



Accountants &
business advisers

Greenpeace East Asia

(Limited by guarantee)

Consolidated financial statements

For the year ended 31st December, 2011



GREENPEACE EAST ASIA
(LIMITED BY GUARANTEE)
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2011

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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, 2011.

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 deficit and cash flows of the Group for the year ended 31st December, 2011 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

In accordance with the Company's articles of association, all the council members shall remain 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 subsidiary 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.

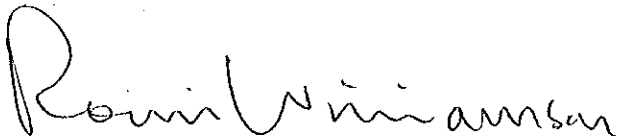
ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year was the Company or its subsidiary 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
11 APR 2012



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, 2011, 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, 2011 and of the Group's deficit 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

11 APR 2012

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, 2011

	<i>Note</i>	<i>2011</i> <i>HK\$</i>	<i>2010</i> <i>HK\$</i>
INCOME			
Fund raising income		34,211,916	29,831,781
Contributions from Stichting Greenpeace Council		23,626,848	14,798,000
Grants from other National Offices		6,221,687	7,933,546
Interest income		36,076	16,857
Sundry income		<u>165,261</u>	<u>3,902</u>
	4	<u>64,261,788</u>	<u>52,584,086</u>
LESS :			
EXPENDITURE			
Fund raising expenses		11,806,463	9,825,422
Campaign expenses			
Ocean		2,274,659	287,518
Climate		6,092,790	6,255,865
Toxic		4,230,777	3,743,107
Forest		2,292,107	1,814,303
GMO		4,857,962	3,225,410
Other issues		4,036,246	2,893,178
Organisational support expenses		11,278,739	8,320,160
Campaign support expenses			
Media and communications		8,529,414	6,761,733
Marine operations and action support		3,203,691	2,024,831
Public information and outreach		5,319,874	7,446,278
Political, science and business		<u>970,607</u>	<u>767,494</u>
		<u>64,893,329</u>	<u>53,365,299</u>
DEFICIT FOR THE YEAR	5	<u>(631,541)</u>	<u>(781,213)</u>

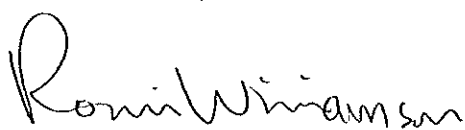
GREENPEACE EAST ASIA
(LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER, 2011

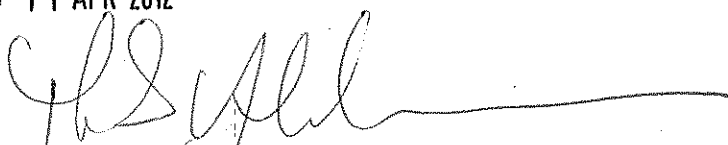
	2011	2010
	HK\$	HK\$
Deficit for the year	<u>(631,541)</u>	<u>(781,213)</u>
Other comprehensive income :-		
Exchange difference arising from translation of financial statements of overseas subsidiaries	<u>(16,066)</u>	<u>6,103</u>
Other comprehensive income for the year, net of tax	<u>(16,066)</u>	<u>6,103</u>
Total comprehensive loss for the year	<u><u>(647,607)</u></u>	<u><u>(775,110)</u></u>

GREENPEACE EAST ASIA
(LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER, 2011

