



Accountants &
business advisers

Greenpeace East Asia

(Limited by guarantee)

Consolidated financial statements
For the year ended 31st December, 2014



GREENPEACE EAST ASIA
(LIMITED BY GUARANTEE)
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2014

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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, 2014.

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 10 to the consolidated financial statements.

CONSOLIDATED FINANCIAL STATEMENTS

The deficit and cash flows of the Group for the year ended 31st December, 2014 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 29.

PROPERTY, PLANT AND EQUIPMENT

Movements in property, plant and equipment during the year are set out in note 9 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 :-

Williamson Wai Ming, Romi
Chang Wei Hsiu
Xie Lei
Pai Kundapur Santosh
Lee Seong-Hoon

(resigned on 1st January, 2015)

Mr. Lee Seong-Hoon shall resign 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.

The Board Chair Ms Romi Williamson shall retire in the forthcoming annual general meeting.

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.

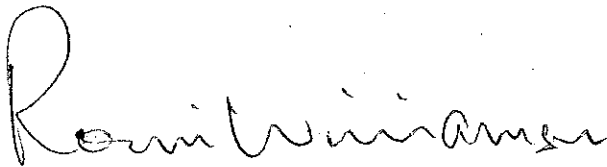
ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

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 black ink, appearing to read 'Roni Wintanar', is written over a faint, larger version of the same signature.

Council member
Hong Kong

23 APR 2015



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 29, which comprise the consolidated and company's statements of financial position as at 31st December, 2014, 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 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, 2014 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.

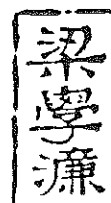
PKF
Certified Public Accountants
Hong Kong

23 APR 2015

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GREENPEACE EAST ASIA
(LIMITED BY GUARANTEE)
CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER, 2014

	<i>Note</i>	2014 HK\$	2013 HK\$
INCOME			
Fund raising income		85,672,924	62,144,028
Contributions from Stichting Greenpeace Council		58,050,503	51,487,565
Interest income		308,659	428,390
Sundry income		40,909	629,652
		<u>144,072,995</u>	<u>114,689,635</u>
LESS :	5		
EXPENDITURE			
Fund raising expenses		48,179,133	28,858,554
Contributions to Stichting Greenpeace Council		505,251	3,792,390
Campaign expenses			
Ocean		8,819,591	6,133,741
Climate		16,160,203	11,249,372
Toxic		6,398,614	5,000,508
Forest		3,192,922	3,604,581
GMO		4,869,288	7,223,529
Polar		91,218	-
Other issues		2,513,144	4,429,303
Organisational support expenses		23,838,016	20,976,342
Campaign support expenses			
Media and communications		16,700,106	12,876,541
Marine operations and action support		4,809,578	6,416,233
Political, science and business		6,806,658	2,326,108
Public information and outreach		1,389,586	-
		<u>144,273,308</u>	<u>112,887,202</u>
(DEFICIT)/SURPLUS FOR THE YEAR	6	<u>(200,313)</u>	<u>1,802,433</u>

GREENPEACE EAST ASIA
(LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER, 2014

	<i>Note</i>	2014 HK\$	2013 HK\$
(Deficit)/surplus for the year		<u>(200,313)</u>	<u>1,802,433</u>
Other comprehensive income/(loss) :-			
Items that may be reclassified subsequently to profit or loss :-			
Exchange difference arising from translation of financial statements of overseas subsidiaries		619,536	(176,814)
Items that will not be reclassified to profit or loss :-			
Remeasurement of net defined benefit liability	15	<u>(357,351)</u>	<u>-</u>
Other comprehensive income/(loss) for the year, net of tax		<u>262,185</u>	<u>(176,814)</u>
Total comprehensive income for the year		<u>61,872</u>	<u>1,625,619</u>

