Act Now', 'UN and Climate Change', 'Press Materials', and 'Digital Library'. The main content area features a colorful illustration of various people in business attire standing on colored circles (green, red, blue) against a yellow background, representing global climate action. In the bottom right corner of the illustration, there's a logo for 'UN CLIMATE CHANGE CONFERENCE UK 2021'.

## COP26: Together for our planet

The UN Climate Change Conference in Glasgow (COP26) brought together 120 world leaders and over 40,000 registered participants, including 22,274 party delegates, 14,124 observers and 3,886 media representatives. For two weeks, the world was riveted on all facets of climate change – the science, the solutions, the political will to act, and clear indications of action.

The outcome of COP26 – the Glasgow Climate Pact – is the fruit of intense negotiations among almost 200 countries over the two weeks, strenuous formal and informal work over many months, and constant engagement both in-person and virtually for nearly two years.

"The approved texts are a compromise," said UN Secretary-General António Guterres. "They reflect the interests, the conditions, the contradictions and the state of political will in the world today. They take important steps, but unfortunately the collective political will was not enough to overcome some deep contradictions."

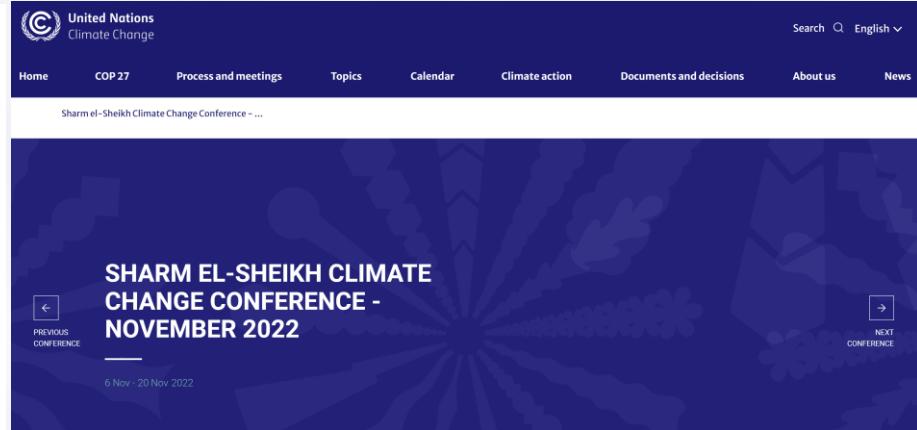
Cuts in global greenhouse gas emissions are still far from where they need to be to preserve a livable climate, and support for the most vulnerable countries affected by the impacts of climate change is still falling far short. But COP26 did produce new "building blocks" to advance implementation of the Paris Agreement through actions that can get the world on a more sustainable, low-carbon pathway forward.

### What was agreed?

#### Recognizing the emergency

Countries reaffirmed the Paris Agreement goal of limiting the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit it to 1.5 °C. And they went further, expressing "alarm and utmost concern that human activities have caused around 1.1 °C of warming to date, that impacts are already being felt in every region, and that carbon budgets consistent with achieving the Paris Agreement temperature goal are now small and being rapidly depleted." They recognized that the impacts of climate change will be much lower at a temperature increase of 1.5 °C compared with 2 °C.

#### Accelerating action

The screenshot shows the United Nations Climate Change website. At the top, there's a search bar and a link to 'English'. Below the header, a navigation menu includes 'Home', 'COP 27', 'Process and meetings', 'Topics', 'Calendar', 'Climate action', 'Documents and decisions', 'About us', and 'News'. The main content area features a large banner for the 'SHARM EL-SHEIKH CLIMATE CHANGE CONFERENCE - NOVEMBER 2022' with a purple background and white text. Below the banner, it says '6 Nov - 20 Nov 2022'. There are also links for 'PREVIOUS CONFERENCE' and 'NEXT CONFERENCE'.

**UN Climate Change News, 20 November 2022** – The United Nations Climate Change Conference COP27 closed today with a breakthrough agreement to provide "loss and damage" funding for vulnerable countries hit hard by climate disasters.

"This outcome moves us forward," said Simon Stiell, UN Climate Change Executive Secretary. "We have determined a way forward on a decades-long conversation on funding for loss and damage – deliberating over how we address the impacts on communities whose lives and livelihoods have been ruined by the very worst impacts of climate change."

