

Annual Report and Financial Statements

For the year ended 31 December 2022



Pesticide Action Network UK
ANNUAL REPORT AND FINANCIAL STATEMENTS
For the year ended 31 December 2022

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Cover image: Factory workers preparing cotton for ginning at the Gamo Development Association Ginnery, Arba Minch, Ethiopia. Copyright: PAN UK

The context

Pesticides impact nearly all life on earth. They are designed to kill pests, but it has been estimated that **less than 0.1% of pesticides actually reach their targets**. Pesticide use is increasing globally causing harm to the environment and ecosystems and to human health and farmer livelihoods

It is thought that **over 17 million people have been killed by synthetic pesticides** since green revolution in the 1960s. Even today, 70 years later, about **385 million cases of non-fatal unintentional pesticide poisonings occur every year** with approximately 11,000 deaths. Pesticide self-poisoning makes up 110,000–168,000 (14–20%) of global suicides. Pesticides are also associated with a multitude of serious illnesses including a range of cancers and neurological, immunological, and reproductive disorders.

Pesticides have been identified as one of the key drivers of global biodiversity loss. Direct effects of pesticides have been linked to population reductions of terrestrial insects, aquatic arthropods, organisms responsible for pollination and natural pest control, birds, and others. Study after study is uncovering the role that pesticides play in dramatic pollinator and insect declines. Bird populations are also suffering significant losses, as the **populations of farmland and common birds in the UK have fallen by 46% and 10% respectively**

For over 35 years, the Pesticide Action Network UK (PAN UK) has worked to tackle the problems caused by chemical pesticides in the UK and globally.

Mission

Our mission is to end the harms to human health and the environment from pesticides.

Aims

We aim to:

- eliminate hazardous pesticides
- reduce dependence on pesticides
- promote ecologically sound, and socially just, alternatives to chemical pest control

Objects

Our objects are:

1. To carry out research into, to gather and disseminate information relating to the manufacture, use, sale and application and effects of pesticides, chemicals, gases anywhere in the world; and
2. To carry out research into, to gather and disseminate information relating to alternatives to pesticides.

Strategic goals

We completed the process of developing a new strategic plan in 2021 and have just completed our second year of work under this framework.

The strategic plan sets out our organisational objectives for the period 2021 to 2025, including interim objectives for 2023 to allow us to track our progress. It also captures our theory of change and the way in which we will work to deliver our objectives. In addition to the main strategic goals, there is also a cross cutting goal associated with information provision to the general public.

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| Goal 1: To reduce pesticide use and related harms in the UK. | |
| 1.1 UK Government puts in place new measures to drive a major reduction in pesticide use by farmers, and defends against threats to existing pesticide standards arising from EU exit. | |
| By 2023, the UK Government | <ul style="list-style-type: none"> - Puts in place ambitious pesticide reduction targets, and the monitoring systems required to underpin them. - Has not signed trade deals which undermine its pesticide standards. |
| By 2025, the UK Government | <ul style="list-style-type: none"> - Has created a UK standalone pesticide regime that offers at least an equal level of protection to human health and the environment as its EU equivalent. - Has provided UK farmers with subsidies for pesticide reduction and/or adoption of Integrated Pest Management (IPM). - Has not signed trade deals which undermine its pesticide standards. |
| 1.2 UK Supermarkets take significant steps to reduce pesticide-related harms caused by their supply chains. | |
| By 2023, the majority of supermarkets | <ul style="list-style-type: none"> - State clearly in their company policies that their aim is to reduce both pesticide use and pesticide-related harms linked to their global supply chains. - Support their suppliers to adopt Integrated Pest Management (IPM) by providing access to training, guidance documents and bespoke advice. - Prioritise the development of IPM strategies to replace Highly Hazardous Pesticides (HHPs) listed on their monitored, restricted and prohibited pesticide lists. |
| By 2025, the majority of supermarkets | <ul style="list-style-type: none"> - Adopt the PAN International List of HHPs as the basis of their monitored, restricted and prohibited lists and will have ended the use of some particularly harmful HHPs throughout their supply chains. - Have a wide range of measures in place to support their suppliers to adopt IPM, including functioning grower groups. - Make their pesticide policies, HHP lists and residue data publicly available. - End the sale of synthetic pesticide products. |

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| 1.3 Local councils go pesticide-free as part of a long-term strategy to achieve national ban on urban-pesticide use. | |
| By 2023 | <ul style="list-style-type: none"> - 150 UK councils have taken action to end, or significantly reduce, their use of pesticides. - Local campaigns are active in 120 locations around the UK supported by PAN UK. - Two-thirds of London boroughs are pesticide-free. |
| By 2025 | <ul style="list-style-type: none"> - 250 UK councils have taken action to end, or significantly reduce, their use of pesticides, including all borough councils in London. - Local campaigns are active in 200 locations around the UK supported by PAN UK. - Widespread support among the public and parliamentarians, and supportive statements from Government, regarding a national ban on urban pesticide |