GREENPEACE EAST ASIA

(LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31ST DECEMBER, 2014

	Note	2014 HK\$	2013 HK\$
NON-CURRENT ASSET			
Property, plant and equipment	9	<u>4,313,889</u>	<u>4,703,110</u>
CURRENT ASSETS			
Deposits, advances and other receivables		8,524,440	3,962,736
Fixed deposits		8,309,934	16,620,685
Cash and bank balances		<u>20,285,597</u>	<u>11,278,203</u>
		<u>37,119,971</u>	<u>31,861,624</u>
LESS :			
CURRENT LIABILITIES			
Amount due to Stichting Greenpeace Council	13	271,233	902,802
Amounts due to other National Offices	13	308,075	1,114,889
Loans from Stichting Greenpeace Council	14	1,211,790	4,274,034
Accounts payable and receipt in advance		<u>11,602,505</u>	<u>9,805,671</u>
		<u>13,393,603</u>	<u>16,097,396</u>
NET CURRENT ASSETS		<u>23,726,368</u>	<u>15,764,228</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>28,040,257</u>	<u>20,467,338</u>
NON-CURRENT LIABILITIES			
Loans from Stichting Greenpeace Council	14	7,953,437	1,212,313
Net defined benefit liability	15	<u>769,923</u>	-
		<u>8,723,360</u>	<u>1,212,313</u>
NET ASSETS		<u>19,316,897</u>	<u>19,255,025</u>
REPRESENTING :-			
EXCHANGE RESERVE		43,637	(575,899)
ACCUMULATED SURPLUS		<u>19,273,260</u>	<u>19,830,924</u>
		<u>19,316,897</u>	<u>19,255,025</u>

APPROVED AND AUTHORISED FOR ISSUE BY
THE COUNCIL OF MEMBERS ON 23 APR 2015

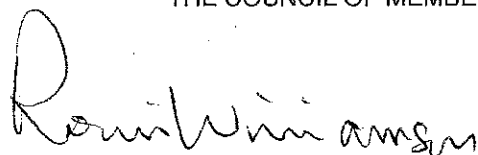

COUNCIL MEMBER


COUNCIL MEMBER

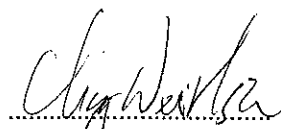
GREENPEACE EAST ASIA
(LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER, 2014

	Note	2014 HK\$	(Restated) 2013 HK\$
NON-CURRENT ASSETS			
Property, plant and equipment	9	2,399,419	3,030,038
Investments in subsidiaries	10	5,263,500	5,263,500
Loan to a subsidiary	12	16,887,574	-
		<u>24,550,493</u>	<u>8,293,538</u>
CURRENT ASSETS			
Amounts due from subsidiaries	11	4,143,703	2,405,438
Loan to a subsidiary	12	3,253,652	-
Deposits, advances and other receivables		5,983,494	2,464,829
Fixed deposits		3,413,565	11,571,113
Cash and bank balances		9,569,562	7,057,677
		<u>26,363,976</u>	<u>23,499,057</u>
LESS :			
CURRENT LIABILITIES			
Amount due to Stichting Greenpeace Council	13	271,233	902,802
Amounts due to other National Offices	13	308,075	1,114,889
Loans from Stichting Greenpeace Council	14	1,211,790	4,274,034
Accounts payable and receipt in advance		7,977,567	7,439,811
		<u>9,768,665</u>	<u>13,731,536</u>
NET CURRENT ASSETS		<u>16,595,311</u>	<u>9,767,521</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		41,145,804	18,061,059
NON-CURRENT LIABILITY			
Loans from Stichting Greenpeace Council	14	7,953,437	1,212,313
NET ASSETS		<u>33,192,367</u>	<u>16,848,746</u>
REPRESENTING :-			
ACCUMULATED SURPLUS	16	<u>33,192,367</u>	<u>16,848,746</u>

APPROVED AND AUTHORISED FOR ISSUE BY
THE COUNCIL OF MEMBERS ON 23 APR 2015



COUNCIL MEMBER



COUNCIL MEMBER

GREENPEACE EAST ASIA
(LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST DECEMBER, 2014

	<i>Exchange reserve HK\$</i>	<i>Accumulated surplus HK\$</i>	<i>Total HK\$</i>
At 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 and 1.1.2014	(575,899)	19,830,924	19,255,025
Total comprehensive income for the year	<u>619,536</u>	<u>(557,664)</u>	<u>61,872</u>
At 31.12.2014	<u>43,637</u>	<u>19,273,260</u>	<u>19,316,897</u>

