



Accountants &
business advisers

Greenpeace East Asia

(Limited by guarantee)

Consolidated financial statements

For the year ended 31st December, 2013



GREENPEACE EAST ASIA
(LIMITED BY GUARANTEE)
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2013

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GREENPEACE EAST ASIA
(LIMITED BY GUARANTEE)
REPORT OF THE COUNCIL OF MEMBERS

The council of members present their annual report together with the audited consolidated financial statements for the year ended 31st December, 2013.

PRINCIPAL ACTIVITIES

The principal activities of the Company during the year were to promote, encourage, further establish, procure and achieve the protection of wildlife, the elimination of threats and damage to the environment and all other objectives of the Stichting Greenpeace Council and those of its subsidiaries are set out in note 9 to the consolidated financial statements.

CONSOLIDATED FINANCIAL STATEMENTS

The surplus and cash flows of the Group for the year ended 31st December, 2013 and the state of affairs of the Company and of the Group at that date are set out in the consolidated financial statements on pages 4 to 25.

PROPERTY, PLANT AND EQUIPMENT

Movements in property, plant and equipment during the year are set out in note 8 to the consolidated financial statements.

COUNCIL OF MEMBERS

Members of the council of members during the year and up to the date of this report were :-

Mats Abrahamsson	(retired on 21st September, 2013)
Williamson Wai Ming, Romi	
Luk Tak Chuen	(retired on 21st September, 2013)
Chang Wei Hsiu	
Xie Lei	
Pai Kundapur Santosh	(appointed on 12th May, 2013)
Lee Seong-Hoon	(appointed on 12th May, 2013)

Mr. Mats Abrahamsson and Mr. Luk Tak Chuen shall retire from office in accordance with article 46 of the Company's articles of association. In accordance with the Company's articles of association, the remaining council members shall continue in office in the ensuing year.

GREENPEACE EAST ASIA
(LIMITED BY GUARANTEE)
REPORT OF THE COUNCIL OF MEMBERS

COUNCIL MEMBERS' INTEREST IN CONTRACTS

No contracts of significance to which the Company or its subsidiaries was a party and in which a council member of the Company had a material interest subsisted at the end of the year or at any time during the year.

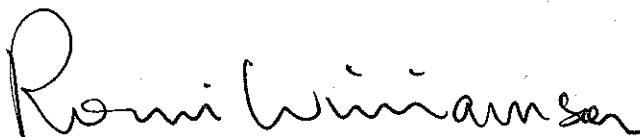
ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year was the Company or its subsidiaries a party to any arrangements to enable the council members of the Company to acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

AUDITOR

A resolution to re-appoint the retiring auditor, Messrs. PKF, is to be proposed at the forthcoming annual general meeting.

By order of the council



Council member
Hong Kong

24 APR 2014



Accountants &
business advisers

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF MEMBERS OF
GREENPEACE EAST ASIA
(Incorporated in Hong Kong and limited by guarantee)

We have audited the consolidated financial statements of Greenpeace East Asia (the "Company") and its subsidiaries (collectively known as the "Group") set out on pages 4 to 25, which comprise the consolidated and company's statements of financial position as at 31st December, 2013, and the consolidated income and expenditure account, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

COUNCIL MEMBERS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The council members are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance, and for such internal control as the council members determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with section 141 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31st December, 2013 and of the Group's surplus and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

PKF
Certified Public Accountants
Hong Kong

24 APR 2014

Tel 852 2806 3822 • Fax 852 2806 3712

E-mail info@pkf-hk.com • www.pkf-hk.com

PKF • 26/F, Citicorp Centre • 18 Whitfield Road • Causeway Bay • Hong Kong



GREENPEACE EAST ASIA
(LIMITED BY GUARANTEE)
CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER, 2013

	<i>Note</i>	2013 HK\$	2012 HK\$
INCOME			
Fund raising income		62,144,028	42,240,499
Contributions from Stichting Greenpeace Council		51,487,565	44,272,006
Grants from other National Offices		-	2,258,427
Interest income		428,390	299,577
Sundry income		<u>629,652</u>	<u>401,062</u>
	4	<u>114,689,635</u>	<u>89,471,571</u>
LESS :			
EXPENDITURE			
Fund raising expenses		28,858,554	18,325,936
Contributions to Stichting Greenpeace Council		3,792,390	-
Campaign expenses			
Ocean		6,133,741	4,588,389
Climate		11,249,372	9,538,986
Toxic		5,000,508	5,521,441
Forest		3,604,581	3,028,299
GMO		7,223,529	5,217,824
Other issues		4,429,303	2,989,600
Organisational support expenses		20,976,342	15,116,770
Campaign support expenses			
Media and communications		12,876,541	10,344,382
Marine operations and action support		6,416,233	5,363,347
Public information and outreach		-	481,092
Political, science and business		<u>2,326,108</u>	<u>1,411,329</u>
		<u>112,887,202</u>	<u>81,927,395</u>
SURPLUS FOR THE YEAR	5	<u><u>1,802,433</u></u>	<u><u>7,544,176</u></u>