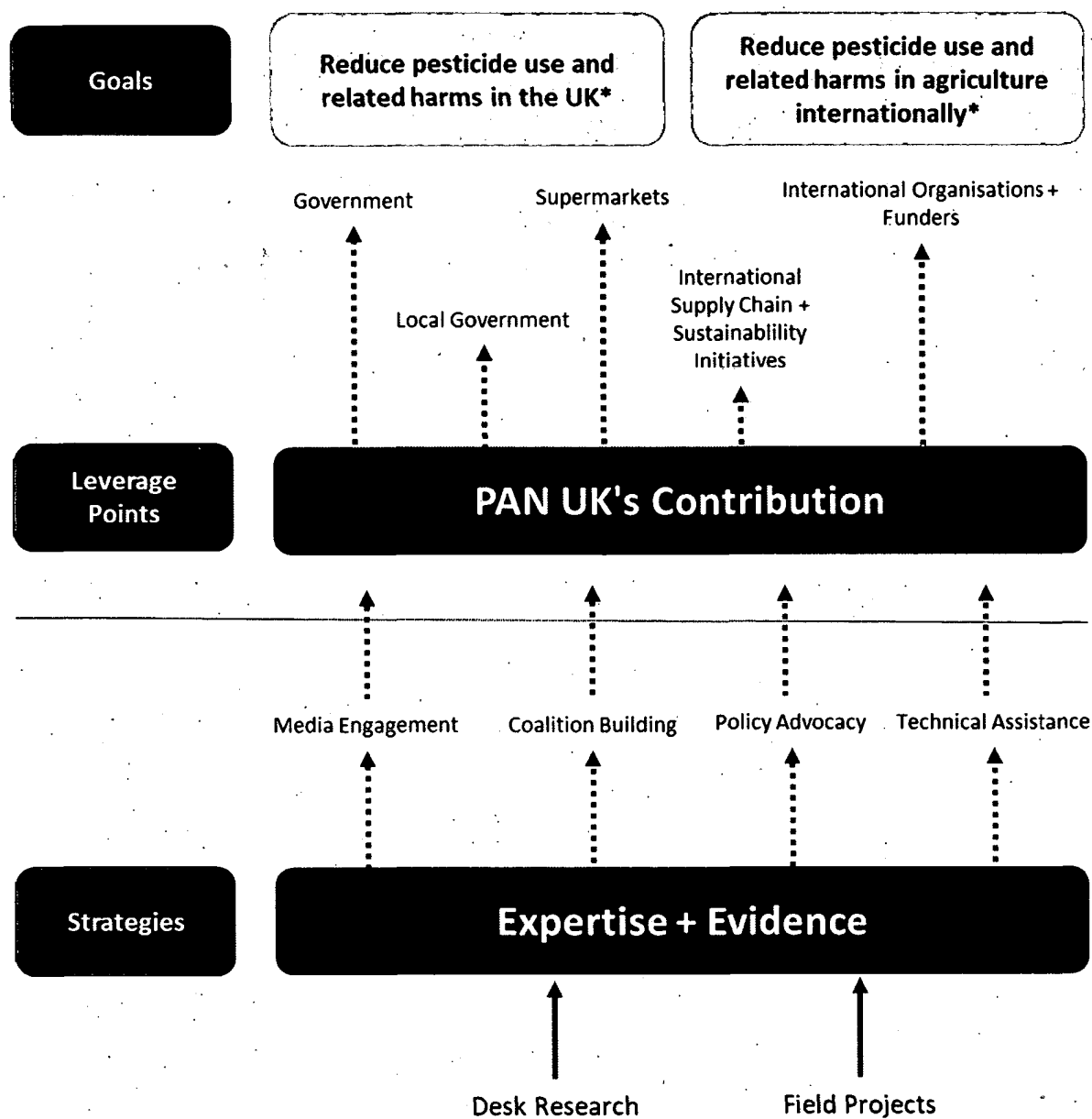
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| Goal 2: To reduce pesticide use and related harms in agriculture internationally | |
| 2.1 International Institutions, national authorities and mechanisms support the reduction of pesticide use, the adoption of agroecological methods and the elimination of HHPs in agriculture. | |
| By 2023 | <ul style="list-style-type: none"> - The UN Food and Agriculture Organization (FAO) takes action to reduce harms from pesticides in agriculture. - Regulatory action is taken against HHPs in response to evidence of harm provided by PAN UK or its allies. - The Convention on Biological Diversity (CBD) and The Strategic Approach to International Chemicals Management (SAICM) have recognised harms caused by pesticides and HHPs in particular in their post 2020 strategies. |
| By 2025 | <ul style="list-style-type: none"> - Donors, governments and / or international institutions allocate new resources to eliminating HHPs, reducing use of pesticides and/or adoption of agroecological methods. - At least two priority HHPs prohibited by at least two more countries. - At least 100,000 smallholder farmers in LMICs gain access to PAN UK training resources / information through extension services, NGOs / CSOs. - Increased coordinated action by NGO /CSO allies – including PAN International – towards goals. - A reduction in use of pesticides and increase in uptake of agroecological alternatives in the countries in which PAN UK is directly engaged. |
| 2.2 Key international supply chain initiatives prohibit the use of HHPs, reduce pesticide use and promote the use of alternatives to pesticides. | |
| By 2023 | <ul style="list-style-type: none"> - Two sustainability initiatives reference the PAN HHP list and adopt timebound goals for HHP phase out. |

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| By 2025 | <ul style="list-style-type: none"> - Four sustainability initiatives have committed to phase out HHPs. - Three are actively identifying, promoting and monitoring uptake of agroecological alternatives to HHPs for specific pests. - At least one initiative systematically collects data on pesticide poisonings as part of its Monitoring & Evaluation work. - Agroecological production principles & techniques incorporated into supply chain initiatives in at least one project country. |
| 2.3 Strengthened evidence base on pesticide-related harms and alternatives to pesticide use to underpin PAN UK and others advocacy | |
| By 2023 | <ul style="list-style-type: none"> - Evidence base for economic case for agroecology/reduced pesticide use has been strengthened. - Evidence base for biodiversity/reduced pesticide use has been strengthened. - Evidence base for health impacts of HHPs has been strengthened. |
| By 2025 | <ul style="list-style-type: none"> - UN institutions and/or global frameworks and national policy documents reference evidence concerning the economic, environmental and/or health case for agroecology/reduced pesticide use. - Civil society organisations and allies use evidence in their advocacy and influencing. |

How will we achieve the strategic objectives?

Our unique contribution and approach to achieving the strategic objectives is summarised in the diagram below, with the specific activities undertaken in 2022 described on the following pages.



*through the adoption of agroecological solutions and ecologically based alternatives

Goal 1: To reduce pesticide use and related harms in the UK

1.1 UK Government puts in place new measures to drive a major reduction in pesticide use by farmers, and defends against threats to existing pesticide standards arising from EU exit

Significant achievements and activities 2022

It has been a challenging year for our national-level work, which aims to put in place the measures required to drive a massive reduction in both pesticide use and harms associated to UK farming. This area of work targets the UK Government which has been in chaos throughout much of 2022, and seen three Prime Ministers and three Defra Secretaries of State. This has led to major delays on almost all policy and legislative processes, including the National Action Plan on Sustainable Use of Pesticides which remains unpublished. In addition, the anti-regulation faction of the Conservative Party has become increasingly vocal and we have had senior government Ministers calling for the removal of the precautionary principle.

Despite these challenges, we have continued to make progress on our objectives and raise the profile of both PAN UK and the issue of pesticides at the national-level.

In November, we launched our annual Dirty Dozen, our flagship communications product which analyses the results of UK Government residue testing data to provide consumers with a list of the 'worst' foods in terms of multiple residues. This year our press release focussed on the fact that half of bread was found to contain potentially hazardous pesticide cocktails. The launch was a big success, securing a great deal of media coverage including the Daily Mail and the Guardian (both online and in print) and the Daily Express and Farmers Weekly. The web page has been visited over 9,000 times and it has generated 1,400 new subscribers to the PAN UK mailing list.

We launched a big report in March revealing how Red Tractor - the UK's largest farm and food assurance scheme - is failing to drive pesticide reduction among UK farmers. The report was co-authored with RSPB and the Nature Friendly Farming Network and featured interviews with both supermarkets and farmers. It travelled well on social media (reaching over 74,000 people with an engagement rate of over 4%) and was featured on BBC Radio 4's Farming Today plus a range of other traditional and farming press. More than 1,000 emails were sent by PAN UK supporters to Red Tractor's CEO calling for improvements to their standards. We met with Red Tractor's CEO and other staff to encourage them to implement our recommendations but they have so far proven resistant to change.

