



Accountants &
business advisers

Greenpeace East Asia

(Limited by guarantee)

Consolidated financial statements

For the year ended 31st December, 2012



GREENPEACE EAST ASIA
(LIMITED BY GUARANTEE)
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2012

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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, 2012.

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 that of its subsidiaries is 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, 2012 and the state of affairs of the Company and 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	
Williamson Wai Ming, Romi	
Luk Tak Chuen	
Chang Wei Hsiu	(appointed on 13th May, 2012)
Xie Lei	(appointed on 13th May, 2012)

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.

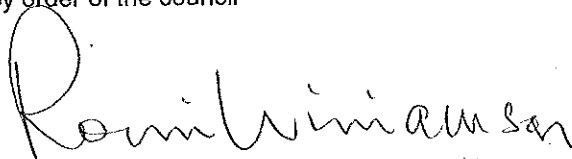
ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

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

A handwritten signature in cursive script, appearing to read "Ron Williams".

Council member
Hong Kong

24 APR 2013



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, 2012, 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.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors 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 directors 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 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, 2012 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.

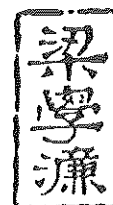
PKF
Certified Public Accountants
Hong Kong

24 APR 2013

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GREENPEACE EAST ASIA
(LIMITED BY GUARANTEE)
CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER, 2012

	Note	2012 HK\$	2011 HK\$
INCOME			
Fund raising income		42,240,499	34,211,916
Contributions from Stichting Greenpeace Council		44,272,006	24,124,110
Grants from other National Offices		2,258,427	5,724,425
Interest income		299,577	36,076
Sundry income		401,062	165,261
		<u>89,471,571</u>	<u>64,261,788</u>
	4	89,471,571	64,261,788
LESS :			
EXPENDITURE			
Fund raising expenses		18,325,936	11,806,463
Campaign expenses			
Ocean		4,588,389	2,274,659
Climate		9,538,986	6,092,790
Toxic		5,521,441	4,230,777
Forest		3,028,299	2,292,107
GMO		5,217,824	4,857,962
Other issues		2,989,600	4,036,246
Organisational support expenses		15,116,770	11,278,739
Campaign support expenses			
Media and communications		10,344,382	8,529,414
Marine operations and action support		5,363,347	3,203,691
Public information and outreach		481,092	5,319,874
Political, science and business		1,411,329	970,607
		<u>81,927,395</u>	<u>64,893,329</u>
		81,927,395	64,893,329
SURPLUS/(DEFICIT) FOR THE YEAR	5	<u><u>7,544,176</u></u>	<u><u>(631,541)</u></u>

GREENPEACE EAST ASIA
(LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER, 2012

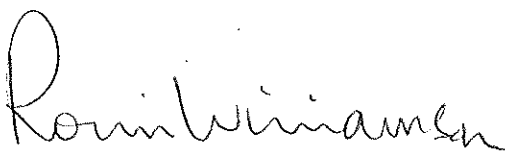
	2012 HK\$	2011 HK\$
Surplus/(deficit) for the year	<u>7,544,176</u>	<u>(631,541)</u>
Other comprehensive income :-		
Exchange difference arising from translation of financial statements of overseas subsidiaries	<u>(398,941)</u>	<u>(16,066)</u>
Other comprehensive income for the year, net of tax	<u>(398,941)</u>	<u>(16,066)</u>
Total comprehensive income/(loss) for the year	<u><u>7,145,235</u></u>	<u><u>(647,607)</u></u>

GREENPEACE EAST ASIA
(LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER, 2012