Set against a difficult geopolitical backdrop, COP27 resulted in countries delivering a package of decisions that reaffirmed their commitment to limit global temperature rise to 1.5 degrees Celsius above pre-industrial levels. The package also strengthened action by countries to cut greenhouse gas emissions and adapt to the inevitable impacts of climate change, as well as boosting the support of finance, technology and capacity building needed by developing countries.

Creating a specific fund for loss and damage marked an important point of progress, with the issue added to the official agenda and adopted for the first time at COP27.

Governments took the ground-breaking decision to establish new funding arrangements, as well as a dedicated fund, to assist developing countries in responding to loss and damage. Governments also agreed to establish a 'transitional committee' to make recommendations on how to operationalize both the new funding arrangements and the fund at COP28 next year. The first meeting of the transitional committee is expected to take place before the end of March 2023.

Parties also agreed on the institutional arrangements to operationalize the Santiago Network for Loss and Damage, to catalyze technical assistance to developing countries that are particularly

# PATHWAY

## TO COP28 UAE

30 Nov – 12 Dec 2023, Expo City  
Dubai

In this decisive decade for climate action, the UAE will seek to unite the world towards agreement on bold, practical, and ambitious solutions to the most pressing global challenge of our time.



COP28 UAE will be a milestone moment when the world will take stock of its progress on the Paris Agreement.

The first Global Stocktake (GST), will provide a comprehensive assessment of progress since adopting the Paris Agreement. This will help align efforts on climate action, including measures that need to be put in place to bridge the gaps in progress.

The COP28 UAE Presidency will work to ensure that the world responds to the Global Stocktake with a clear plan of action.

 DEPARTMENT OF APPLIED BIOLOGY AND CHEMICAL TECHNOLOGY 當用生物及化學科技學系

 FACULTY OF 理學院 SCIENCE

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Home > Study > Taught Postgraduate Programmes > Master of Science in Sustainable Technology for Carbon Neutrality >

# Master of Science in Sustainable Technology for Carbon Neutrality



Introduction Recognition and Prospects Entrance Requirement Curriculum

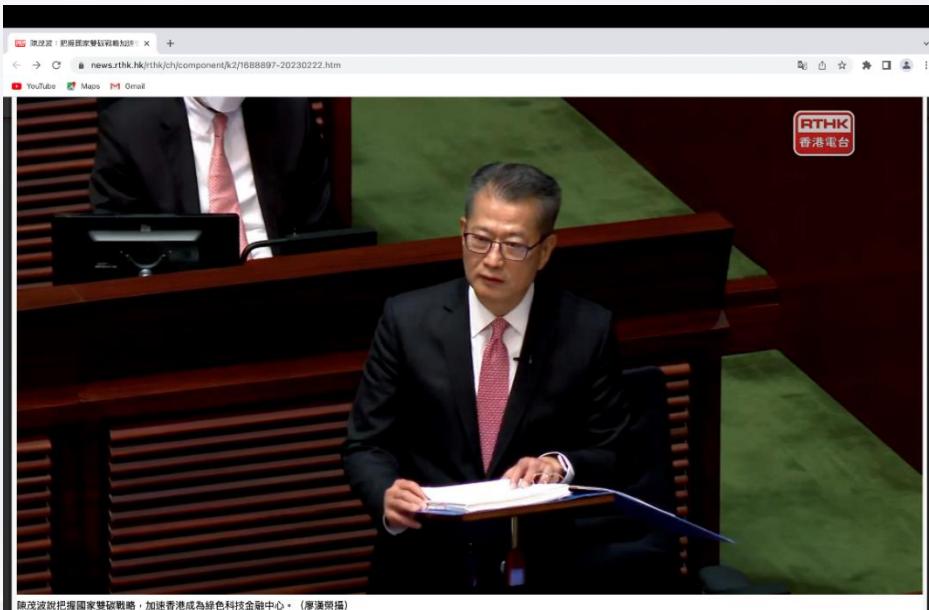
## Aims and Characteristics

As the first masters-level programme in Hong Kong specialising in carbon management and mitigation science and technology, this programme aims to provide graduates with systematic hands-on training to tackle challenging and dynamic global issues related to carbon auditing, green financing, carbon management and sustainable/renewable energy. Such training will enable graduates to meet the increasing local and national demand for qualified professionals in the field of carbon neutrality. Specifically, the programme aims:

- To equip students with up-to-date scientific and technological knowledge to address current and emerging environmental issues and concerns.
- To develop students' ability to formulate and implement the latest scientific and management concepts and tools and thus address corporations' need to achieve their zero-emissions goals.
- To provide rigorous cross-disciplinary training that enables students to create innovative and multi-faceted solutions to problems involving carbon neutrality, energy transition and low-carbon energy conversion systems.