GREENPEACE EAST ASIA
(LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER, 2013

	<i>2013</i> <i>HK\$</i>	<i>2012</i> <i>HK\$</i>
Surplus for the year	<u>1,802,433</u>	<u>7,544,176</u>
Other comprehensive loss :-		
Items that may be reclassified subsequently to profit or loss :-		
Exchange difference arising from translation of financial statements of overseas subsidiaries	<u>(176,814)</u>	<u>(398,941)</u>
Other comprehensive loss for the year, net of tax	<u>(176,814)</u>	<u>(398,941)</u>
Total comprehensive income for the year	<u><u>1,625,619</u></u>	<u><u>7,145,235</u></u>

GREENPEACE EAST ASIA
(LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER, 2013

	Note	2013 HK\$	2012 HK\$
NON-CURRENT ASSETS			
Property, plant and equipment	8	<u>4,703,110</u>	<u>1,995,684</u>
CURRENT ASSETS			
Amount due from Stichting Greenpeace Council	11	-	1,311,867
Amounts due from other National Offices	11	-	130,613
Deposits, advances and other receivables		3,962,736	3,544,941
Fixed deposits		16,620,685	15,412,247
Cash and bank balances		<u>11,278,203</u>	<u>11,142,550</u>
		<u>31,861,624</u>	<u>31,542,218</u>
LESS :			
CURRENT LIABILITIES			
Amount due to Stichting Greenpeace Council	11	902,802	-
Amounts due to other National Offices	11	1,114,889	2,825,331
Loans from Stichting Greenpeace Council	12	4,274,034	2,757,504
Accounts payable and receipt in advance		<u>9,805,671</u>	<u>7,859,199</u>
		<u>16,097,396</u>	<u>13,442,034</u>
NET CURRENT ASSETS		<u>15,764,228</u>	<u>18,100,184</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>20,467,338</u>	<u>20,095,868</u>
NON-CURRENT LIABILITY			
Loans from Stichting Greenpeace Council	12	<u>1,212,313</u>	<u>2,466,462</u>
NET ASSETS		<u>19,255,025</u>	<u>17,629,406</u>
REPRESENTING :-			
EXCHANGE RESERVE		(575,899)	(399,085)
ACCUMULATED SURPLUS		<u>19,830,924</u>	<u>18,028,491</u>
		<u>19,255,025</u>	<u>17,629,406</u>

APPROVED AND AUTHORISED FOR ISSUE BY
THE COUNCIL OF MEMBERS ON 24 APR 2014

Romil Williams

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COUNCIL MEMBER

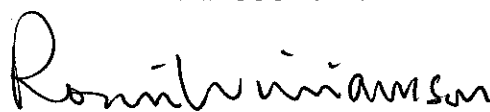
Angela Hui

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COUNCIL MEMBER

GREENPEACE EAST ASIA
(LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER, 2013

	Note	2013 HK\$	2012 HK\$
NON-CURRENT ASSETS			
Property, plant and equipment	8	3,030,038	1,860,228
Investments in subsidiaries	9	<u>1,603,500</u>	<u>1,603,500</u>
		<u>4,633,538</u>	<u>3,463,728</u>
CURRENT ASSETS			
Amount due from Stichting Greenpeace Council	11	-	1,311,867
Amounts due from other National Offices	11	-	130,613
Amounts due from subsidiaries	10	2,405,438	-
Deposits, advances and other receivables		2,464,829	2,465,005
Fixed deposits		11,571,113	15,412,247
Cash and bank balances		<u>7,057,677</u>	<u>7,702,367</u>
		<u>23,499,057</u>	<u>27,022,099</u>
LESS :			
CURRENT LIABILITIES			
Amount due to Stichting Greenpeace Council	11	902,802	-
Amounts due to other National Offices	11	1,114,889	2,825,331
Loans from Stichting Greenpeace Council	12	4,274,034	2,757,504
Accounts payable and receipt in advance		<u>7,439,811</u>	<u>6,839,018</u>
		<u>13,731,536</u>	<u>12,421,853</u>
NET CURRENT ASSETS		<u>9,767,521</u>	<u>14,600,246</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>14,401,059</u>	<u>18,063,974</u>
NON-CURRENT LIABILITY			
Loans from Stichting Greenpeace Council	12	<u>1,212,313</u>	<u>2,466,462</u>
NET ASSETS		<u>13,188,746</u>	<u>15,597,512</u>
REPRESENTING :-			
ACCUMULATED SURPLUS	13	<u>13,188,746</u>	<u>15,597,512</u>