	Note	2012 HK\$	2011 HK\$
NON-CURRENT ASSETS			
Property, plant and equipment	8	<u>1,995,684</u>	<u>1,440,381</u>
CURRENT ASSETS			
Amount due from Stichting Greenpeace Council	11	1,311,867	2,439,487
Amounts due from other National Offices	11	130,613	-
Deposits, advances and other receivables		3,544,941	2,099,091
Fixed deposits		15,412,247	615,000
Cash and bank balances		<u>11,142,550</u>	<u>10,924,208</u>
		<u>31,542,218</u>	<u>16,077,786</u>
LESS :			
CURRENT LIABILITIES			
Amount due to Stichting Greenpeace Council	11	-	468,170
Amounts due to other National Offices	11	2,825,331	792,957
Loans from Stichting Greenpeace Council	12	2,757,504	-
Accounts payable and receipt in advance		<u>7,859,199</u>	<u>5,772,869</u>
		<u>13,442,034</u>	<u>7,033,996</u>
NET CURRENT ASSETS		<u>18,100,184</u>	<u>9,043,790</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>20,095,868</u>	<u>10,484,171</u>
NON-CURRENT LIABILITY			
Loans from Stichting Greenpeace Council	12	<u>2,466,462</u>	-
NET ASSETS		<u>17,629,406</u>	<u>10,484,171</u>
REPRESENTING :-			
EXCHANGE RESERVE		(399,085)	(144)
ACCUMULATED SURPLUS		<u>18,028,491</u>	<u>10,484,315</u>
		<u>17,629,406</u>	<u>10,484,171</u>

APPROVED AND AUTHORISED FOR ISSUE BY
THE COUNCIL OF MEMBERS ON 24 APR 2013


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COUNCIL MEMBER

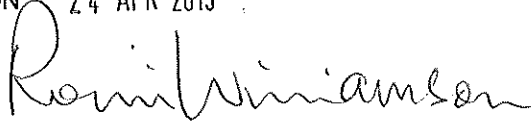

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COUNCIL MEMBER

GREENPEACE EAST ASIA
(LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER, 2012

	Note	2012 HK\$	2011 HK\$
NON-CURRENT ASSETS			
Property, plant and equipment	8	1,860,228	1,382,672
Investments in subsidiaries	9	<u>1,603,500</u>	<u>1,603,500</u>
		<u>3,463,728</u>	<u>2,986,172</u>
CURRENT ASSETS			
Amount due from Stichting Greenpeace Council	11	1,311,867	2,439,487
Amounts due from other National Offices	11	130,613	-
Amounts due from subsidiaries	10	-	2,930,460
Deposits, advances and other receivables		2,465,005	1,580,482
Fixed deposits		15,412,247	615,000
Cash and bank balances		<u>7,702,367</u>	<u>9,246,965</u>
		<u>27,022,099</u>	<u>16,812,394</u>
LESS :			
CURRENT LIABILITIES			
Amount due to Stichting Greenpeace Council	11	-	468,170
Amounts due to other National Offices	11	2,825,331	792,957
Loans from Stichting Greenpeace Council	12	2,757,504	-
Accounts payable and receipt in advance		<u>6,839,018</u>	<u>5,407,473</u>
		<u>12,421,853</u>	<u>6,668,600</u>
NET CURRENT ASSETS		<u>14,600,246</u>	<u>10,143,794</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>18,063,974</u>	<u>13,129,966</u>
NON-CURRENT LIABILITY			
Loans from Stichting Greenpeace Council	12	<u>2,466,462</u>	-
NET ASSETS		<u>15,597,512</u>	<u>13,129,966</u>
REPRESENTING :-			
ACCUMULATED SURPLUS	13	<u>15,597,512</u>	<u>13,129,966</u>

APPROVED AND AUTHORISED FOR ISSUE BY
THE COUNCIL OF MEMBERS ON 24 APR 2013


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COUNCIL MEMBER


.....
COUNCIL MEMBER

GREENPEACE EAST ASIA
(LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST DECEMBER, 2012

	<i>Exchange reserve HK\$</i>	<i>Accumulated surplus HK\$</i>	<i>Total HK\$</i>
At 1.1.2011	15,922	11,115,856	11,131,778
Total comprehensive loss for the year	<u>(16,066)</u>	<u>(631,541)</u>	<u>(647,607)</u>
At 31.12.2011 and 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	<u><u>(399,085)</u></u>	<u><u>18,028,491</u></u>	<u><u>17,629,406</u></u>

GREENPEACE EAST ASIA
(LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER, 2012