## Upon successful completion of the programme, students should be able:

- To explain and articulate the major points of specific sustainability problems and devise possible solutions by applying scientific and technological concepts.
- To master theoretical and technical carbon auditing principles and data analytical tools for calculating the carbon footprint and setting carbon trading mechanisms.
- To keep abreast of the latest regulatory policies and laws on carbon abatement at the local, national, regional and international levels to ensure legal compliance in specific industries.
- To demonstrate critical thinking and analytical skills in environmental, social and governance (ESG) evaluations of carbon neutrality, as well as the assessment of green finance sustainability when implementing low-/zero-carbon technologies and renewable energy generation.



## The Finance Secretary promotes Hong Kong as Green Technology and Finance Hub

Green  
Finance      Green  
Technology

政府在新一份《財政預算案》提出，多方向加速發展香港成為國際綠色科技及金融中心，包括吸引龍頭和初創企業落戶香港、將科研成果商品轉化；推動綠色金融應用和創新，讓綠色項目更便捷靈活地獲取資金；加強人才培訓，以及與大灣區和國際市場的交流合作。

財政司司長陳茂波表示，計劃成立「綠色科技及金融發展委員會」，邀請業界代表協助制訂行動綱領，亦會在年底舉辦「國際綠色科技周」，匯聚相關產業代表、企業及投資者。

陳茂波指，國家正朝着「3060」雙碳目標邁進，有關經濟模式可以推動經濟轉型及可持續發展、創造需求和增強發展動能，但目前全球仍未形成具領導地位的綠色科技產業及金融集群，認為香港在有關方面具備優勢，因為過去多年已匯集不少綠色科技企業及人才，政府亦牽頭推動綠色科技應用。

他表示，政府上周成功發售全球首批政府代幣化綠色債券，涉及8億元，反映香港能為創新債券發行形式提供靈活便利的法律和監管環境；上月發行以美元、歐元和人民幣計價的政府綠色債券，涉及57.5億美元，亦是亞洲最大的ESG債券發行。

ESG Bond

# HK primed to become fintech, green finance hub: FS

2022-11-02 HKT 13:44

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HK primed to become fintech, green finance hub: FS

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Financial Secretary Paul Chan on Wednesday told top global finance leaders that Hong Kong is confident in developing into a leading centre for green and sustainable finance, and for fintech.

In a keynote speech at the Global Financial Leaders' Investment Summit, Chan said the opportunities Hong Kong offers to the world as an international financial centre are "boundless."

Citing the city's "unique connectivity" with both the mainland and international markets, the finance chief said, "Hong Kong has the vision to become a premier centre for green and sustainable finance that serves the green transformation in the the mainland, the region, and the world. On this we have much confidence."

Backed by the national 14th Five-Year Plan, Chan said Hong Kong's strategic position as part of the Greater Bay Area, coupled with its adherence to high international standards, is "why we have good prospects to succeed."

Chan added that the government has been working to facilitate the city's development as an international fintech centre, providing the needed infrastructure and support for companies while attracting top talent to the city.

He also said the government's electronic consumption schemes – where adult permanent residents were given thousands of dollars' worth of electronic vouchers – had helped spur a boom in electronic payment systems.

"From shopping centres to wet markets, from hawkers to taxi drivers... we have come a long way in a short time," Chan said.

"Five years ago, Hong Kong counted no more than 180 fintech companies. Today, we are home to more than 800 companies."

He said the government is working on various other initiatives such as setting up Hong Kong's own digital currency and further developing the virtual assets sector.

"In short, our prospect of green and sustainable finance and of fintech are highly promising," he concluded.

<https://www.lib.polyu.edu.hk/news/2023-02-08/forum-consideration-carbon-neutrality-green-deck-design>



<https://youtu.be/ONHgpdAhC5U>

**Forum on Consideration of Carbon Neutrality on Green Deck Design**

Date: 7 Mar 2023 (Tue)

time: 13:00-14:00

Venue: The Forum, 6/F of the Library, PolyU or  
Online participation via Zoom

2023 03 07 Invitation to the Forum on The Green Deck – Into the Green and Innovative Community v1

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