	<i>Note</i>	2011 HK\$	2010 HK\$
NON-CURRENT ASSETS			
Property, plant and equipment	8	<u>1,440,381</u>	<u>1,146,314</u>
CURRENT ASSETS			
Amount due from Stichting Greenpeace Council	11	1,971,317	-
Deposits, advances and other receivable		2,099,091	959,904
Fixed deposits		615,000	3,092,791
Cash and bank balances		<u>10,924,208</u>	<u>9,821,623</u>
		<u>15,609,616</u>	<u>13,874,318</u>
LESS :			
CURRENT LIABILITIES			
Amount due to Stichting Greenpeace Council	11	-	856,188
Amounts due to other National Offices	11	792,957	274,347
Accounts payable and receipt in advance		<u>5,772,869</u>	<u>2,758,319</u>
		<u>6,565,826</u>	<u>3,888,854</u>
NET CURRENT ASSETS		<u>9,043,790</u>	<u>9,985,464</u>
NET ASSETS		<u>10,484,171</u>	<u>11,131,778</u>
REPRESENTING :-			
EXCHANGE RESERVE		(144)	15,922
ACCUMULATED SURPLUS		<u>10,484,315</u>	<u>11,115,856</u>
		<u>10,484,171</u>	<u>11,131,778</u>

APPROVED AND AUTHORISED FOR ISSUE BY
THE COUNCIL OF MEMBERS ON 11 APR 2012


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COUNCIL MEMBER

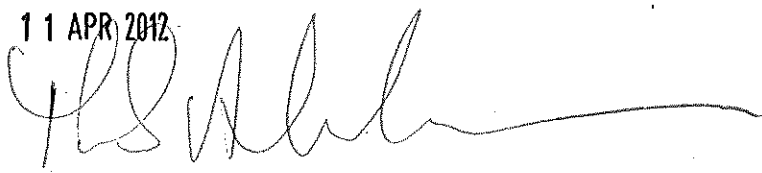

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COUNCIL MEMBER

GREENPEACE EAST ASIA
(LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER, 2011

	Note	2011 HK\$	2010 HK\$
NON-CURRENT ASSETS			
Property, plant and equipment	8	1,382,672	1,146,314
Investments in subsidiaries	9	<u>1,603,500</u>	<u>250,150</u>
		<u>2,986,172</u>	<u>1,396,464</u>
CURRENT ASSETS			
Amount due from Stichting Greenpeace Council	11	1,971,317	-
Amount due from a subsidiary	10	2,930,460	-
Deposits, advances and other receivable		1,580,482	959,904
Fixed deposits		615,000	3,092,791
Cash and bank balances		<u>9,246,965</u>	<u>9,636,607</u>
		<u>16,344,224</u>	<u>13,689,302</u>
LESS :			
CURRENT LIABILITIES			
Amount due to Stichting Greenpeace Council	11	-	856,188
Amounts due to other National Offices	11	792,957	274,347
Accounts payable and receipt in advance		<u>5,407,473</u>	<u>2,758,319</u>
		<u>6,200,430</u>	<u>3,888,854</u>
NET CURRENT ASSETS		<u>10,143,794</u>	<u>9,800,448</u>
NET ASSETS		<u>13,129,966</u>	<u>11,196,912</u>
REPRESENTING :-			
ACCUMULATED SURPLUS	12	<u>13,129,966</u>	<u>11,196,912</u>

APPROVED AND AUTHORISED FOR ISSUE BY
THE COUNCIL OF MEMBERS ON 11 APR 2012


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COUNCIL MEMBER


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COUNCIL MEMBER

GREENPEACE EAST ASIA

(LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST DECEMBER, 2011

	<i>Exchange reserve HK\$</i>	<i>Accumulated surplus HK\$</i>	<i>Total HK\$</i>
At 1.1.2010	9,819	11,897,069	11,906,888
Total comprehensive loss for the year	<u>6,103</u>	<u>(781,213)</u>	<u>(775,110)</u>
At 31.12.2010 and 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	<u>(144)</u>	<u>10,484,315</u>	<u>10,484,171</u>

GREENPEACE EAST ASIA
(LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER, 2011