To mark the 60th anniversary of Rachel Carson's seminal book 'Silent Spring', we organised an online event entitled 'Smoke & Mirrors' on 26th September. Speakers included Carey Gillam, Anna Lappé and Jennifer Jacquet, three incredible women who have spent years working to expose the corruption, corporate greenwashing and PR spin deployed by the agrochemical industry. The event was free to attend and 367 people signed up to view it live, with almost 700 views on YouTube since.

It has been an excellent year for our work to defend UK pesticide standards from post-Brexit Free Trade Agreements (FTAs), which is conducted in collaboration with Dr Emily Lydgate from Sussex University and Sustain (the alliance for better food and farming). In February, we launched the third in our series of Toxic Trade reports looking at a UK-Brazil deal which highlighted the potential health and environmental impacts both in the UK and on the ground in Brazil. It was featured in a range of media including the Guardian, Politico and the Daily Express. We sent the report to all relevant political targets and received good feedback from high-level civil servants at both Defra and the Department for International Trade (DIT).

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In August, we then launched our fourth Toxic Trade report focused on the UK-India trade deal. The report got excellent mainstream media coverage in twenty publications including The Telegraph and The Daily Express, as well as being featured widely in the farming press. We worked with PAN India on the report and quoted them in the press release. It was sent to all relevant political targets (civil servants, government and parliamentarians) and has been read by decision-makers at DiT, Defra, the Lords, the Commons as well as by the UK's deputy chief negotiator. We received formal responses to the report from both DIT and Defra and have since met with both the UK-India negotiating team and Food Standards Agency to outline our concerns.

In addition to these major launches, we also secured a range of other media coverage calling out the Government for undermining both UK pesticide standards and farming with the Australia deal. This included a joint letter published in The Times and a half page story in the Mail on Sunday as well as a similar article in the Guardian in which Angus MacNeil MP (Chair of the Commons Select Committee on International Trade) was quoted as saying that the deal amounted to "offshoring" pesticide use.

All these efforts to put pesticides at the top of the political agenda on trade were proven successful when the Government's own Trade and Agriculture Commission (TAC) published its long-awaited advice to the UK Government on the UK-Australia deal which stated, "The [UK-Australia] FTA is likely to lead to increased imports of products that have been produced at lower cost by using pesticides in Australia that would not be permitted in the UK." Following the publication of this advice, we produced and circulated a briefing for MPs and Peers, highlighting the TAC's concerns to parliamentarians. In another ringing endorsement of our efforts, following its inquiry on trade and environment, in November 2022, the House of Commons International Trade Select Committee wrote to new Trade Secretary Kemi Badenoch. Referencing our work extensively, the Committee's six-page letter dedicates a full page to pesticides and includes many questions for the government that we have been asking for three years.

Throughout 2022, we met with a wide range of political decisionmakers including MPs and Peers from all the major parties and high-level civil servants from Defra, DiT and the Food Standards Agency. Over the summer, we attended a series of workshops run by Defra examining various aspects of the UK's future pesticide regime. The workshops were dominated by pesticide industry people so it was vital that we were there to counter their arguments. Towards the end of the year, we began working to oppose the Retained EU Law Bill which, if passed, would see all pesticide regulation, including bans on specific chemicals, simply disappear by the end of 2023 unless proactively retained by the Government.

Much of PAN UK's work targeting national-level decision-makers is conducted jointly with the Pesticide Collaboration, which we co-host with RSPB. The Collaboration went through a transition period in mid-2022 and now has two new members of full-time staff and three years additional funding, until the end of 2025. Its Public Affairs and Media Officer (brand new role) sits within our UK team. Having someone dedicated to focussing on parliamentary influencing and securing media coverage has had a hugely positive impact in both areas.

Plans for 2023

In 2023, this area of work aims to achieve the following objectives: (Please note that, due to the fact that these objectives are fairly broad, coupled with chaos within the UK Government which has led to lengthy delays to all legislative and policy processes, these objectives remain the same as last year.)

- Ensure that the pesticide risk reduction targets set by the UK Government drive a genuine and significant reduction in both pesticide use and pesticide-related harms.
- Protect UK pesticide standards from being undermined by trade agreements with non-EU countries.

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- Ensure that farmers are supported by the UK government to transition away from harmful pesticides and adopt non-chemical alternatives, in particular via the new UK farm subsidy scheme.
- Ensure that the new, standalone UK pesticide regime is fit-for-purpose in terms of protecting health and environment from pesticide-related harms.

Major outputs include; An update on pesticide use in the UK based on the latest UK Government usage data, a joint report with Sustain looking at how strong pesticide standards in rich countries, like the UK, help to drive a reduction in pesticide-related harms in poorer countries (and vice versa) and a report written with ex-UN Special Rapporteur on Toxics (Baskut Tuncak) outlining how the UK should design its pesticide reduction targets. Our annual flagship publication, the Dirty Dozen, will be published towards the end of the year.

We will also be working to influence a range of UK Government policy and legislative processes through direct engagement and other advocacy activities, including responding to the publication of the UK's National Action Plan on the Sustainable Use of Pesticides (NAP) and follow up work to implement its commitments. In addition, we will continue to focus efforts on the Environmental Land Management Scheme to ensure that farmers are supported financially to reduce pesticide use and adopt non-chemical alternatives, including via Integrated Pest Management. In our trade work, both the deal with India and the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP) are due to conclude in 2023 so we will be making written submissions and engaging a range of political targets to ensure that neither deal undermines UK pesticide standards. In 2023, we will also increase our focus on influencing the Labour Party with the aim of shaping its pesticide policies ahead of it potentially taking Government in 2024.

1.2 UK Supermarkets take significant steps to reduce pesticide-related harms caused by their supply chains

Significant achievements and activities 2022

PAN UK's supermarkets campaign combines public-facing communications with behind-the-scenes advocacy, with the aim of reducing pesticide-related harms linked to the global supply chains of the top ten UK supermarkets.

In 2022, we further honed our advocacy efforts by creating bespoke recommendations for each supermarket to help guide their work on pesticide reduction. During the year we met bilaterally at least once with five of the top ten supermarkets; namely the Co-op, M&S, Sainsbury's, Tesco and Waitrose.

The campaign secured various media coverage throughout the year, including a full-page article in Ethical Consumer magazine and a Guardian piece which advised consumers, "Try streamlining your exposure by switching to organic for the foods you eat most of. There is a really helpful guide to how UK supermarkets are doing on this by the Pesticide Action Network UK. It ranks British supermarkets according to pesticide use."

We ran a supermarket roundtable event in March which brought in three external expert speakers to talk about how to use biocontrols in arable and other field crops. Technical staff from six of the top ten supermarkets were in attendance and gave excellent feedback about the event. Also in March, we launched an online e-action to mark World Wildlife Day, calling for supermarkets to stop selling high-risk pesticide products to their customers. Thanks to our efforts, the Co-op and Waitrose have already ended their sale of pesticides and 2022 saw an additional 10,000 emails sent from concerned members of the public to the six supermarkets that continue to sell these poisons.