APPROVED AND AUTHORISED FOR ISSUE BY
THE COUNCIL OF MEMBERS ON 24 APR 2014


.....
COUNCIL MEMBER


.....
COUNCIL MEMBER

GREENPEACE EAST ASIA

(LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST DECEMBER, 2013

	<i>Exchange reserve HK\$</i>	<i>Accumulated surplus HK\$</i>	<i>Total HK\$</i>
At 1.1.2012	(144)	10,484,315	10,484,171
Total comprehensive income for the year	<u>(398,941)</u>	<u>7,544,176</u>	<u>7,145,235</u>
At 31.12.2012 and 1.1.2013	(399,085)	18,028,491	17,629,406
Total comprehensive income for the year	<u>(176,814)</u>	<u>1,802,433</u>	<u>1,625,619</u>
At 31.12.2013	<u>(575,899)</u>	<u>19,830,924</u>	<u>19,255,025</u>

GREENPEACE EAST ASIA
(LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER, 2013

	2013 HK\$	2012 HK\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus for the year	1,802,433	7,544,176
Adjustments for :-		
Loss on disposal of property, plant and equipment	8,550	4,620
Depreciation	2,500,129	1,578,145
Interest income	(428,390)	(299,577)
Interest expenses	78,837	36,341
Operating surplus before working capital changes	3,961,559	8,863,705
Decrease in amount due from Stichting Greenpeace Council	1,311,867	1,127,620
Decrease/(increase) in amounts due from other National Offices	130,613	(130,613)
Increase in deposits, advances and other receivables	(417,795)	(1,445,850)
Increase/(decrease) in amount due to Stichting Greenpeace Council	902,802	(468,170)
(Decrease)/increase in amounts due to other National Offices	(1,710,442)	2,032,374
Increase in accounts payable and receipt in advance	1,946,472	2,086,330
Cash generated from operations	6,125,076	12,065,396
Interest received	428,390	299,577
NET CASH GENERATED FROM OPERATING ACTIVITIES	6,553,466	12,364,973
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(5,204,209)	(2,138,068)
Decrease/(increase) in fixed deposits with maturity of over three months	3,681,480	(3,681,480)
NET CASH USED IN INVESTING ACTIVITIES	(1,522,729)	(5,819,548)
CASH FLOWS FROM FINANCING ACTIVITIES		
Loans from Stichting Greenpeace Council	262,381	5,223,966
Interest paid	(78,837)	(36,341)
NET CASH GENERATED FROM FINANCING ACTIVITIES	183,544	5,187,625
NET INCREASE IN CASH AND CASH EQUIVALENTS	5,214,281	11,733,050
CASH AND CASH EQUIVALENTS AT 1ST JANUARY	22,873,317	11,539,208
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(188,710)	(398,941)
CASH AND CASH EQUIVALENTS AT 31ST DECEMBER	27,898,888	22,873,317
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Fixed deposits with maturity of three months	16,620,685	11,730,767
Cash and bank balances	11,278,203	11,142,550
	27,898,888	22,873,317

GREENPEACE EAST ASIA

(LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2013

1. GENERAL INFORMATION

Greenpeace East Asia (the "Company") is a non-profit making company incorporated in Hong Kong. The address of its registered office is 8/F., Pacific Plaza, 410-418 Des Voeux Road West, Hong Kong.

The Company and its subsidiaries (collectively known as the "Group") are principally engaged in promoting, encouraging, further establishing, procuring and achieving the protection of wildlife, the elimination of threats and damage to the environment and all other objectives of the Stichting Greenpeace Council.