GREENPEACE EAST ASIA

(LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST DECEMBER, 2014

	2014 HK\$	2013 HK\$
CASH FLOWS FROM OPERATING ACTIVITIES		
(Deficit)/surplus for the year	(200,313)	1,802,433
Adjustments for :-		
Loss on disposal of property, plant and equipment	3,113	8,550
Depreciation	3,246,206	2,500,129
Interest income	(308,659)	(428,390)
Interest expenses	94,745	78,837
Operating surplus before working capital changes	2,835,092	3,961,559
Decrease in amount due from Stichting Greenpeace Council	-	1,311,867
Decrease in amounts due from other National Offices	-	130,613
Increase in deposits, advances and other receivables	(4,561,704)	(417,795)
(Decrease)/increase in amount due to Stichting Greenpeace Council	(631,569)	902,802
Decrease in amounts due to other National Offices	(806,814)	(1,710,442)
Increase in accounts payable and receipt in advance	1,796,834	1,946,472
Increase in net defined benefit liability	412,572	-
Cash (used in)/generated from operations	(955,589)	6,125,076
Interest received	308,659	428,390
NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES	(646,930)	6,553,466
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(3,668,248)	(5,204,209)
Proceeds from disposal of property, plant and equipment	729,910	-
Decrease in fixed deposits with maturity of over three months	-	3,681,480
NET CASH USED IN INVESTING ACTIVITIES	(2,938,338)	(1,522,729)
CASH FLOWS FROM FINANCING ACTIVITIES		
Loans from Stichting Greenpeace Council	3,678,880	262,381
Interest paid	(94,745)	(78,837)
NET CASH GENERATED FROM FINANCING ACTIVITIES	3,584,135	183,544
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(1,133)	5,214,281
CASH AND CASH EQUIVALENTS AT 1ST JANUARY	27,898,888	22,873,317
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	697,776	(188,710)
CASH AND CASH EQUIVALENTS AT 31ST DECEMBER	28,595,531	27,898,888
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Fixed deposits with maturity of three months	8,309,934	16,620,685
Cash and bank balances	20,285,597	11,278,203
	28,595,531	27,898,888

GREENPEACE EAST ASIA

(LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2014

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 financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards 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 :-

HK(IFRIC)-Int 21	Levies
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
Annual improvements to HKFRSs (2010 - 2012)	Amendments to HKFRS 2 and HKFRS 3

The initial application of these financial reporting standards does not necessitate material changes in the Group's accounting policies and retrospective adjustments of the comparatives presented in the financial statements.

GREENPEACE EAST ASIA

(LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2014

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, 2014 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, 2014 :-

HKFRS 9 (2014)	Financial Instruments
HKFRS 14	Regulatory Deferral Accounts
HKFRS 15	Revenue from Contracts with Customers
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to HKAS 16 and HKAS 41	Bearer Plants
Amendments to HKAS 19	Defined Benefit Plans : Employee Contributions
Amendments to HKAS 27	Equity Method in Separate Financial Statements
Amendments to HKAS 28 and HKFRS 10	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations
Annual improvements to HKFRSs (2010 - 2012)	Amendments to HKFRS 8, HKAS 16, HKAS 24 and HKAS 38
Annual improvements to HKFRSs (2011 - 2013)	Amendments to HKFRS 3, HKFRS 13 and HKAS 40
Annual improvements to HKFRSs (2012 - 2014)	Amendments to HKFRS 5, HKFRS 7 and HKAS 19

The Group is required to initially apply these standards and amendments in its annual consolidated financial statements beginning on 1st January, 2016, except that the Group is required to initially apply amendments to HKAS 19, Annual Improvements (2010-2012) and Annual Improvements (2011-2013) in its annual consolidated financial statements beginning on 1st January, 2015, and to initially apply HKFRS 15 and HKFRS 9 (2014) in its annual consolidated financial statements beginning on 1st January, 2017 and 2018 respectively. HKFRS 14 is not applicable to the Group.

GREENPEACE EAST ASIA
(LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2014

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, 2014. 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, 2014

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, 2014

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.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting period.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are composed of service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements), net interest expense (income), and remeasurement.

The Group presents the service cost and net interest expense (income) components in profit or loss, and the remeasurement component in other comprehensive income. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognized in the consolidated statement of financial position represents the actual deficit or surplus in the Foundation's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

GREENPEACE EAST ASIA

(LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2014

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(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.

(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.

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.

GREENPEACE EAST ASIA
(LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2014

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(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.

(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.

