



THE VETIVER NETWORK INTERNATIONAL

VETIVER SYSTEM - PROVEN AND GREEN ENVIRONMENTAL SOLUTIONS

Patron: Her Royal Highness Princess Maha Chakri Sirindhorn of Thailand

The Board of Directors
The Vetiver Network International

2015 Financial Statements

As your Assistant Treasurer, I have prepared the Financial Statements for 2015 covering TVNI's operations and programs (see attached).

The 2015 tax returns – form 990-PF have also been prepared and are attached for your information (we have no taxes due).

The financial statements presented for 2015 are prepared from Quick Books data and balances, and meet the accounting requirements of the Internal Revenue Service in the preparation of the tax return form 990-PF.

I draw your attention to attached notes at the end of the Financial Statements.

Yours Sincerely

Richard G Grimshaw
Assistant Treasurer
February 7, 2016

Chairman, President, Treasurer: James Smyle.

*Directors: John Greenfield, Richard Grimshaw OBE. Criss Juliard, Roley Noffke, Elise Pinners,
Dale Rachmeler, Paul Truong, Sumet Tantivejkhul, Paul Zuckerman.*

THE VETIVER NETWORK INTERNATIONAL
STATEMENT OF FINANCIAL POSITION
Year Ended Dec 31 2015

(with comparative totals for Year Ended December 31 2014)

ASSETS

| | <u>2,015</u> | <u>2014</u> |
|-----------------------------|-------------------|-------------------|
| CURRENT ASSETS | | |
| Cash and cash equivalents | | |
| Unrestricted | \$ 4,238 | \$ 9,558 |
| Temporarily Restricted | 18,015 | 7,425 |
| Accounts Receivable | 20 | - |
| Grants Receivable | <u>-</u> | <u>-</u> |
| TOTAL CURRENT ASSETS | 22,273 | 16,983 |
| Furniture and Equipment | - | - |
| Accumulated Depreciation | <u>-</u> | <u>-</u> |
| | <u>22,273</u> | <u>16,983</u> |

LIABILITIES AND NET ASSETS

| | | |
|-------------------------------|----------------------|----------------------|
| CURRENT LIABILITIES | | |
| Accounts Payable | 252 | - |
| Grants payable | 13,200 | - |
| Other current liabilities | <u>-</u> | <u>-</u> |
| TOTAL CURRENT LIABILITIES | <u>13,452</u> | <u>-</u> |
| NET ASSETS | | |
| Unrestricted | 4,005 | 9,558 |
| Temporarily restricted | <u>4,815</u> | <u>7,425</u> |
| | <u>8,820</u> | <u>16,983</u> |
| | <u>\$ 22,273</u> | <u>\$ 16,983</u> |

THE VETIVER NETWORK INTERNATIONAL
STATEMENT OF ACTIVITIES
Year Ended Dec 31 2015
(with comparative totals for Year Ended December 31 2014)

| | <u>Unrestricted</u> | <u>Temporarily Restricted</u> | <u>Total</u> | |
|---|---------------------|-----------------------------------|-----------------|------------------|
| | | | <u>2015</u> | <u>2014</u> |
| REVENUES AND SUPPORT | | | | |
| Contributions | \$ 130 | \$ 20,665 | \$ 20,795 | \$ 9,370 |
| Sales | - | - | - | - |
| Interest | 2 | - | 2 | 2 |
| Other | - | - | - | - |
| Royalties | 173 | - | 173 | 63 |
| | <u>305</u> | <u>20,665</u> | <u>20,970</u> | <u>9,435</u> |
| EXPENSES | | | | |
| Programs | | | | |
| TVN Awards program | 5,158 | - | 5,158 | - |
| Travel Grant | 3,000 | - | 3,000 | - |
| Workshops, Training | - | - | - | 1,500 |
| Grants to NGOs | - | 20,000 | 20,000 | 1,020 |
| Travel and entertainment Publications) | 208 | - | 208 | - |
| | 252 | - | 252 | 1,000 |
| | <u>8,618</u> | <u>20,000</u> | <u>28,618</u> | <u>3,520</u> |
| Management and General | | | | |
| Depreciation | - | - | - | - |
| Legal and Professional Fees | 25 | - | 25 | 25 |
| Services Charge | 489 | - | 489 | 378 |
| Postage & Telephone | - | - | - | - |
| Taxes | - | - | - | - |
| | <u>514</u> | <u>-</u> | <u>514</u> | <u>403</u> |
| | <u>9,132</u> | <u>20,000</u> | <u>29,132</u> | <u>3,923</u> |
| INCREASE (DECREASE) NET ASSETS | (8,828) | 665 | (8,163) | 5,512 |
| NET ASSETS AT BEGINNING OF YEAR | <u>9,558</u> | <u>7,425</u> | <u>16,983</u> | <u>11,471</u> |
| NET ASSETS AT END OF YEAR | <u>\$ 730</u> | <u>\$ 8,090</u> | <u>\$ 8,820</u> | <u>\$ 16,983</u> |
| NET ASSETS AT END OF YEAR | <u>\$ 730</u> | <u>\$ 8,090</u> | <u>\$ 8,820</u> | <u>\$ 16,983</u> |