2. BASIS OF PREPARATION

(a) Compliance with Hong Kong Financial Reporting Standards

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS"), Hong Kong Accounting Standards ("HKAS") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (hereinafter collectively referred to as "Hong Kong Financial Reporting Standards").

(b) Initial application of Hong Kong Financial Reporting Standards

In the current year, the Group initially applied the following Hong Kong Financial Reporting Standards :-

HKAS 19 (2011)	Employee Benefits
HKAS 27	Separate Financial Statements
HKAS 28	Investments in Associates and Joint Ventures
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurement
HK(IFRIC)-Int 20	Stripping Costs in the Production Phase of a Surface Mine
Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income
Amendments to HKFRS 7	Disclosures - Offsetting Financial Assets and Financial Liabilities
Annual improvements to HKFRSs (2009 - 2011)	Amendments to HKAS 1, HKAS 16 and HKAS 32

GREENPEACE EAST ASIA

(LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2013

2. BASIS OF PREPARATION (CONT'D)

(b) Initial application of Hong Kong Financial Reporting Standards (cont'd)

The initial application of these financial reporting standards does not necessitate material changes in the Group's accounting policies except the followings :-

- (i) HKFRS 10 "Consolidated Financial Statements" modifies the concept of "control" substantially. The Group's adoption of this new concept of control does not result in a change in the classification of investments in subsidiaries and other entities; and
- (ii) HKFRS 13 "Fair Value Measurement" introduces a number of new concepts and principles regarding fair value measurement. The Group's adoption of these new concepts and principles does not result in a change in the fair value measurements of its assets and liabilities.

The initial application of these financial reporting standards does not necessitate retrospective adjustments of the comparatives presented in the consolidated financial statements.

(c) Hong Kong Financial Reporting Standards in issue but not yet effective

The following Hong Kong Financial Reporting Standards in issue at 31st December, 2013 have not been applied in the preparation of the Group's consolidated financial statements for the year then ended since they were not yet effective for the annual period beginning on 1st January, 2013 :-

HKFRS 9	Financial Instruments
HK(IFRIC)-Int 21	Levies
Amendments to HKAS 19	Defined Benefit Plans : Employee Contributions
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities
Amendments to HKAS 36	Recoverable Amount Disclosures for Non-financial Assets
Amendments to HKAS 39	Novation of Derivatives and Continuation of Hedge Accounting
Amendments to HKFRS 10	Investment Entities

The Group is required to initially apply these standards and amendments in its annual consolidated financial statements beginning on 1st January, 2014, except that the Group is required to initially apply amendments to HKAS 19 in its annual consolidated financial statements beginning on 1st January, 2015. HKFRS 9 does not have a mandatory effective date.

GREENPEACE EAST ASIA

(LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2013

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Measurement basis

The consolidated financial statements are prepared under the historical cost basis.

(b) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31st December, 2013. The results of subsidiaries acquired or disposed of during the year are dealt with in the consolidated income and expenditure account from the dates of acquisition or to the dates of disposal respectively. All significant intra-group transactions and balances have been eliminated on consolidation.

(c) Revenue recognition

Fund raising income is recognised when received.

The recognition and measurement of contributions/grants is determined by the performance conditions. When no performance obligation is included, the contributions/grants are recognised as income when proceeds are receivable. However, when future performance conditions are included, the contributions/grants are only recognised as income when the performance conditions are met.

Interest income is recognised on a time proportion basis using effective interest rate.

(d) Property, plant and equipment

Property, plant and equipment are stated at cost less aggregate depreciation and impairment losses.

The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its present working condition and location for its intended use.

Repairs and maintenance costs are charged to income and expenditure account in the period in which it is incurred.

GREENPEACE EAST ASIA

(LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2013

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Property, plant and equipment (cont'd)

Depreciation is calculated to write off the cost of plant and equipment to their estimated residual values over their estimated useful lives on a straight-line basis at the following annual rates :-

Leasehold improvements	33 ⅓ %
Computer equipment	33 ⅓ %
Office equipment	25%
Actions equipment	33 ⅓ %
Furniture and fixture	20 %

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The gain or loss arising from the disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in income and expenditure account.

(e) Impairment of assets

At the end of each reporting period, the Group determines whether there is any indication of impairment of assets. If there is any indication of impairment, the recoverable amount of the relevant asset or group of assets is estimated and compared with the carrying amount.

If the recoverable amount of an asset or a group of assets is less than its carrying amount, the carrying amount of the asset or group of assets is reduced to the recoverable amount. Impairment losses are recognised as an expense in income and expenditure account.