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT

(a) Key sources of estimates uncertainty

In the application of the Group accounting policies, which are described in Note 3, the management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(i) Defined benefit plan

The Group's defined benefit obligation is determined based on the actuarial valuation carried out at the end of each annual reporting period. Actuarial assumptions are the Group's best estimates of the variables in determining the cost of providing post-retirement benefits such as discount rates, rates of expected future salary increase and mortality rates. Significant estimation uncertainty is likely to persist in making such assumptions due to the long-term nature of post-retirement benefit plan.

(b) 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.

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5. 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 :-

	2014 HK\$	2013 HK\$
Turnover	<u>85,672,924</u>	<u>62,144,028</u>
Other revenue		
Contributions from Stichting Greenpeace Council	58,050,503	51,487,565
Interest income	<u>308,659</u>	<u>428,390</u>
	<u>58,359,162</u>	<u>51,915,955</u>
Total revenue	<u>144,032,086</u>	<u>114,059,983</u>

6. (DEFICIT)/SURPLUS FOR THE YEAR

	2014 HK\$	2013 HK\$
(a) (Deficit)/surplus for the year is stated after charging :-		
Staff costs		
- Salaries and allowances	71,914,498	54,908,325
- Contributions to provident fund	<u>2,948,499</u>	<u>2,306,708</u>
	74,862,997	57,215,033
Auditor's remuneration	168,485	177,521
Depreciation	3,246,206	2,500,129
Interest expenses	94,745	78,837
Minimum lease payments paid under operating leases	5,964,575	4,866,720
Loss on disposal of property, plant and equipment		
- Proceeds from disposals of property, plant and equipment	729,910	-
- Carrying amount of property, plant and equipment	<u>(733,022)</u>	<u>(8,550)</u>
	<u>3,112</u>	<u>8,550</u>

(b) Deficit (2013 : surplus) for the year includes a surplus of HK\$16,343,621 (2013 (restated) : HK\$1,251,234) which has been dealt with in the financial statements of the Company.

7. COUNCIL MEMBERS' REMUNERATION

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

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8. 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.

9. 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 1.1.2013	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>
Cost :-						
At 1.1.2014	2,860,923	3,367,172	986,758	3,386,629	1,065,664	11,667,146
Additions	925,745	1,661,276	468,121	548,785	64,321	3,668,248
Disposals	-	(169,155)	(70,055)	(36,929)	(573,554)	(849,693)
Written off	(408,276)	(43,512)	-	-	-	(451,788)
Exchange adjustments	(21,024)	(34,789)	(17,311)	(24,212)	(29,118)	(126,454)
At 31.12.2014	<u>3,357,368</u>	<u>4,780,992</u>	<u>1,367,513</u>	<u>3,874,273</u>	<u>527,313</u>	<u>13,907,459</u>
Aggregate depreciation :-						
At 1.1.2014	2,138,714	2,411,304	402,060	1,806,256	205,702	6,964,036
Charge for the year	888,007	965,734	312,732	900,755	178,978	3,246,206
Write back on disposals	-	(14,644)	(11,823)	(7,317)	(82,886)	(116,670)
Written off	(408,276)	(43,512)	-	-	-	(451,788)
Exchange adjustments	(9,761)	(9,419)	(8,294)	(6,313)	(14,427)	(48,214)
At 31.12.2014	<u>2,608,684</u>	<u>3,309,463</u>	<u>694,675</u>	<u>2,693,381</u>	<u>287,367</u>	<u>9,593,570</u>
Net book value :-						
At 31.12.2014	<u>748,684</u>	<u>1,471,529</u>	<u>672,838</u>	<u>1,180,892</u>	<u>239,946</u>	<u>4,313,889</u>

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9. 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 1.1.2013	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
Cost :-					
At 1.1.2014	2,860,923	3,073,204	802,532	2,959,507	9,696,166
Additions	303,274	1,055,974	78,603	293,303	1,731,154
Written off	(408,276)	(43,512)	-	-	(451,788)
At 31.12.2014	2,755,921	4,085,666	881,135	3,252,810	10,975,532
Aggregate depreciation :-					
At 1.1.2014	2,138,714	2,373,467	380,145	1,773,802	6,666,128
Charge for the year	602,514	797,016	174,790	787,453	2,361,773
Written off	(408,276)	(43,512)	-	-	(451,788)
At 31.12.2014	2,332,952	3,126,971	554,935	2,561,255	8,576,113
Net book value :-					
At 31.12.2014	422,969	958,695	326,200	691,555	2,399,419