	2012 HK\$	2011 HK\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus/(deficit) for the year	7,544,176	(631,541)
Adjustments for :-		
Loss on disposal of property, plant and equipment	4,620	1,137
Depreciation	1,578,145	1,097,965
Interest income	(299,577)	(36,076)
Operating surplus before working capital changes	8,827,364	431,485
Decrease/(increase) in amount due from Stichting Greenpeace Council	1,127,620	(1,971,317)
Increase in amounts due from other National Offices	(130,613)	-
Increase in deposits, advances and other receivables	(1,445,850)	(1,139,187)
Decrease in amount due to Stichting Greenpeace Council	(468,170)	(856,188)
Increase in amounts due to other National Offices	2,032,374	518,610
Increase in accounts payable and receipt in advance	2,086,330	3,014,550
Cash generated from/(used in) operations	12,029,055	(2,047)
Interest received	299,577	36,076
NET CASH GENERATED FROM OPERATING ACTIVITIES	<u>12,328,632</u>	<u>34,029</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(2,138,068)	(1,394,928)
Increase in fixed deposits with maturity of over three months	(3,681,480)	-
Proceeds from sales of property, plant and equipment	-	1,759
NET CASH USED IN INVESTING ACTIVITIES	<u>(5,819,548)</u>	<u>(1,393,169)</u>
CASH FLOWS FROM FINANCING ACTIVITY		
Loans from Stichting Greenpeace Council	5,223,966	-
NET CASH GENERATED FROM FINANCING ACTIVITY	<u>5,223,966</u>	<u>-</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	11,733,050	(1,359,140)
CASH AND CASH EQUIVALENTS AT 1ST JANUARY	11,539,208	12,914,414
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(398,941)	(16,066)
CASH AND CASH EQUIVALENTS AT 31ST DECEMBER	<u>22,873,317</u>	<u>11,539,208</u>
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Fixed deposits with maturity of three months	11,730,767	615,000
Cash and bank balances	11,142,550	10,924,208
	<u>22,873,317</u>	<u>11,539,208</u>

GREENPEACE EAST ASIA

(LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2012

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 :-

Amendments to HKFRS 7	Disclosures - Transfers of Financial Assets
Amendments to HKAS 12	Recovery of Underlying Assets

The initial application of these Hong Kong Financial Reporting Standards does not necessitate material changes in the Group's accounting policies or retrospective adjustments of the comparatives presented.

GREENPEACE EAST ASIA

(LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2012

2. BASIS OF PREPARATION (CONT'D)

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

The following Hong Kong Financial Reporting Standards in issue at 31st December, 2012 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, 2012 :-

HKAS 19 (2011)	Employee Benefits
HKAS 27	Separate Financial Statements
HKAS 28	Investments in Associates and Joint Ventures
HKFRS 9	Financial Instruments
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 HKAS 32	Offsetting Financial Assets and Financial Liabilities
Amendments to HKFRS 7	Disclosures - Offsetting Financial Assets and Financial Liabilities
Amendments to HKFRS 10	Investment Entities
Annual improvements to HKFRSs (2009 - 2011)	Amendments to HKAS 1, HKAS 16 and HKAS 32

The Group is required to initially apply these Hong Kong Financial Reporting Standards in its annual consolidated financial statements beginning on 1st January, 2013, except that the Group is required to initially apply amendments to HKAS 32 and HKFRS 10 in its annual consolidated financial statements beginning on 1st January, 2014 and HKFRS 9 in its annual consolidated financial statements beginning on 1st January, 2015.

GREENPEACE EAST ASIA
(LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2012

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, 2012. 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, 2012

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 $\frac{1}{3}$ %
Computer equipment	33 $\frac{1}{3}$ %
Office equipment	25%
Actions equipment	33 $\frac{1}{3}$ %
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

A subsidiary is an entity that is controlled by the Company.

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.

(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.

GREENPEACE EAST ASIA

(LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2012

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Employee benefits

Salaries, annual bonuses 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, 2012

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, 2012

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 :-

	2012 HK\$	2011 HK\$
Turnover	<u>42,240,499</u>	<u>34,211,916</u>
Other revenue		
Contributions from Stichting Greenpeace Council	44,272,006	24,124,110
Interest income	299,577	36,076
Grants from other National Offices	<u>2,258,427</u>	<u>5,724,425</u>
	<u>46,830,010</u>	<u>29,884,611</u>
Total revenue	<u>89,070,509</u>	<u>64,096,527</u>

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5. SURPLUS/(DEFICIT) FOR THE YEAR