(f) Investments in subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

Investment in subsidiaries is stated in the Company's statement of financial position at cost less any identified impairment loss. Income from subsidiaries is recognised in the Company's financial statements when the shareholder's right to receive payment is established.

GREENPEACE EAST ASIA

(LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2013

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Leases

Rentals payable under operating leases are charged to income and expenditure account on a straight-line basis over the terms of the relevant leases.

(h) Employee benefits

Salaries and annual leave entitlements are accrued in the year in which the associated services are rendered by employees of the Group.

Obligations for contributions to defined contribution retirement plans are recognised as an expense in income and expenditure account as incurred.

(i) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The financial statements are presented in Hong Kong dollar, which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in income and expenditure account.

(iii) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows :-

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of the reporting period;
- income and expenses for each income and expenditure account are translated at average exchange rates; and
- all resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

GREENPEACE EAST ASIA
(LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2013

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Provisions and contingent liabilities (cont'd)

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

(k) Related parties

A person or a close member of that person's family is related to the Group if that person (i) has control or joint control over the Group; (ii) has significant influence over the Group; or (iii) is a member of the key management personnel of the Group or of a parent of the Group.

An entity is related to the Group if (i) the entity and the Group are members of the same group of companies, (ii) the entity is an associate or a joint venture of either the Group or a member of a group of which the Group is a member, (iii) the Group is an associate or a joint venture of either the entity or a member of a group of which the entity is a member, (iv) the entity and the Group are joint ventures of the same third party, (v) the entity is a joint venture of a third entity and the Group is an associate of that third entity, (vi) the Group is a joint venture of a third entity and the entity is an associate of that third entity, (vii) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group, (viii) the entity is controlled or jointly controlled by a person related to the Group or a close member of that person's family, (ix) a person who has control or joint control over the Group has significant influence over the entity, or (x) a person who has control or joint control over the Group is a member of the key management personnel of the entity (or of a parent of the entity).

(l) Receivables

Receivables are recognised at cost which approximates to their fair values, less provision for impairment. A provision for impairment of accounts receivable is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivable. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flow, discounted at the effective interest rate. The amount of provision is recognised in income and expenditure account.

GREENPEACE EAST ASIA

(LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2013

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(m) Payables

Payables are stated at amortised cost using the effective interest method.

(n) Cash equivalents

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(o) Significant judgement

In the process of applying the Group's accounting policies, judgements that can significantly affect the amounts recognised in the consolidated financial statements are made in determining :-

- (i) whether there is an indication of impairment of assets;
- (ii) whether the discount rates used to calculate the recoverable amount of assets are appropriate for the purpose of impairment review; and
- (iii) the expected manner of recovery of the carrying amount of assets.

4. TURNOVER AND REVENUE

The principal activities of the Group are to promote, encourage, further establish, procure and achieve the protection of wildlife, the elimination of threats and damage to the environment and all other objectives of the Stichting Greenpeace Council. Turnover represents fund raised during the year. An analysis of the Group's turnover and other revenue is set out below :-

	2013 HK\$	2012 HK\$
Turnover	62,144,028	42,240,499
Other revenue		
Contributions from Stichting Greenpeace Council	51,487,565	44,272,006
Interest income	428,390	299,577
Grants from other National Offices	-	2,258,427
	51,915,955	46,830,010
Total revenue	114,059,983	89,070,509

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5. SURPLUS FOR THE YEAR

	2013 HK\$	2012 HK\$
(a) Surplus for the year is stated after charging :-		
Staff costs		
- Salaries and allowances	54,908,325	45,032,254
- Contributions to provident fund	2,306,708	1,500,501
	57,215,033	46,532,755
Auditor's remuneration	177,521	87,302
Depreciation	2,500,129	1,578,145
Interest expenses	78,837	36,341
Minimum lease payments paid under operating leases	4,866,720	5,570,905
Loss on disposal of property, plant and equipment	8,550	4,620
(b) Surplus for the year includes a deficit of HK\$2,408,766 (2012 : surplus of HK\$2,467,546) which has been dealt with in the financial statements of the Company.		

6. COUNCIL MEMBERS' REMUNERATION

No council members' remuneration as defined in Section 161 of the Hong Kong Companies Ordinance was paid or payable for both years.

7. TAXATION

No provision for Hong Kong profits tax has been made in these financial statements as the Company is exempt from tax under Section 88 of the Inland Revenue Ordinance.