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10. INVESTMENTS IN SUBSIDIARIES - THE COMPANY

	2014 HK\$	(Restated) 2013 HK\$
Unlisted equity, at cost	<u>5,263,500</u>	<u>5,263,500</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 Foundation	South Korea	KRW500,000,000	100%	Provision of consultancy service for environmental friendly product, technical service, training, planning and solution for environmental protection

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11. AMOUNTS DUE FROM SUBSIDIARIES - THE COMPANY	2014	2013
	HK\$	HK\$
Amounts due from subsidiaries	7,172,699	10,568,904
Less : impairment loss	(3,028,996)	(8,163,466)
	<u>4,143,703</u>	<u>2,405,438</u>

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

12. LOANS TO A SUBSIDIARY - THE COMPANY

The amounts are interest bearing at 6.9% per annum, unsecured and receivable as follows :-

	2014	2013
	HK\$	HK\$
Within one year	3,253,652	-
Between two and five years	16,887,574	-
	<u>20,141,226</u>	<u>-</u>

13. AMOUNTS DUE 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.

14. LOANS FROM STICHTING GREENPEACE COUNCIL - THE GROUP AND THE COMPANY

The amounts are interest bearing at a range from 0.75% to 1.5% per annum, unsecured and repayable as follows :-

	2014	2013
	HK\$	HK\$
Within one year	1,211,790	4,274,034
Between two to five years	3,173,168	1,212,313
Over five years	4,780,269	-
	<u>9,165,227</u>	<u>5,486,347</u>

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15. NET DEFINED BENEFIT LIABILITY

- (a) As at 31st December, 2014 amount recognised in the consolidated statements of financial position in relation to retirement benefit obligation are as follows :-

	2014 HK\$
Present value of defined benefit obligation	769,923
Fair value of plan assets	<u>-</u>
Retirement benefit obligation (net)	<u>769,923</u>

- (b) Changes in the present value of defined benefit obligation for the year ended 31st December, 2014 are as follows :-

	Present value of defined benefit obligation HK\$	Fair value of plan HK\$	Total HK\$
Beginning balance	-	-	-
Defined benefit costs recognised in profit or loss			
Current service cost	346,471	-	346,471
Interest expense (income)	<u>11,420</u>	<u>-</u>	<u>11,420</u>
Subtotal	<u>357,891</u>	<u>-</u>	<u>357,891</u>
Defined benefit cost recognised in other comprehensive income			
Actuarial loss from financial assumptions	67,117	-	67,117
Actuarial loss from experience adjustment	<u>290,234</u>	<u>-</u>	<u>290,234</u>
Subtotal	<u>357,351</u>	<u>-</u>	<u>357,351</u>
Contribution			
Benefits paid	<u>(207,123)</u>	<u>-</u>	<u>(207,123)</u>
Other increase	<u>261,804</u>	<u>-</u>	<u>261,804</u>
Ending balance	<u>769,923</u>	<u>-</u>	<u>769,923</u>

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15. NET DEFINED BENEFIT LIABILITY (CONT'D)

(c) Key actuarial assumptions used as at 31st December, 2014 are as follows :

	<u>2014</u>
Discount rate	2.555%
Expected rate of wage increase	2.00%

(d) The sensitivity analysis of actuarial assumptions used in defined benefit obligation is as follows :

		<i>Defined benefit obligation 2014 HK\$</i>
Discount rate	Increase by 1% point	48
	Decrease by 1% point	(56)
Expected rate of salary increase	Increase by 1% point	(55)
	Decrease by 1% point	49

The sensitivity analysis indicates the change in the amounts of defined benefit obligation when each assumption changes without change in the remaining assumptions and are constant. The sensitivity of defined benefit obligations is determined by the same methods as the projected unit credit method used in calculating net defined benefit liability.