As a result of our behind-the-scenes advocacy work and public campaigning, supermarkets took a number of significant actions in 2022 to reduce pesticide harms caused by their operations.

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In November, Tesco published its updated pesticide policy. Its new policy, which we had been providing comments on for more than two years, is a huge step forward in terms of reducing pesticide harms. Given that Tesco continues to dominate the UK grocery market (with more than a quarter of market share) the changes it makes will have huge impact. Specific wins include:

- Publication and operationalisation of lists of Highly Hazardous Pesticides (HHPs) that are banned, flagged for phase out, restricted or monitored within its global supply chains. Previously, Tesco was one of the few UK supermarkets that didn't have HHP lists and therefore didn't restrict the use of any pesticides by its suppliers beyond legal compliance. Its new lists include an immediate ban on 200 pesticides from being used anywhere within its global supply chains.
- Ended the company's sale of glyphosate-based products and all own-brand products containing HHPs.
- Strengthened its approach to supporting suppliers to reduce pesticide use, including using its various grower forums to test and trial new Integrated Pest Management methods.
- Requiring all of its UK fresh produce growers to be LEAF marque certified by the end of 2022 and all international growers by the end of 2025.

We continue to engage regularly with the Co-op and provide them with detailed advice as their pesticide policy evolves and moves on to its implementation phase. In 2022, this included the following:

- In response to receiving a 'Could do better' mark in our 2021 ranking for its efforts to reduce residues in food, Co-op has improved its approach considerably. Automatic investigations and action plans designed to reduce residues are now triggered in a range of new circumstances including:
 - Where five residues or more of individual actives are detected (the Co-op is the first supermarket to put in place meaningful measures to tackle the cocktail effect)
 - Where a residue of a single pesticide listed on the PAN HHP list is detected at more than 50% of the Maximum Residue Level (MRL)
- Co-op finalised its methodology for operationalising the PAN International HHP list into its own approach to phasing out the most hazardous pesticides from its global supply chain. The company's new approach prioritises 16 HHPs for immediate phase out and commits to reviewing and updating this list regularly.

Throughout the year, we have been providing Asda with advice on Integrated Pest Management (IPM). In May, we spoke at a seminar Asda ran for its suppliers, following which the company decided to devise its first IPM policy. We then provided the company with detailed comments on its draft IPM policy as well its broader policies on 'sustainability and the environment', 'supporting pollinators' and 'improving biodiversity', all of which were well-received.

In November, we presented PAN UK's innovative, new app designed to help farmers report incidents of acute pesticide poisoning to a UK supermarket. We are now in discussions with the company with the hope of trialling the app within its supply chain. While the app is already being used in a number of countries, this would be the first time it has been used by a retailer. We hope to use the results of this trial to encourage other UK supermarkets to adopt the app.

Plans for 2023

In 2023, we will continue to conduct bespoke advocacy with individual supermarkets. This involves providing detailed advice to their technical staff on a range of issues including how to phase out the most hazardous pesticide from their global supply chains and ways in which they can better support their suppliers to adopt non-chemical alternatives. Our advice is provided through a range of methods including regular face-to-face meetings and written submissions. While we will continue to engage with those supermarkets that have come

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in the top half of our ranking table; in 2023, we will shift our focus on to those that are lagging behind with the aim of helping them to catch up with their counterparts on pesticide reduction.

We will run at least one roundtable event in 2023 as well as a number of shorter webinars on specific topics. Following requests from supermarkets, we will also be providing a new 'horizon scanning' service, looking ahead to key changes within EU legislation and international chemical conventions to help supermarkets ascertain which particular chemicals are likely to face imminent restrictions. We will once again run our highly successful e-action for World Wildlife Day which calls for supermarkets to end their sale of synthetic pesticide products. This year the campaign will target the six supermarkets still stocking these products, namely Asda, Aldi, Lidl, Morrisons Sainsburys and Tesco.

We will be working hard to ensure that at least one UK supermarket trials our pesticide poisoning app and would hope to have some results from the trial to share with other supermarkets by the end of 2023.

1.3 Local councils go pesticide-free as part of a long-term strategy to achieve national ban on urban-pesticide use

Significant achievements and activities 2022

The Pesticide-Free Towns (PFT) campaign continued to go from strength-to-strength in 2022, with increasing numbers of councils and members of the public reaching out to us for advice on how to end urban pesticide use.

Thanks to our efforts, in 2022, an additional 22 UK councils either went entirely pesticide-free, committed to do so or implemented measures to significantly reduce pesticide use. The list includes Cambridge, East Devon, Rossendale (Lancashire), Marlow (Buckinghamshire), Chipping Norton (Oxfordshire), Southend-on-Sea and Rochford (Essex), Sheffield, Worthing (West Sussex), Newcastle, Portsmouth, Leicester, Plymouth, West Suffolk and Birmingham. Guernsey adopted a pesticide reduction plan across all state-owned land and are working with other land managers and trialling alternatives. This brings the total number of active PFT councils to 99.

In addition to these councils, PAN UK has also provided direct advice and bespoke guidance to an additional 27 councils on a range of areas, including how to design trials of non-chemical alternatives, what to include in a pesticide policy and assistance drafting council Motions banning pesticide use. This list includes Brighton & Hove, Lancaster, Kent, Southsea, York, Northampton, Southwell (Nottinghamshire), Derry (Northern Ireland), Manchester City, Warwick and numerous councils in London including Islington and Kingston-Upon-Thames.

In 2022, brand new PFT campaigns were established in 25 locations, bringing the total number of PFT campaigns that we are supporting across the UK to 125. New PFT campaign locations include Canterbury (Kent), Leicester (East Midlands), Kensington and Chelsea, Bexley, Islington, Barnet, Merton and Corydon (London), South Tyneside (Tyne and Wear), Wyre Forest District (Worcestershire), Tunbridge Wells (Kent) and Warwick (Warwickshire). The PFT Facebook group grew by 29% and 198 new people signed up to receive the PFT newsletter, a 13.6% increase from the previous year.

In addition to expanding the PFT network, we also continue to broaden and deepen our engagement with existing local PFT campaigners around the country. In 2022, this included running three Campaigner Catch-up events with 211 overall attendees, and sending out four newsletters with an average open rate of 39.7%. In addition to these online activities, we have also visited a number of campaign groups in person to help them in a range of ways including assisting them to run campaign stalls and present to councils.