	2012	2011
	HK\$	HK\$

(a) Surplus/(deficit) for the year is stated after charging :-

Staff costs

- Salaries and allowances

- Contributions to provident fund

45,032,254

1,500,501

34,704,670

550,938

46,532,755

35,255,608

Auditor's remuneration

87,302

46,740

Depreciation

1,578,145

1,097,965

Minimum lease payments paid under operating leases

5,570,905

3,820,132

Loss on disposal of property, plant and equipment

4,620

1,137

(b) Surplus for the year includes a surplus of HK\$2,467,546 (2011 : HK\$1,933,054) 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 it 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 1.1.2011	1,961,038	1,615,245	181,973	548,403	-	4,306,659
Additions	155,246	736,781	98,954	341,547	62,400	1,394,928
Disposals	-	(229,036)	-	-	-	(229,036)
At 31.12.2011	<u>2,116,284</u>	<u>2,122,990</u>	<u>280,927</u>	<u>889,950</u>	<u>62,400</u>	<u>5,472,551</u>
Aggregate depreciation :-						
At 1.1.2011	1,356,830	1,288,695	33,706	481,114	-	3,160,345
Charge for the year	353,666	507,657	60,241	164,082	12,319	1,097,965
Write back on disposals	-	(226,140)	-	-	-	(226,140)
At 31.12.2011	<u>1,710,496</u>	<u>1,570,212</u>	<u>93,947</u>	<u>645,196</u>	<u>12,319</u>	<u>4,032,170</u>
Net book value :-						
At 31.12.2011	<u>405,788</u>	<u>552,778</u>	<u>186,980</u>	<u>244,754</u>	<u>50,081</u>	<u>1,440,381</u>
Cost :-						
At 1.1.2012	2,116,284	2,122,990	280,927	889,950	62,400	5,472,551
Additions	842,004	508,392	146,105	632,952	8,615	2,138,068
Disposals	-	(6,930)	-	-	-	(6,930)
At 31.12.2012	<u>2,958,288</u>	<u>2,624,452</u>	<u>427,032</u>	<u>1,522,902</u>	<u>71,015</u>	<u>7,603,689</u>
Aggregate depreciation :-						
At 1.1.2012	1,710,496	1,570,212	93,947	645,196	12,319	4,032,170
Charge for the year	634,674	505,545	97,280	337,922	2,724	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>191,227</u>	<u>983,118</u>	<u>15,043</u>	<u>5,608,005</u>
Net book value :-						
At 31.12.2012	<u>613,118</u>	<u>551,005</u>	<u>235,805</u>	<u>539,784</u>	<u>55,972</u>	<u>1,995,684</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 1.1.2011	1,961,038	1,615,245	181,973	548,403	4,306,659
Additions	155,246	731,993	93,619	341,547	1,322,405
Disposals	-	(229,036)	-	-	(229,036)
At 31.12.2011	<u>2,116,284</u>	<u>2,118,202</u>	<u>275,592</u>	<u>889,950</u>	<u>5,400,028</u>
Aggregate depreciation :-					
At 1.1.2011	1,356,830	1,288,695	33,706	481,114	3,160,345
Charge for the year	353,666	506,516	58,887	164,082	1,083,151
Write back on disposals	-	(226,140)	-	-	(226,140)
At 31.12.2011	<u>1,710,496</u>	<u>1,569,071</u>	<u>92,593</u>	<u>645,196</u>	<u>4,017,356</u>
Net book value :-					
At 31.12.2011	<u>405,788</u>	<u>549,131</u>	<u>182,999</u>	<u>244,754</u>	<u>1,382,672</u>
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	<u>2,958,288</u>	<u>2,591,891</u>	<u>421,697</u>	<u>1,472,200</u>	<u>7,444,076</u>
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	<u>2,345,170</u>	<u>2,070,070</u>	<u>189,524</u>	<u>979,084</u>	<u>5,583,848</u>
Net book value :-					
At 31.12.2012	<u>613,118</u>	<u>521,821</u>	<u>232,173</u>	<u>493,116</u>	<u>1,860,228</u>

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9. INVESTMENTS IN SUBSIDIARIES - THE COMPANY

	2012 HK\$	2011 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

10. AMOUNTS DUE FROM SUBSIDIARIES - THE COMPANY

	2012 HK\$	2011 HK\$
Amounts due from subsidiaries	10,436,663	2,930,460
Less : impairment loss	<u>(10,436,663)</u>	<u>-</u>
	<u>-</u>	<u>2,930,460</u>

The amounts are unsecured, interest-free and has no fixed terms of repayment. The council members consider the carrying amounts approximate their fair values.

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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. The council members consider the carrying amounts approximate their fair values.