No provision for income tax has been made for the subsidiaries as they sustained a loss for tax purposes during the year.

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8. PROPERTY, PLANT AND EQUIPMENT

The Group

	<i>Leasehold improvements HK\$</i>	<i>Computer equipment HK\$</i>	<i>Office equipment HK\$</i>	<i>Actions equipment HK\$</i>	<i>Furniture and fixture HK\$</i>	<i>Total HK\$</i>
Cost :-						
At 1.1.2012	2,116,284	2,122,990	281,791	889,950	61,536	5,472,551
Additions	842,004	508,392	154,720	632,952	-	2,138,068
Disposals	-	(6,930)	-	-	-	(6,930)
At 31.12.2012	<u>2,958,288</u>	<u>2,624,452</u>	<u>436,511</u>	<u>1,522,902</u>	<u>61,536</u>	<u>7,603,689</u>
Aggregate depreciation :-						
At 1.1.2012	1,710,496	1,570,212	93,834	645,196	12,432	4,032,170
Charge for the year	634,674	505,545	97,771	337,922	2,233	1,578,145
Write back on disposals	-	(2,310)	-	-	-	(2,310)
At 31.12.2012	<u>2,345,170</u>	<u>2,073,447</u>	<u>191,605</u>	<u>983,118</u>	<u>14,665</u>	<u>5,608,005</u>
Net book value :-						
At 31.12.2012	<u>613,118</u>	<u>551,005</u>	<u>244,906</u>	<u>539,784</u>	<u>46,871</u>	<u>1,995,684</u>
Cost :-						
At 1.1.2013	2,958,288	2,624,452	436,511	1,522,902	61,536	7,603,689
Additions	662,209	1,134,823	547,760	1,866,547	992,870	5,204,209
Disposals	(759,574)	(394,738)	-	-	-	(1,154,312)
Exchange adjustments	-	2,635	2,487	(2,820)	11,258	13,560
At 31.12.2013	<u>2,860,923</u>	<u>3,367,172</u>	<u>986,758</u>	<u>3,386,629</u>	<u>1,065,664</u>	<u>11,667,146</u>
Aggregate depreciation :-						
At 1.1.2013	2,345,170	2,073,447	191,605	983,118	14,665	5,608,005
Charge for the year	553,118	723,917	210,196	823,217	189,681	2,500,129
Write back on disposals	(759,574)	(386,188)	-	-	-	(1,145,762)
Exchange adjustments	-	128	259	(79)	1,356	1,664
At 31.12.2013	<u>2,138,714</u>	<u>2,411,304</u>	<u>402,060</u>	<u>1,806,256</u>	<u>205,702</u>	<u>6,964,036</u>
Net book value :-						
At 31.12.2013	<u>722,209</u>	<u>955,868</u>	<u>584,698</u>	<u>1,580,373</u>	<u>859,962</u>	<u>4,703,110</u>

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8. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Company

	<i>Leasehold improvements HK\$</i>	<i>Computer equipment HK\$</i>	<i>Office equipment HK\$</i>	<i>Actions equipment HK\$</i>	<i>Total HK\$</i>
Cost :-					
At 1.1.2012	2,116,284	2,118,202	275,592	889,950	5,400,028
Additions	842,004	480,619	146,105	582,250	2,050,978
Disposals	-	(6,930)	-	-	(6,930)
At 31.12.2012	2,958,288	2,591,891	421,697	1,472,200	7,444,076
Aggregate depreciation :-					
At 1.1.2012	1,710,496	1,569,071	92,593	645,196	4,017,356
Charge for the year	634,674	503,309	96,931	333,888	1,568,802
Write back on disposals	-	(2,310)	-	-	(2,310)
At 31.12.2012	2,345,170	2,070,070	189,524	979,084	5,583,848
Net book value :-					
At 31.12.2012	613,118	521,821	232,173	493,116	1,860,228
Cost :-					
At 1.1.2013	2,958,288	2,591,891	421,697	1,472,200	7,444,076
Additions	662,209	876,051	380,835	1,487,307	3,406,402
Disposals	(759,574)	(394,738)	-	-	(1,154,312)
At 31.12.2013	2,860,923	3,073,204	802,532	2,959,507	9,696,166
Aggregate depreciation :-					
At 1.1.2013	2,345,170	2,070,070	189,524	979,084	5,583,848
Charge for the year	553,118	689,585	190,621	794,718	2,228,042
Write back on disposals	(759,574)	(386,188)	-	-	(1,145,762)
At 31.12.2013	2,138,714	2,373,467	380,145	1,773,802	6,666,128
Net book value :-					
At 31.12.2013	722,209	699,737	422,387	1,185,705	3,030,038