We launched the latest phase of the Pesticide-Free London campaign in April, with the aim of influencing the citywide local elections in May. We published data showing pesticide use by each London borough (obtained

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via Freedom of Information requests). The launch was covered in the Daily Mail as well as in a range of London local press. We contacted like-minded organisations to support the London campaign in order to demonstrate that there is a groundswell of support for going pesticide-free in the capital. By the end of 2022, we had more than 50 organisations supporting the campaign including RSPB, the London Wildlife Trust and Friends of the Earth London as well smaller, community-based groups. We held a series of four well-attended in-person events across London over the summer to meet local residents, campaigners and supporting organisations.

In September, we ran a half-day workshop for London councillors. Councillors and council officers representing 16 of London's 32 boroughs attended in person. The workshop was a great success with all attendees ranking it as either 'good' or 'excellent'. The event featured speakers from councils that have already gone pesticide-free (Lambeth, Hackney and Manchester) and companies that offer non-chemical weed control. Following the workshop, PAN UK was invited to present to Islington, Kingston-upon-Thames, Havering and Barnet Councils to discuss how they can work towards going pesticide-free. Almost half of London's 32 councils have now either ended their pesticide use or are on their way to doing so. Making the UK's capital city pesticide-free brings enormous benefits for the people and wildlife that frequent the city, but is also a key step in our overall theory of change which aims to achieve a UK-wide ban on urban pesticide use.

We have also been working on ending urban pesticide use with a range of partners including various Wildlife Trusts around the UK. In 2022, we gave presentations at public events held by the Devon and Surrey Wildlife Trusts. We have also been working the Green Flag Award which sets the benchmark standard for the management of recreational outdoor spaces. They signed up to support our Pesticide-Free London campaign and we are now working together to ensure that going pesticide-free is a key part of their award scheme.

In 2022, we were also able to secure a wide range of local and national coverage for the PFT campaign, often in conjunction with local campaigners. For example, we were quoted heavily in a Guardian article about councils banning glyphosate and secured a similar article in The Ferret, this time about Scotland. We also worked with PFT Derry campaigners to get an investigative article published which revealed that some councils in Ireland were spending as much as 300k euros a year on pesticides.

In December PAN UK was chosen to feature in Transform Trade's 'Injustice Advent Calendar' which resulted in 3,000 emails being sent to councillors across the country encouraging them to make their towns and cities pesticide-free. It generated a great deal of engagement for PAN, putting us in touch with a new audience putting the issue of pesticide use on the agenda of many new councillors.

We continue to call on the UK Government for a nationwide ban on urban pesticides.

Plans for 2023

In 2023, we are aiming for a minimum of an additional twenty local councils to take action to end, or significantly reduce, their pesticide use. This total will include at least five in London. We will also continue to build the PFT grassroots movement and, by the end of the year, aim to be supporting local PFT campaigners in at least 150 locations (including at least three London boroughs where a campaign doesn't currently exist). We will also increase the number of organisations supporting the PFT London campaign by at least 10%, and continue building support for a nationwide ban on urban pesticide use among UK national-level political decision-makers.

In terms of ongoing activities, we will continue to provide bespoke advice and guidance to councillors, council staff and other major, urban land managers on how to end pesticide use. We will also continue our successful strategy of linking up these various decision-makers with each other to discuss and explore common opportunities and obstacles to going pesticide-free.

On the public-facing side of the PFT campaign, we will keep motivating and supporting concerned local residents around the UK to establish and run PFT campaigns via events, newsletters, our Facebook group and

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through the provision of bespoke advice and support. We have an ever-growing suite of materials for both councillors and campaigners and new materials to be published in 2023 include a guide for councils and other land managers on how to keep financial costs down when going pesticide-free, a Pavement Plant Guide to help both councils and members of the public understand which plants contribute to biodiversity and do not need to be removed, and a Diversity Guide to help campaigners make sure their efforts are as inclusive as possible. In March, we will be sending out our 'How to use Elections Guide' to all campaigners in areas with local elections.

We hugely increased our focus on London in 2022 and have made great progress, with many new councils getting involved in the campaign. We will continue to build on this momentum in 2023, including working bilaterally with borough councils and running at least two workshops for London councillors. We also plan to capitalise on the current public interest in water by working with London-based organisations focussed on water quality. Outside of London, locations where we expect to put significant effort in 2023 include Birmingham, Brighton, Leicester, Plymouth, Wyre Forest, York.

With the aim of highlighting the urgent need for a national ban on urban pesticide use, we are planning to launch a new project highlighting the large numbers of pets that are poisoned by urban pesticides. We will continue to push the UK Government directly via our ongoing engagement with them. In 2023, this work will build on commitments made in the final UK National Action Plan on the Sustainable Use of Pesticides.

Goal 2: To reduce pesticide use and related harms in agriculture internationally

2.1 International Institutions, national authorities and mechanisms support the reduction of pesticide use, the adoption of agroecological methods and the elimination of HHPs in agriculture

Significant achievements and activities 2022

UN agencies

The UN Environment Programme has pointed out that 'Three interconnected crises – climate change, biodiversity loss and pollution – are putting global economic and social well-being at risk.' Pesticide use is an important driver in all three of these crises. We understand the gravity of the situation and the importance of doing everything we can to create positive change at the global level.

PAN UK has continued to engage with global processes on pesticides.

For example:

- SAICM (the UN Strategic Alliance on International Chemicals Management) is a focus for improvements in chemicals management globally. Thanks, in part, to our efforts Highly Hazardous Pesticides (HHPs) were the main topic of discussions in the Intersessional Process (IP4) in 2022. Towards the end of 2022 we worked with allies to support the Africa Group of countries to propose the creation of a multi-stakeholder global alliance to eliminate HHPs.
- The Rotterdam Convention; PAN UK attended the Conference of Parties in June 2022, and presented to an audience 150+ government representatives on the dangers of continued use of paraquat. Unfortunately, a small number of countries continue to prevent paraquat and other severely hazardous chemicals from being listed on Annex III of the Convention despite the support of scientists in the Chemical Review Committee and the vast majority of Parties to the Convention. Frustration at this state of affairs has led some Parties to propose an amendment to the Convention which will, we believe, help to address the problem.
- The UN Convention on Biological Diversity (CBD); working with our allies from Third World Network we made strong efforts before and during the negotiations in Montreal in December 2022 to support the inclusion of strong language and targets on pesticides, particularly HHPs. Among the agreed global targets for 2030 was a commitment to 'Reduce by half the overall risk posed by pesticides and highly hazardous chemicals', as well as a reference to agroecology as a solution.
- The UN Agencies (FAO, WHO, UNEP) Unfortunately, FAO has adopted a more pro-industry position under its current leadership as evidenced by its "strengthened commitment to work together" with CropLife, the pesticide industry's trade association. PAN UK has been active in the global campaign calling for an end to this partnership. We are working to prevent further backsliding on pesticides and agroecology and to stimulate more ambitious action on chemicals and pollution in all three agencies. PAN UK fed into several guidance documents produced by the FAO/WHO Joint Meeting on Pesticides Management (JMPM) – the body of experts that advises UN agencies and governments on pesticide policy. PAN UK is an official observer in this forum.