	2011 HK\$	2010 HK\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Deficit for the year	(631,541)	(781,213)
Adjustments for :-		
Loss on disposal of property, plant and equipment	1,137	38,144
Depreciation	1,097,965	713,177
Interest income	<u>(36,076)</u>	<u>(16,857)</u>
Operating surplus/(deficit) before working capital changes	431,485	(46,749)
(Increase)/decrease in amount due from Stichting Greenpeace Council	(1,971,317)	2,148,014
Decrease in amount due from other National Office	-	10,350
(Increase)/decrease in deposits, advances and other receivable	(1,139,187)	407,308
(Decrease)/increase in amount due to Stichting Greenpeace Council	(856,188)	856,188
Increase/(decrease) in amounts due to other National Offices	518,610	(379,440)
Increase/(decrease) in accounts payable and receipt in advance	<u>3,014,550</u>	<u>(4,787,622)</u>
Cash used in operations	(2,047)	(1,791,951)
Interest received	<u>36,076</u>	<u>16,857</u>
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES	<u>34,029</u>	<u>(1,775,094)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(1,394,928)	(1,401,302)
Proceeds from sales of property, plant and equipment	<u>1,759</u>	<u>33,002</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(1,393,169)</u>	<u>(1,368,300)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,359,140)	(3,143,394)
CASH AND CASH EQUIVALENTS AT 1ST JANUARY	12,914,414	16,051,705
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	<u>(16,066)</u>	<u>6,103</u>
CASH AND CASH EQUIVALENTS AT 31ST DECEMBER	<u>11,539,208</u>	<u>12,914,414</u>
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Fixed deposits	615,000	3,092,791
Cash and bank balances	<u>10,924,208</u>	<u>9,821,623</u>
	<u>11,539,208</u>	<u>12,914,414</u>

GREENPEACE EAST ASIA

(LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2011

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 24 (Revised)	Related Party Disclosures
HK(IFRIC)-Int 19	Extinguishing Financial Liabilities with Equity Instruments
Amendments to	Prepayments of a Minimum Funding Requirement
HK(IFRIC)-Int 14	
Improvements to HKFRSs 2010	

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, 2011

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, 2011 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, 2011 :-

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 12	Deferred Tax : Recovery of Underlying Assets
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities
Amendments to HKFRS 7 (2010)	Disclosures - Transfers of Financial Assets
Amendments to HKFRS 7 (2011)	Disclosures - Offsetting Financial Assets and Financial Liabilities

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 12 and amendments to HKFRS 7 (2010) in its annual consolidated financial statements beginning on 1st January, 2012, amendments to HKAS 32 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, 2011

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, 2011. 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 and grants from Transnational and Earmarked Fundraising are recognised when received.

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 the income and expenditure account in the period in which it is incurred.

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 :-

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

GREENPEACE EAST ASIA

(LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2011

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

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 the 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 the 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 the income and expenditure account on a straight-line basis over the terms of the relevant leases.

(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 the income and expenditure account as incurred.

GREENPEACE EAST ASIA

(LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2011

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) 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 the 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.

(j) Provisions and contingent liabilities

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.

GREENPEACE EAST ASIA

(LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2011

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

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 and payables

Receivables and payables 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 the income and expenditure account.

GREENPEACE EAST ASIA

(LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2011

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(m) 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.

(n) 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 :-

	2011 HK\$	2010 HK\$
Turnover	<u>34,211,916</u>	<u>29,831,781</u>
Other revenue		
Contributions from Stichting Greenpeace Council	23,626,848	14,798,000
Interest income	36,076	16,857
Grants from other National Offices	<u>6,221,687</u>	<u>7,933,546</u>
	<u>29,884,611</u>	<u>22,748,403</u>
Total revenue	<u>64,096,527</u>	<u>52,580,184</u>