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9. INVESTMENTS IN SUBSIDIARIES - THE COMPANY

	2013 HK\$	2012 HK\$
Unlisted equity, at cost	<u>1,603,500</u>	<u>1,603,500</u>

Details of the subsidiaries are as follows :-

<i>The company</i>	<i>Place of establishment and operation</i>	<i>Particulars of registered capital</i>	<i>Effective percentage of equity holding</i>	<i>Principal activities</i>
Greenpeace (Beijing) Consultancy Company Limited of Environment	The People's Republic of China ("PRC")	HK\$250,000	100%	Provision of consultancy service for environmental friendly product, technical service, training, planning and solution for environmental protection
財團法人綠色和平基金會	Taiwan	TWD5,000,000	100%	Provision of consultancy service for environmental friendly product, technical service, training, planning and solution for environmental protection
Greenpeace East Asia	South Korea	Limited by guarantee	100%	Provision of consultancy service for environmental friendly product, technical service, training, planning and solution for environmental protection
Greenpeace Foundation	South Korea	Limited by guarantee	100%	Provision of consultancy service for environmental friendly product, technical service, training, planning and solution for environmental protection

10. AMOUNTS DUE FROM SUBSIDIARIES - THE COMPANY

	2013 HK\$	2012 HK\$
Amounts due from subsidiaries	10,568,904	10,436,663
Less : impairment loss	<u>(8,163,466)</u>	<u>(10,436,663)</u>
	<u>2,405,438</u>	<u>-</u>

The amounts are unsecured, interest-free and has no fixed terms of repayment.

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11. AMOUNTS DUE FROM/TO STICHTING GREENPEACE COUNCIL AND OTHER NATIONAL OFFICES - THE GROUP AND THE COMPANY

The amounts are unsecured, interest-free and have no fixed terms of repayment.

12. LOANS FROM STICHTING GREENPEACE COUNCIL

The amounts are interest bearing at a range from 1.5% to 1.75% per annum, unsecured and repayable as follows :-

	2013 HK\$	2012 HK\$
Within one year	4,274,034	2,757,504
Between two to five years	1,212,313	2,466,462
	<u>5,486,347</u>	<u>5,223,966</u>

13. RESERVE - THE COMPANY

**Accumulated
surplus
HK\$**

At 1.1.2012	13,129,966
Surplus for the year	<u>2,467,546</u>
At 31.12.2012 and 1.1.2013	15,597,512
Deficit for the year	<u>(2,408,766)</u>
At 31.12.2013	<u>13,188,746</u>

14. COMMITMENT

As at 31st December, 2013, the Group and the Company had outstanding commitment under non-cancellable operating leases for use of land and buildings, which fall due as follows :-

	The Group		The Company	
	2013 HK\$	2012 HK\$	2013 HK\$	2012 HK\$
Within one year	3,222,340	3,216,915	1,349,051	2,875,606
In the second to fifth year inclusive	2,606,502	2,623,532	596,822	2,575,083
Over five years	368,335	-	368,335	-
	<u>6,197,177</u>	<u>5,840,447</u>	<u>2,314,208</u>	<u>5,450,689</u>

Operating lease payments represent rental payables by the Group and the Company for its offices premises and staff quarters. Leases are negotiated for an average term of five years with fixed monthly rental charges.

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FOR THE YEAR ENDED 31ST DECEMBER, 2013

15. RELATED PARTY TRANSACTIONS

Apart from the transactions as disclosed in notes 10 to 12 to the financial statements, the Group had no other material transaction with its related party during the year.

16. NATURE AND EXTENT OF FINANCIAL INSTRUMENT RISKS

(a) Credit risk

Credit risk is the risk that a party to a financial instrument will cause a financial loss for the Group by failing to discharge an obligation.