National processes

- PAN UK supports its close partners, PAN Ethiopia and Organisation Béninoise pour la Promotion de l'Agriculture Biologique (OBEPAB), to engage with government extension services and national policies in

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Ethiopia, Benin and in wider regional / international forums. Prof Davo Simplice Vodouhe, Director of OBEPAB, was invited by the Government of Benin to draft the country's national strategy for organic agriculture in 2022 for example. Dr Tadesse Amara, Director of PAN Ethiopia was recently invited to Cameroon to help establish organic cotton production using his experience in Ethiopia

- In 2022, we worked with partners to collect robust data on acute pesticide poisoning in five countries using T-MAPP – our new mobile phone-based App. The data collected in Trinidad encouraged the regulator to impose a ban on imports of five HHPs responsible for a high level of poisoning in the country and their use will be completely prohibited in 2023.
- Pesticide regulators often lack the information they need on the harms caused by certain pesticides and safer alternatives. We are developing and disseminating a series of papers and reports to support regulators to take action to restrict or ban the most harmful pesticides. We began this work in 2022 with the publication of our influential paper on paraquat.

Supporting smallholder farmers and promoting agroecology

We are already seeing the devastating impacts of climate change on the farmers we work with. Farmers involved in our projects in both Benin and Ethiopia have suffered extremely erratic rainfall in 2022, leading to droughts and floods at different times and the devastation of many of their crops. We are working to support them to build resilience in their farming systems whilst calling on national and global decision makers to make bold steps to increase farmer support and to tackle the root causes of these problems.

We currently support four projects that focus on organic / agroecological production, three in Ethiopia and one in Benin.

'Growing Benin's organic cotton sector'

During 2022, our local partner, OBEPAB, has done an excellent job mobilizing staff and resources to gin the organic cotton harvested from the previous season, recruit and train 1,754 new organic producers and 21 new cooperatives for the 2022/23 cotton season, as well as support and train existing producers, and conduct field trials, soil analysis and internal control system activities. The project currently supports 6,511 organic cotton producers, including 5,561 certified producers (1,422 women) and 940 producers in conversion. The increased scale of organic cotton production is putting Benin's organic cotton sector on the map and increasing OBEPAB's access to senior decision makers in Benin as well as interested traders in organic cotton and other supply chain actors.

'Celebrating a decade of agroecological cotton in Ethiopia'

PAN Ethiopia has expanded its organic cotton programme, recruiting over 2,000 new farmers since 2018, setting up three new co-operatives and a dedicated warehouse for certified organic cotton. PAN Ethiopia has helped 160 women to set up six spinning associations and two seed enterprises. The latter help to meet some of the demand from trained farmers for high quality, organic cotton seed.

'Fostering the adoption of agroecological approaches by smallholder farmers in Ethiopia'

We are working with PAN Ethiopia on agroecological alternatives in vegetables in Ziway, an important area for biodiversity but also an area of very high pesticide use and high prevalence of acute pesticide poisoning. The project has seen great results in supporting farmers to reduce pesticide use by 73%; particularly Highly Hazardous Pesticides (HHPs). In a survey, 25% of participating farmers reported eliminating insecticide use altogether.

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'More Bees, Ethiopia' a new collaboration in 2022 with Bees for Development.

This project aims to support vegetable growers to adopt agroecological practices in order to help them to improve their vegetable production while protecting pollinators, particularly honeybees, which provide an additional and important source of income.

Plans for 2023

We have increased our capacity to follow key international processes and advocate for positive change by recruiting a new International Advocacy Manager who started in April 2023.

SAICM: We will engage in SAICM negotiations leading to the fifth International Conference on Chemicals Management (ICCM 5) in September 2023, where the new global targets will be agreed and to ensure the Africa proposal to form a multi-stakeholder alliance to eliminate Highly Hazardous Pesticides from agriculture is taken forward

Rotterdam Convention: An important amendment to the Convention will be considered at the next Conference of the Parties in May 2023 and we will do everything we can to mobilise support for the change among Parties and civil society groups. The aim of the amendment is to stop the blocking tactics of a very small number of Parties to the Convention. Blocking the listing of certain hazardous chemicals harms low-income countries the most by denying them valuable information on the hazardous properties of these chemicals and the intention to export such chemicals to them.

CBD: Our task moving forward will be to engage with the targets and monitoring framework and to ensure commitments on pesticides and agroecology are implemented in a meaningful way.

JMPM: as an official observer, PAN UK will continue to input into key guidance documents designed for national institutions to help to raise the standard of pesticide management globally. In particular, PAN UK will engage in any revisions of the International Code of Conduct on Pesticide Management, which is the global framework on pesticide management.

National processes

The team will continue to use its government contacts from its technical projects in e.g. the Caribbean, Caucasus, Africa to encourage stronger regulatory action at the national level as well as engagement in global processes.

We will continue to collect data on the routes and scale of acute pesticide poisoning via our mobile phone app, T-MAPP. In 2023 we will work with local partners to collect in Nepal, Sri Lanka and three countries in Central Asia.

We will continue to develop and disseminate a series of papers and reports to support regulators to identify, restrict or ban the most harmful pesticides.

Supporting smallholder farmers and promoting agroecology

It is important for us to ensure that farmers see real benefits from the projects and that this evidence is very rigorously collected so that we can share it with other practitioners and decision makers. In southern Ethiopia, for example, we began new assessments of cotton production costs, yield, net profit in 2022 which will continue in 2023. Qualitative data is also being collected on farmer perceptions of the benefits of converting to organic cotton in collaboration with SOAS University of London. This assessment covers issues of resilience to climate change and other external factors affecting cotton households' livelihoods, soil health, biodiversity and will help us communicate project achievements in a broader sustainability context. The team is also building a time

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series of data by village and by production potential zone, which will help in co-op and village level business planning. This will be completed in early 2023.

Our field projects provide high quality training as well as supporting innovation and field testing agroecological techniques. In 2022, we began a collaboration with a soil laboratory in Benin in order to evaluate the impact of organic techniques to improve soil health compared to local, conventional practice. Early results are promising and we are looking forward to continuing this work in 2023.

We are using our experience from field projects to develop tools and training resources that can be used more widely, such as:

- Our "IPM ladder" provides a valuable framework which can help to take extension staff and farmers through clear steps from pesticide dependency to basic IPM and on to best agroecological practice. It can also be used as a monitoring framework and benchmarking tool to identify areas for improvement. In early 2023 the team will be field testing the IPM ladder in Ethiopia and Benin in order to refine the tool/guidance and to better understand the training needs of participating farmers. We are seeing a great deal of interest in the IPM ladder from sustainability standards and other organisations with farmer training programmes.
- The training guide to agroecological cotton production was published in 2022. We will continue to add new modules to this set of training resources and share with supply chain actors and other field practitioners in 2023.
- We will continue to provide courses, webinars, online discussions to share data and information on best practice in pesticide management to all interested stakeholders including government regulators, sustainability standards, extension teams, civil society and academia.