16. RESERVE - THE COMPANY

	<i>Accumulated surplus HK\$</i>
At 1.1.2013	15,597,512
Total comprehensive income/(loss) for the year	
- As previously stated	(2,408,766)
- Prior year adjustment - Note 20	3,660,000
As restated	1,251,234
At 31.12.2013, as restated and 1.1.2014	16,848,746
Total comprehensive loss for the year	16,343,621
At 31.12.2014	<u>33,192,367</u>

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17. COMMITMENT

As at 31st December, 2014, 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>2014</i>	<i>2013</i>	<i>2014</i>	<i>2013</i>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Within one year	8,714,652	3,222,340	7,378,556	1,955,667
In the second to fifth year inclusive	13,300,883	2,606,502	12,176,652	667,324
Over five years	259,610	368,335	259,610	411,928
	<u>22,275,145</u>	<u>6,197,177</u>	<u>19,814,818</u>	<u>3,034,919</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.

18. RELATED PARTY TRANSACTIONS

Apart from the transactions as disclosed in notes 11 to 14 to the financial statements, the Group had no other material transaction with its related party during the year.

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19. 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, 2014, which represented the amounts of maximum exposure to credit risk, were as follows :-

	<i>The Group</i>		<i>The Company</i>	
	<i>2014</i>	<i>2013</i>	<i>2014</i>	<i>2013</i>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Loan to a subsidiary	-	-	20,141,226	-
Amounts due from subsidiaries	-	-	4,143,703	2,405,438
Deposits and other receivables	3,717,880	2,429,028	1,599,373	1,212,925
Fixed deposits	8,309,934	16,620,685	3,413,565	11,571,113
Cash and bank balances	20,285,597	11,278,203	1,569,562	7,057,677
	<u>32,313,411</u>	<u>30,327,916</u>	<u>22,247,153</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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19. 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, 2014 were as follows :-

	<i>The Group</i>		<i>The Company</i>	
	<i>2014</i>	<i>2013</i>	<i>2014</i>	<i>2013</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	271,233	902,802	271,233	902,802
Amounts due to other				
National Offices	308,075	1,114,889	308,075	1,114,889
Accounts payable	11,484,689	6,236,069	6,826,301	3,870,208
Loans from Stichting Greenpeace Council	9,165,227	5,486,347	9,165,227	5,486,347
	<u>21,229,224</u>	<u>13,740,107</u>	<u>16,570,836</u>	<u>11,374,246</u>
Due for payment :-				
Within one year or on demand	13,275,787	12,527,794	8,617,399	10,161,933
In the second to fifth years	3,173,168	1,212,313	3,173,168	1,212,313
Over five years	4,780,269	-	4,780,269	-
	<u>21,229,224</u>	<u>13,740,107</u>	<u>16,570,836</u>	<u>11,374,246</u>

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19. 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, 2014 exposed to currency risk were as follows :-

	<i>The Group</i>		<i>The Company</i>	
	<i>2014</i>	<i>2013</i>	<i>2014</i>	<i>2013</i>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Financial assets denominated in foreign currencies :-				
Cash and bank balances	8,736,704	6,738,831	8,736,704	6,738,831
Fixed deposits	3,413,565	11,571,113	3,413,565	11,571,113
Deposits and other receivables	939,467	509,641	939,467	509,641
Financial liabilities denominated in foreign currencies :-				
Amount due to Stichting Greenpeace Council	(271,233)	(902,802)	(271,233)	(902,802)
Accounts payable	(2,095,824)	(1,908,873)	(2,095,824)	(1,908,873)
Amounts due to other National Offices	(308,075)	(1,114,889)	(308,075)	(1,114,889)
Loans from Stichting Greenpeace Council	(9,165,227)	(5,486,347)	(9,165,227)	(5,486,347)
Net financial assets exposed to currency risk	<u>1,249,377</u>	<u>9,406,674</u>	<u>1,249,377</u>	<u>9,406,674</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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19. 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, 2014, loans from Stichting Greenpeace Council of HK\$9,165,227 (2013 : HK\$5,486,347) 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.

20. PRIOR PERIOD ADJUSTMENT - THE COMPANY

During the year, the council members found that the investment in subsidiaries had been understated in the Company's financial statements for the year ended 31st December, 2013. The council members consider it is more appropriate to reflect the investment in the Company's financial statements for the year ended 31st December, 2013. Details of the effect of the prior period adjustment are as follows :-

Statement of financial position	At 31.12.2013 HK\$
Non-current assets	
Increase in interests in subsidiaries	3,660,000
Equity	
Increase in accumulated surplus	<u>3,660,000</u>