THE VETIVER NETWORK INTERNATIONAL
STATEMENT OF CASH FLOWS
Year Ended Dec 31 2015

(with comparative totals for Year Ended December 31 2014)

| | 2,015 | <u>2014</u> | <u>2007</u> |
|---|------------------|--------------------|--------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Increase (Decrease) in Net Assets | \$ (8,163) | \$ 5,512 | \$ 13,970 |
| Adjustments to reconcile decrease in net assets to net cash used by operating activities: | | | |
| Depreciation | - | - | 699 |
| (Increase) decrease in: | | | |
| Accounts receivable | (20.24) | - | - |
| Increase (decrease) in: | | | |
| Accounts Payable | 252.47 | - | 521 |
| Grants payable | 13,200.00 | - | |
| NET CASH USED IN OPERATING ACTIVITIES | <u>5,269.72</u> | <u>5,512.00</u> | <u>15,190</u> |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Purchase of Equipment | <u>-</u> | <u>-</u> | <u>-</u> |
| NET CASH USED IN INVESTING ACTIVITIES | <u>-</u> | <u>-</u> | <u>-</u> |
| INCREASE IN CASH AND CASH EQUIVALENTS | 5,269.72 | 5,512.00 | 15,190 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR | <u>16,983.00</u> | <u>11,471.00</u> | <u>22,304</u> |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | <u>\$ 22,253</u> | <u>\$ 16,983</u> | <u>\$ 37,494</u> |

THE VETIVER NETWORK INTERNATIONAL
Notes to Financial Statements - December 31, 2015 and 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Vetiver Network (TVNI) was incorporated in 1995, pursuant to Chapter 9 of Title 13.1 of the Code of Virginia for the purpose of promoting conservation and environmental activities. TVNI's primary focus is the dissemination of information about vetiver grass technology, and other related technologies, for the purpose of soil conservation, land rehabilitation, phyto-remediation of polluted resources, and the general promotion of better natural resource management on a worldwide basis.

Basis of Accounting

The financial statements of TVNI have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Financial Statement Presentation

TVNI reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Use of Estimates

The preparation of financial statements in conformity with general accepted accounting principles requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

Income Tax Status

TVNI is a not-for-profit organization that is exempt from income taxes under Section 501 (c) (3) of the Internal revenue Code. TVNI has been classified as a private foundation within the meaning of Section 509 (a).

Cash and cash equivalents

For purposes of the statement of cash flows, cash and cash equivalents are considered to be all unrestricted highly liquid investments with maturities of three months or less at the time of acquisition. See **NOTE B**.

Furniture and Equipment

Purchased property and equipment is capitalized at cost. Expenditures for major renewals and betterments that extend the useful lives of property and equipment

are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred. Property and equipment are depreciated using a straight-line method over their estimated useful lives of five to seven years. TVNI currently has no assets in this class. See **NOTE C**.

Donated Furniture and Equipment

Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use, and contributions of cash that must be used to acquire property and equipment, are reported as restricted contributions.

Absent donor stipulations regarding how long those donated assets must be maintained, TVNI reports expirations of donor restrictions when the donated or acquired net assets are placed in service as instructed by the donor. TVNI reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Contributions

Contributions received are recorded as unrestricted temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Temporarily restricted net assets represent funds provided with a type-of-use restriction. There are no temporarily restricted assets that are time-of-availability restricted.

Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of donated assets. When a restriction expires, that is when a stipulated time restriction ends or a purpose of restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair value in the period received.

Unconditional promises to give are recognized as revenues or gains in the period received as assets, decreases in liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. **SEE NOTE D.**

Sales

TVNI produces brochures and publications promoting the use of the Vetiver System. TVNI's policy is to provide items to those requesting them without regard to the requestor's ability to pay. Amounts received from those who pay are included in sales (if any). All sales are now carried out through third party merchants – TVNI receives a very modest (set deliberately low) royalty.

Fair Value of Financial Instruments

Unless otherwise indicated, the fair values of all reported assets and liabilities that represent financial instruments (none of which are held for trading purposes) approximate the carrying values of such amounts.

Allocation of Joint Costs

All costs related to a joint activity (program or management and general) are recorded as fundraising costs, unless the activity meets several criteria. These criteria relate to the purpose, the intended audience, and the content of the joint activity, TVNI has no such joint activities during 2015.

NOTE B – CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following on December 31 2015 and 2014:

| | <u>2015</u> | <u>2014</u> |
|---|-----------------|-----------------|
| Savings – operating | \$ 15,780 | \$ 10,115 |
| Non - interest bearing checking account | <u>\$ 6,472</u> | <u>\$ 1,698</u> |

NOTE C – ASSETS

There are no non-cash assets. All equipment that TVNI owned is either totally obsolete or worn out or irreparable. The items have been disposed of and removed from the books.

NOTE D – CONTRIBUTIONS - RESTRICTED FUNDS

As of December 31 2015 \$8,090 are on temporary restriction. These funds include the Mark Dafforn, Monty Yudelman , and Jim Smyle Funds that stand at \$1,500 \$2,650 and \$660 respectively. These funds will be used for awards of excellence at the ICV7. A further \$13,200 is treated as a Grant Payable to the Vietnam Vetiver Network for the Central Highlands Soil and Water Conservation Project that was initiated in September 2015.

NOTE E – PAYPAL ACCOUNT

An account has been established with PayPal to receive donations. Funds in the PayPal account are transferred weekly to TVNI's bank account. At the end of 2015 the account had zero funds.