Carrying amounts of financial assets as at 31st December, 2013, which represented the amounts of maximum exposure to credit risk, were as follows :-

	<i>The Group</i>		<i>The Company</i>	
	<i>2013</i>	<i>2012</i>	<i>2013</i>	<i>2012</i>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Amount due from Stichting Greenpeace Council	-	1,311,867	-	1,311,867
Amounts due from other National Offices	-	130,613	-	130,613
Amounts due from subsidiaries	-	-	2,405,438	-
Deposits and other receivables	2,429,028	1,754,801	1,212,925	1,013,381
Fixed deposits	16,620,685	15,412,247	11,571,113	15,412,247
Cash and bank balances	11,278,203	11,142,550	7,057,677	7,702,367
	<u>30,327,916</u>	<u>29,752,078</u>	<u>22,247,153</u>	<u>25,570,475</u>

The Group's cash and cash equivalents are placed with major financial institutions located in Hong Kong and the PRC with high credit quality and the credit risk is considered as insignificant.

The council members are satisfied with the credit quality of amounts due from the related parties since the related parties are financially healthy.

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16. NATURE AND EXTENT OF FINANCIAL INSTRUMENT RISKS (CONT'D)

(b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities. The Group manages liquidity risks by monitoring its liquidity position through periodic preparation of cash flows and cash balances forecasts and periodic evaluation of the ability of group to meet its financial obligations.

Maturities of the non-derivative financial liabilities as at 31st December, 2013 were as follows :-

	<i>The Group</i>		<i>The Company</i>	
	2013	2012	2013	2012
	HK\$	HK\$	HK\$	HK\$
Total amounts of contractual undiscounted obligations :-				
Amount due to Stichting Greenpeace Council	902,802	-	902,802	-
Amounts due to other				
National Offices	1,114,889	2,825,331	1,114,889	2,825,331
Accounts payable	6,236,069	3,050,560	3,870,208	2,030,379
Loans from Stichting Greenpeace Council	5,486,347	5,223,966	5,486,347	5,223,966
	<u>13,740,107</u>	<u>11,099,857</u>	<u>11,374,246</u>	<u>10,079,676</u>
Due for payment :-				
Within one year or on demand	12,527,794	8,633,395	10,161,933	7,613,214
In the second to fifth years	<u>1,212,313</u>	<u>2,466,462</u>	<u>1,212,313</u>	<u>2,466,462</u>
	<u>13,740,107</u>	<u>11,099,857</u>	<u>11,374,246</u>	<u>10,079,676</u>

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16. NATURE AND EXTENT OF FINANCIAL INSTRUMENT RISKS (CONT'D)

(c) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Carrying amounts of financial assets and financial liabilities as at 31st December, 2013 exposed to currency risk were as follows :-

	<i>The Group</i>		<i>The Company</i>	
	<i>2013</i>	<i>2012</i>	<i>2013</i>	<i>2012</i>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Financial assets denominated in foreign currencies :-				
Cash and bank balances	6,738,831	7,271,818	6,738,831	7,271,818
Fixed deposits	11,571,113	15,412,247	11,571,113	15,412,247
Amount due from other National Offices	-	130,613	-	130,613
Amount due from Stichting Greenpeace Council	-	1,311,867	-	1,311,867
Deposits and other receivables	509,641	370,105	509,641	370,105
Financial liabilities denominated in foreign currencies :-				
Amount due to Stichting Greenpeace Council	(902,802)	-	(902,802)	-
Accounts payable	(1,908,873)	(896,146)	(1,908,873)	(896,146)
Amounts due to other National Offices	(1,114,889)	(2,825,331)	(1,114,889)	(2,825,331)
Loans from Stichting Greenpeace Council	(5,486,347)	(5,223,966)	(5,486,347)	(5,223,966)
Net financial assets exposed to currency risk	<u>9,406,674</u>	<u>15,551,207</u>	<u>9,406,674</u>	<u>15,551,207</u>

The Group's financial assets and financial liabilities exposed to currency risks were primarily denominated in Renminbi.

The directors consider that material fluctuations in the exchange rates of Hong Kong dollars against Renminbi are remote.

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16. NATURE AND EXTENT OF FINANCIAL INSTRUMENT RISKS (CONT'D)

(d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group manages interest rate risk, when it is considered significant, by entering into appropriate swap contracts.

As at 31st December, 2013, loans from Stichting Greenpeace Council of HK\$5,486,347 (2012 : HK\$5,223,966) bearing fixed interests, therefore the Group is not exposed to fair value interest rate risk.

Since the loans were measured at amortised cost, their carrying amounts would not be affected by changes in market interest rates.

(e) Fair value estimate

All of the carrying amounts of the Group's financial assets and liabilities approximate their fair values due to the short-term maturity of these instruments.