



# THE VETIVER NETWORK INTERNATIONAL

VETIVER SYSTEM - PROVEN AND GREEN ENVIRONMENTAL SOLUTIONS

Patron: Her Royal Highness Princess Maha Chakri Sirindhorn of Thailand

February 11, 2022

The Board of Directors  
The Vetiver Network International

## 2021 Financial Statements

As your Assistant Treasurer, I have prepared the Financial Statements for 2021 covering TVNI's operations and programs (see attached). The 2021 taxes will be filed online, form 990-PF. Normally we have no taxes to pay each year.

During 2021 program and management expenses totaled \$22,590. Program expenses totaling \$22,148 relate to the Solomon Island vetiver support program and the redesign of our website by Green Global. Solomon Island training costs were \$9,927 and the website redesign was \$12,221. Management expenses relate to bank fees and wire transfer fees and our registration as an NGO in the State of Virginia. Management expenses totaled \$442 in 2021. As of December 31, 2021, TVNI had a bank balance of \$49,507.68. Within this amount \$4,753 is still reserved for TVNI awards that are programmed for ICV-7 (at a date to be determined) and \$11,488 is a restricted UNDP grant.

The financial statements presented for 2021 are prepared from Quick Books data and generated reports and meet the accounting requirements of the Internal Revenue Service for preparation of the tax return form 990-PF.

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

Yours Sincerely

Dale N. Rachmeler  
Assistant Treasurer  
February 11, 2022

---

Chairman, President, Treasurer: James Smyle.

Directors: Yorlene Cruz Chaves, Richard Grimshaw OBE., Noah Mary Manarang, Roley Noffke, Elise Pinners,  
Dale Rachmeler, Paul Truong, Sumet Tantivejkhul, Paul Zuckerman.

## **THE VETIVER NETWORK INTERNATIONAL**

Notes to Financial Statements December 31, 2020

### **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). It is currently registered in the state of Virginia.

#### **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 had no such joint activities during 2021.

### **NOTE B – CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consisted of the following on December 31, 2021, and December 31, 2020:

	<b>2021</b>	<b>2020</b>
Savings – operating	\$3,989	\$13,373
Non - interest bearing checking account	\$45,518	\$45,559
Total Cash Assets	\$49,508	\$58,932

### **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, 2021, there are restricted funds. The UNDP grant (\$11,488) is treated as Grants Payable.

**THE VETIVER NETWORK INTERNATIONAL**  
**STATEMENT OF ACTIVITIES**  
Year Ended Dec 31 2021  
(with comparative totals for Year Ended December 31 2020)

	<u>Unrestricted</u>	<u>Temp Restricted</u>	<u>2021</u>	<u>2020</u>
<b>REVENUES AND SUPPORT</b>				
Contributions	13,111	\$ -	\$ 13,111	50,747
Sales	-	-	-	-
Interest	1	-	1	2
Other	-	-	-	-
Royalties	53	-	\$ 53	28
	<u>13,166</u>	<u>-</u>	<u>13,166</u>	<u>50,778</u>
<b>EXPENSES</b>				
<b>Programs</b>				
TVN Awards program	\$ -	-	-	-
Travel Grant	-	-	-	-
Workshops, Training	9,927	-	9,927	-
Grants to NGOs	-	-	-	-
Travel and entertainment	-	-	-	17,937
Network support (Internet & Publications)	12,221	-	12,221	-
	<u>22,148</u>	<u>-</u>	<u>22,148</u>	<u>17,937</u>
			-	-
<b>Management and General</b>				
Depreciation	-	-	-	-
Legal and Professional Fees	25	-	25	25
Office Expense, Insurance & Bank Service Charges	\$ 417	-	417	285
Postage & Telephone	-	-	-	-
Taxes	-	-	-	-
Bad Debt	-	-	-	-
	<u>442</u>	<u>-</u>	<u>442</u>	<u>310</u>
			-	-
subtotal expenses	<u>22,590</u>	<u>-</u>	<u>22,590</u>	<u>18,247</u>
			-	-
<b>INCREASE (DECREASE) NET ASSETS</b>	(20,912)	-	(20,912)	32,531
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<u>\$ 54,179</u>	<u>-</u>	<u>\$ 54,179</u>	<u>21,648</u>
<b>NET ASSETS AT END OF YEAR</b>	<u>\$ 33,267</u>	<u>\$ -</u>	<u>\$ 33,267</u>	<u>\$ 54,179</u>

**THE VETIVER NETWORK INTERNATIONAL**  
**STATEMENT OF CASH FLOWS**  
**Year Ended Dec 31 2021**

(with comparative totals for Year Ended December 31 2020)

	<b>2021</b>	<b>2020</b>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets	\$ (20,912)	\$ 32,531
Adjustments to reconcile decrease in net assets to net cash used by operating activities:		
Depreciation	-	
(Increase) decrease in:		
Accounts receivable		
Increase (decrease) in:		
Accounts Payable		
Grant Payable*	11,488	
NET CASH USED IN OPERATING ACTIVITIES	(9,424)	32,531
 CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Equipment	-	-
NET CASH USED IN INVESTING ACTIVITIES	-	-
 INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(9,424)	32,531
 CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	58,932	26,401
 CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 49,508	\$ 58,932

\*South Pacific

**THE VETIVER NETWORK INTERNATIONAL**  
**STATEMENT OF FINANCIAL POSITION**  
**Year Ended Dec 31 2021**

(with comparative totals for Year Ended December 31 2020)

**ASSETS**

	<b>2021</b>	<b>2020</b>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents		
Unrestricted	\$ 49,508	\$ 58,932
Temporarily Restricted	-	-
Accounts Receivable	-	-
Grants Receivable	-	-
	<hr/>	<hr/>
TOTAL CURRENT ASSETS	49,508	58,932
Furniture and Equipment	-	-
Accumulated Depreciation	-	-
	<hr/>	<hr/>
	<u>49,508</u>	<u>58,932</u>

**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES</b>		
Accounts Payable	-	-
Grants payable TVNI Awards	4,753	4,753
Grants Payable SP	11,488	
Other current liabilities	-	-
	<hr/>	<hr/>
TOTAL CURRENT LIABILITIES	16,241	4,753
<b>NET ASSETS</b>		
Unrestricted	33,267	54,179
Temporarily restricted	-	-
	<hr/>	<hr/>
	<u>33,267</u>	<u>54,179</u>
	<hr/>	<hr/>
	<u>\$ 49,508</u>	<u>\$ 58,932</u>