2.2 Key international supply chain initiatives prohibit the use of HHPs, reduce pesticide use and promote the use of alternatives to pesticides

Significant achievements and activities 2022

Sustainability standards and other supply chain actors have a direct impact on the practices of millions of farmers around the world and provide a powerful example to governments and other decision makers.

Our key messages to supply chain actors include:

- Sustainable production is possible and can bring very significant benefits to farmers (here we bring evidence from our own projects and others)
- High demand for organic and sustainably produced agricultural products is not sufficient on its own to achieve wider scale production. Increased investment in farmer training is necessary to drive significant improvements at scale at farm level
- Addressing pesticides robustly can drive progress on a range of measures of sustainability including resilience, livelihoods, human health, biodiversity, pollution, soil health and climate change

Over the last year PAN UK has been engaging with the IPM Coalition of the ISEAL Alliance, for example, in order to support this influential group of sustainability standards to take stronger action to address hazardous pesticides. In addition, PAN UK's Keith Tyrell has held the Chair of the Board of Trustees of the Organic Cotton Accelerator (OCA) since 2021. OCA is a multi-stakeholder initiative in the organic sector that is bringing together new resources to increase investment in organic producers. PAN UK has also engaged with the Global Coffee Platform on its revision of its pesticide policy.

PAN UK sits on the Council of the Better Cotton Initiative (BCI), representing BCI's Civil Society members in order to champion positive farm-level impact. PAN UK also sits on BCI's Growth and Innovation Fund. Through

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our engagement, BCI has committed to phaseout HHPs and has substantially increased its investments in farmer training.

Plans for 2023

In 2023, we will continue to work with sector initiatives to ensure that measurements of pesticide use and any targets set, encourage a shift towards HHP elimination and reduced pesticide reliance overall. This includes calling on supply chain initiatives to improve their monitoring and also their understanding of the negative impacts of pesticides on human health, biodiversity and livelihoods.

We also plan to enable supply chain actors to trial and adopt some of the tools we have developed, such as the IPM ladder and the T-MAPP monitoring tools in order to improve farmer practice.

2.3 Strengthened evidence base on pesticide-related harms and alternatives to pesticide use to underpin PAN UK and others advocacy

Significant achievements and activities 2022

Collect evidence to support advocacy objectives

Apart from the substantial evidence we gather from field projects, mentioned above) concerning the relative performance of agroecological methods on production, net income etc., we have also developed T-MAPP, a mobile phone app which supports the collection of data on acute pesticide poisoning. We launched T-MAPP at the Better Cotton Conference 2022 in Malmö, Sweden where we presented evidence from surveys in cotton producing communities in India and Benin. In Benin, for example, 84% farmers reported that they had experienced acute pesticide poisoning in the previous twelve months, with 41% reporting severe incidents. Pesticides containing chlorpyrifos were most commonly reported in relation to poisoning incidents. This data will help other organisations and ourselves to identify who is most at risk and which pesticides are linked to incidents.

Plans for 2023

The team will work with FAO and the University Edinburgh Centre for Pesticide Suicide Prevention to use T-MAPP to collect new data on acute pesticide poisoning in countries in Southern and Central Asia. In each case, national health and/or pesticide regulatory authorities are closely involved, giving a good route to regulatory action

Working with the UK team, we aim to support at least one UK supermarket to use the app to collect new data from their supply chains.

Fundraising review

The majority of our funds are provided by trusts, foundations and institutional donors and these are raised through direct approaches, in response to requests for proposals from these organisations or as unsolicited donations. We raise a small but important proportion of our income each year from individual giving. Most of this income is unsolicited although we undertake an annual Christmas appeal designed to increase donations. For this appeal, fundraising communications were sent electronically to existing supporters and social media was used to raise awareness of the campaign. The original communications were followed up once, but we took great care to ensure that we protected the public from undue pressure and persistent communications. No complaints were received regarding the fundraising activity undertaken in 2022 and we are satisfied with the success of this campaign.

We use a supporter database to manage communications, including those related to fundraising, with our supporters. This is a key tool in ensuring the quality and success of our communications.

We are not currently registered with the Fundraising Regulator as this is a relatively minor area of work for us. We have received advice from a fundraising consultant regarding approaches to adopt and how to ensure our fundraising activity is effective and legal.

We renewed our focus on generating unrestricted income in 2021 and set up an unrestricted income working group to consider all aspects of this area in more detail. This group has supported fundraising activity that has taken place during the year and has also been used to generate ideas for additional activity or improvements that could take place. In 2023, we plan to undertake a more comprehensive review of unrestricted income generation with the objective of putting in place a strategy to guide our work in this area.

Financial review

Our income for the year was £1,221,948, which was significantly higher than the previous year. Total unrestricted income was slightly higher than in 2021 but the bulk of the increase resulted from an increase in restricted income. The majority of this increase is the result of timing differences – income being received at the end of 2022 to fund 2023 expenditure (around £160,000) and income being received at the end of 2020 to fund 2021 expenditure (around £90,000) – and of PAN UK being the recipient of the Global Greengrants Fund money on behalf of the wider PAN network (around £100,000).

Stripping out these items shows a decrease in total income of around £70,000, which is a more realistic representation of the underlying performance. This reduction in underlying total income is the result of a number of restricted funding agreements finishing at the end of 2021 without an immediate replacement lined up. This is particularly the case on the work relating to Goal 2. A lot of focus in 2022 has been put on raising funds for this activity for 2023.

Total expenditure for 2022 was significantly higher than in 2021 (£1,060,062 in 2022 compared to £949,174 in 2021). Aside from grants to partner organisations, there are two significant factors behind this increase:

- The high levels of inflation witnessed in 2022 have not materially fed through into increased operating costs for PAN UK. However, the level of inflation at the end of 2021 resulted in the award of a 4.5% pay rise for all staff effective from 1 January 2022 which has increased staff costs by around £31,000 from 2021.
- Direct costs of project activity has increased by around £58,000 from 2021. This is partly driven by the relaxation of restrictions associated with the COVID pandemic and the effect this has had on our ability to travel, to hold physical events etc. It is also the result of the use of extensive laboratory analysis in one of our projects this year.

Total grants to partner organisations of £317,469 were made in 2022 (£296,454 in 2021). The increase is driven by an increase in grants to Organisation Béninoise pour la Promotion de l'Agriculture Biologique, Benin as a result of securing additional restricted funds for our cotton project there. Grants to partners are made in the context of Goal 2, where we work with local organisations to reduce pesticide use in agriculture in countries outside of the UK. These organisations are partners in the planning and implementation of these activities and are best placed to deliver activities at field level.