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 :-

	2012 HK\$	2011 HK\$
Within one year	2,757,504	-
Between two to five years	2,466,462	-
	<u>5,223,966</u>	<u>-</u>

13. RESERVE - THE COMPANY

*Accumulated
surplus
HK\$*

At 1.1.2011	11,196,912
Surplus for the year	<u>1,933,054</u>
At 31.12.2011 and 1.1.2012	13,129,966
Surplus for the year	<u>2,467,546</u>
At 31.12.2012	<u>15,597,512</u>

14. COMMITMENT

As at 31st December, 2012, the Group and the Company had outstanding commitment under non-cancellable operating leases for use of land and buildings, which fall due as follows :-

	<i>The Group</i>		<i>The Company</i>	
	2012 HK\$	2011 HK\$	2012 HK\$	2011 HK\$
Within one year	3,216,915	2,130,253	2,875,606	1,634,936
In the second to fifth year inclusive	<u>2,623,532</u>	<u>3,667,722</u>	<u>2,575,083</u>	<u>2,901,910</u>
	<u>5,840,447</u>	<u>5,797,975</u>	<u>5,450,689</u>	<u>4,536,846</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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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, 2012, which represented the amounts of maximum exposure to credit risk, were as follows :-

	<i>The Group</i>		<i>The Company</i>	
	<i>2012</i>	<i>2011</i>	<i>2012</i>	<i>2011</i>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Amount due from Stichting Greenpeace Council	1,311,867	2,439,487	1,311,867	2,439,487
Amounts due from other National Offices	130,613	-	130,613	-
Amounts due from subsidiaries	-	-	-	2,930,460
Deposits and other receivable	1,754,801	1,386,901	1,013,381	879,158
Fixed deposits	15,412,247	615,000	15,412,247	615,000
Cash and bank balances	11,142,550	10,924,208	7,702,367	9,246,965
	<u>29,752,078</u>	<u>15,365,596</u>	<u>25,570,475</u>	<u>16,111,070</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, 2012 were as follows :-

	<i>The Group</i>		<i>The Company</i>	
	<i>2012</i>	<i>2011</i>	<i>2012</i>	<i>2011</i>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Total amounts of contractual undiscounted obligations :-				
Amount due to Stichting Greenpeace Council	-	468,170	-	468,170
Amounts due to other				
National Offices	2,825,331	792,957	2,825,331	792,957
Accounts payable	3,050,560	3,353,595	2,030,379	2,988,199
Loans from Stichting Greenpeace Council	5,223,966	-	5,223,966	-
	<u>11,099,857</u>	<u>4,614,722</u>	<u>10,079,676</u>	<u>4,249,326</u>
Due for payment :-				
Within one year or on demand	8,633,395	4,614,722	7,613,214	4,249,326
In the second to fifth years	2,466,462	-	2,466,462	-
	<u>11,099,857</u>	<u>4,614,722</u>	<u>10,079,676</u>	<u>4,249,326</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, 2012 exposed to currency risk were as follows :-

	<i>The Group</i>		<i>The Company</i>	
	2012	2011	2012	2011
	HK\$	HK\$	HK\$	HK\$
Financial assets denominated in foreign currencies :-				
Cash and bank balances	7,271,818	10,295,712	7,271,818	8,618,469
Fixed deposits	15,412,247	615,000	15,412,247	615,000
Amount due from other National Offices	130,613	-	130,613	-
Amount due from Stichting Greenpeace Council	1,311,867	2,439,487	1,311,867	2,439,487
Deposits and other receivable	370,105	820,057	370,105	312,314
Amounts due from subsidiaries	-	-	-	2,930,460
Financial liabilities denominated in foreign currencies :-				
Amount due to Stichting Greenpeace Council	-	(468,170)	-	(468,170)
Accounts payable	(896,146)	(1,431,508)	(896,146)	(1,796,904)
Amounts due to other National Offices	(2,825,331)	(792,957)	(2,825,331)	(792,957)
Loans from Stichting Greenpeace Council	(5,223,966)	-	(5,223,966)	-
Net financial assets exposed to currency risk	15,551,207	11,477,621	15,551,207	11,857,699

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

The directors consider that material fluctuations in the exchange rates of Hong Kong dollars against Renminbi and Euro 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's income and operating cash flows are substantially independent of changes in market interest rates and the Group has no significant interest-bearing assets. The Group has not used any interest rate swaps to hedge its exposure to interest rate risk.

(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.