GREENPEACE EAST ASIA

(LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2011

5. DEFICIT FOR THE YEAR

	2011 HK\$	2010 HK\$
(a) Deficit for the year is stated after charging :-		
Staff costs		
- Salaries and allowances	34,704,670	28,910,839
- Contributions to provident fund	550,938	524,228
	35,255,608	29,435,067
Auditor's remuneration	46,740	36,000
Depreciation	1,097,965	713,177
Minimum lease payments paid under operating leases	3,852,386	2,999,921
Loss on disposal of property, plant and equipment	1,137	38,144
(b) Deficit for the year includes a surplus of HK\$1,933,054 (2010 : deficit of HK\$802,126) 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</i> HK\$	<i>Computer equipment</i> HK\$	<i>Office equipment</i> HK\$	<i>Actions equipment</i> HK\$	<i>Furniture and fixture</i> HK\$	<i>Total</i> HK\$
Cost :-						
At 1.1.2010	1,398,948	1,790,908	529,379	693,030	-	4,412,265
Additions	905,860	304,183	141,926	49,333	-	1,401,302
Disposals	<u>(343,770)</u>	<u>(479,846)</u>	<u>(489,332)</u>	<u>(193,960)</u>	-	<u>(1,506,908)</u>
At 31.12.2010	<u>1,961,038</u>	<u>1,615,245</u>	<u>181,973</u>	<u>548,403</u>	-	<u>4,306,659</u>
Aggregate depreciation :-						
At 1.1.2010	1,380,895	1,455,898	424,713	621,424	-	3,882,930
Charge for the year	301,651	306,018	51,858	53,650	-	713,177
Write back on disposals	<u>(325,716)</u>	<u>(473,221)</u>	<u>(442,865)</u>	<u>(193,960)</u>	-	<u>(1,435,762)</u>
At 31.12.2010	<u>1,356,830</u>	<u>1,288,695</u>	<u>33,706</u>	<u>481,114</u>	-	<u>3,160,345</u>
Net book value :-						
At 31.12.2010	<u>604,208</u>	<u>326,550</u>	<u>148,267</u>	<u>67,289</u>	-	<u>1,146,314</u>
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	-	<u>(229,036)</u>	-	-	-	<u>(229,036)</u>
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	-	<u>(226,140)</u>	-	-	-	<u>(226,140)</u>
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>

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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 1.1.2010	1,398,948	1,790,908	529,379	693,030	4,412,265
Additions	905,860	304,183	141,926	49,333	1,401,302
Disposals	<u>(343,770)</u>	<u>(479,846)</u>	<u>(489,332)</u>	<u>(193,960)</u>	<u>(1,506,908)</u>
At 31.12.2010	<u>1,961,038</u>	<u>1,615,245</u>	<u>181,973</u>	<u>548,403</u>	<u>4,306,659</u>
Aggregate depreciation :-					
At 1.1.2010	1,380,895	1,455,898	424,713	621,424	3,882,930
Charge for the year	301,651	306,018	51,858	53,650	713,177
Write back on disposals	<u>(325,716)</u>	<u>(473,221)</u>	<u>(442,865)</u>	<u>(193,960)</u>	<u>(1,435,762)</u>
At 31.12.2010	<u>1,356,830</u>	<u>1,288,695</u>	<u>33,706</u>	<u>481,114</u>	<u>3,160,345</u>
Net book value :-					
At 31.12.2010	<u>604,208</u>	<u>326,550</u>	<u>148,267</u>	<u>67,289</u>	<u>1,146,314</u>
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	<u>-</u>	<u>(229,036)</u>	<u>-</u>	<u>-</u>	<u>(229,036)</u>
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	<u>-</u>	<u>(226,140)</u>	<u>-</u>	<u>-</u>	<u>(226,140)</u>
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>

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FOR THE YEAR ENDED 31ST DECEMBER, 2011

9.	INVESTMENTS IN SUBSIDIARIES - THE COMPANY	2011	2010
		HK\$	HK\$
	Unlisted equity, at cost	<u>1,603,500</u>	<u>250,150</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

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10. AMOUNT DUE FROM A SUBSIDIARY - THE COMPANY

The amount is unsecured, interest-free and has no fixed terms of repayment. The council members consider the carrying amount approximates its fair value.

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. RESERVE - THE COMPANY

*Accumulated
surplus
HK\$*

At 1.1.2010	11,999,038
Deficit for the year	<u>(802,126)</u>
At 31.12.2010 and 1.1.2011	11,196,912
Surplus for the year	<u>1,933,054</u>
At 31.12.2011	<u><u>13,129,966</u></u>

13. COMMITMENT

As at 31st December, 2011, 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>	
	<i>2011</i>	<i>2010</i>	<i>2011</i>	<i>2010</i>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Within one year	<u>2,130,253</u>	2,051,495	<u>1,634,936</u>	2,009,812
In the second to fifth year inclusive	<u>3,667,722</u>	<u>3,913,413</u>	<u>2,901,910</u>	<u>3,795,312</u>
	<u><u>5,797,975</u></u>	<u><u>5,964,908</u></u>	<u><u>4,536,846</u></u>	<u><u>5,805,124</u></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, 2011

14. RELATED PARTY TRANSACTIONS

Apart from the transactions as disclosed in notes 10 and 11 to the financial statements, the Group had no other material transaction with its related party during the year.

15. BANKING FACILITIES

As at 31st December, 2011 and 2010, the Group did not have any banking facilities.

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, 2011, which represented the amounts of maximum exposure to credit risk, were as follows :-

	<i>The Group</i>		<i>The Company</i>	
	<i>2011</i>	<i>2010</i>	<i>2011</i>	<i>2010</i>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Amount due from Stichting Greenpeace Council	1,971,317	-	1,971,317	-
Amount due from a subsidiary	-	-	2,930,460	-
Deposits and other receivable	1,386,901	682,596	879,158	682,596
Fixed deposits	615,000	3,092,791	615,000	3,092,791
Cash and bank balances	10,924,208	9,821,623	9,246,965	9,636,607
	<u>14,897,426</u>	<u>13,597,010</u>	<u>15,642,900</u>	<u>13,411,994</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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FOR THE YEAR ENDED 31ST DECEMBER, 2011

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, 2011 were as follows :-

	<i>The Group</i>		<i>The Company</i>	
	<i>2011</i>	<i>2010</i>	<i>2011</i>	<i>2010</i>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Total amounts of contractual undiscouted obligations :-				
Amount due to Stichting Greenpeace Council	-	856,188	-	856,188
Amounts due to other National Offices	792,957	274,347	792,957	274,347
Accounts payable	3,353,595	1,993,780	2,988,199	1,993,780
	<u>4,146,552</u>	<u>3,124,315</u>	<u>3,781,156</u>	<u>3,124,315</u>
Due for payment :-				
Within one year or on demand	<u>4,146,552</u>	<u>3,124,315</u>	<u>3,781,156</u>	<u>3,124,315</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, 2011 exposed to currency risk were as follows :-

	<i>The Group</i>		<i>The Company</i>	
	<i>2011</i>	<i>2010</i>	<i>2011</i>	<i>2010</i>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Financial assets denominated in foreign currencies :-				
Cash and bank balances	10,295,712	7,564,187	8,618,469	7,379,172
Fixed deposits	615,000	3,092,791	615,000	3,092,791
Amount due from Stichting Greenpeace Council	1,971,317	-	1,971,317	-
Deposits and other receivable	820,057	-	312,314	-
Amount due from a subsidiary	-	-	2,930,460	-
Financial liabilities denominated in foreign currencies :-				
Amount due to Stichting Greenpeace Council	-	(856,188)	-	(856,188)
Accounts payable	(1,431,508)	-	(1,796,904)	-
Amounts due to other National Offices	(792,957)	(274,347)	(792,957)	(274,347)
Net financial assets exposed to currency risk	<u>11,477,621</u>	<u>9,526,443</u>	<u>11,857,699</u>	<u>9,341,428</u>

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.