The overall increase in expenditure has been two thirds funded by restricted funds with the remainder funded by unrestricted funds. The increase in expenditure charged to unrestricted funds is primarily the cost of staff working on international advocacy activities under Goal 2 for which we had insufficient restricted funding to cover the costs.

Overall, we saw a net increase in funds in 2022 of £161,886 split between a reduction in unrestricted funds of £32,126 and an increase in restricted funds of £194,012. This reduction in unrestricted funds is the result of using higher levels of unrestricted funds to cover the costs of international advocacy activity. This was envisaged at the start of the year as part of our plan to reduce the total level of unrestricted funds held in reserve.

Total funds carried forward at the year-end were £1,052,313, of which £527,468 was unrestricted. These reserves are largely held as cash.

Reserves policy

Reserves are that part of a charity's unrestricted funds that are freely available to spend on any of the charity's purposes. These funds are important to a charity because they support the charity in managing the risk of insolvency, service closures, etc. in the event of future financial difficulties.

Each year, as part of the annual budget process, we undertake a review of the key risks facing the charity and the range of potential financial impacts of these risks. Once completed, the individual risks and ranges are reviewed together to determine the potential exposure of the organisation and, therefore, the level of reserves that should be held.

Our financial model is based on securing restricted funding to cover organisational and salary costs. This funding is often in the form of large grants of defined length and so there is a risk of funding gaps appearing if a grant ends without an immediate replacement. We manage this risk by seeking to diversify funding streams, seeking out longer term funding and increasing our unrestricted income but we also need to hold reserves to manage any gaps.

In addition to this risk, we also hold reserves to manage the risk of unforeseen operating costs, especially staff costs, and to support the management of working capital on large grants where we have to pre-finance expenditure before receiving the income.

Having made an assessment of the potential financial impacts of these risks and considered how these might materialise, we have determined that we should hold reserves in the range of £325,000 to £475,000. This is roughly equivalent to six to nine months of the total salaries plus core organisational costs budgets.

The current free unrestricted reserves are £527,468 (all unrestricted reserves are free as there are no designations and the net book value of fixed assets is nil), which is above the target range – although closer to the target range than at the start of the year. This is primarily the result of receiving a number of large, one-off, unrestricted income items in 2019 and 2020. Whilst we are conscious of the fact that our reserves are slightly too high, we are mindful of not spending for spending's sake. We have established a set of criteria to be used to guide the expenditure of these unrestricted reserves. In addition, with the current high level of inflation and our plans to recruit an additional two members of staff in 2023, it is likely that our reserves target range will be significantly higher when we review it again at the end of 2023.

Going concern

We have worked hard to develop a strong and resilient organisation and to build unrestricted reserves over recent years. This has been challenging given the difficult funding environment and the difficulties in building an unrestricted reserve whilst being reliant on restricted funding. However, the one-off items of unrestricted income received in recent years, plus strong underlying performance, have helped us to generate healthy unrestricted reserves.

The Board reviews the financial performance of the organisation and future funding on a quarterly basis, based on agreed contracts and estimates of potential future funding based on the best available evidence. Having prepared detailed projections for 2023 and considering what we know already for 2024 – including confirmed contracts and a moderate and realistic estimate from pending funding applications and other sources, plus an estimate of likely inflation impacts – the board of Trustees considers that there is adequate funding to continue operating for the next twelve months. The accounts have therefore been prepared on a going concern basis.

Principal risks and uncertainties

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finance of the charity, and are satisfied that systems are in place to mitigate the charity's exposure to the major risks. The risk assessment is reviewed regularly at senior management and Board level, the severity of the risks are assessed and mitigations are determined and the implementation is monitored. In the last few years, the COVID pandemic has featured heavily within the risk register but this has become less prominent as society has opened up again.

The table below highlights some of the most significant risks that have been identified and the key mitigations that are in place:

| Risk | Mitigations |
|--|---|
| Restricted grants end without a replacement lined up. | Review of reserves policy to consider appropriate level of reserves to hold to manage this risk. Focus on securing funds from new donors and increasing the number of multi-year grants. |
| High inflation leads to costs exceeding income | Review of reserves policy and regular update of reserves target range to reflect revised cost base. Detailed modelling of impact of salary increases as part of decision making. Review of salary figures and increases built into restricted grant agreements. |
| Health, safety or security issues arising during overseas travel | Travel policy developed including measures such as: improved risk assessments, mandatory travel training, review of corporate travel insurance. |
| Natural disasters, conflict or disease in project area prevents effective delivery of projects | Situations closely monitored with project partners. Contingency plans considered in project designs. Engagement with donors on project risks. |
| Reputation damage through association with partners or donors | All partnerships closely monitored. All financial relationships with private sector actors approved by Board. |

Structure, governance and management

The charity is constituted as a charitable company limited by guarantee, and was set up by a Memorandum of Association on 14 July 1986. It is governed by its Articles of Association as amended by special resolutions of 2 December 2009, 15 February 2000 and 13 April 1989. Legal responsibility for the management and stewardship is vested in the Board of trustees

The Board consisted of eight trustees as at 31 December 2021 (the maximum number is 12). The names of the trustees who served during the year are set out later in this annual report. The Board met five times in 2022.

Decisions of the board are made by consensus. The Executive Director prepares a brief of the issues and decisions required. These may then be discussed with the Chair of the Board and/or the Treasurer of the Board before circulation to the full Board. In cases where a decision is required between Board meetings, all members are circulated with information and feedback given.

The Board delegates the day-to-day running of the charity to the Executive Director, who is recruited and appointed by the Board. The Executive Director reports regularly to the trustees on the financial and operational performance of the charity, and where necessary, other staff report to the trustees on issues appropriate to their work area. The Board has an outline schedule for the meetings held each year that ensures that the Board is able to fulfil its responsibilities.

Recruitment and appointment of trustees

We aim to recruit trustees from organisations which represent the constituencies it seeks to serve (health, environment, development organisations and trades unions), as well as members who will bring specific expertise (e.g. media, financial, management, pesticide-related). Members of the Board give their time voluntarily and are not remunerated beyond repayment of expenses to cover travel to meetings.

The Board has in place a skills matrix which details the skills it has identified as being essential for the governance of the organisation. Each trustee has assessed themselves against each skill and perspective area to identify those areas which are represented poorly and which are strong, which informs the process of recruitment. Other considerations for the Board with respect to trustee recruitment are the social, gender and ethnic mix of the board. This information is used to help guide trustee recruitment strategy. Trustees are sought via PAN UK's website, through PAN UK's organisational networks, via trustee and other search websites and occasionally through advertising.

Induction and training of trustees

Once recruited, trustees are required to participate in an induction programme. Each trustee is issued with an induction pack which includes the following documents:

- Charity commission guidance for trustees The Essential Trustee (CC3)
- It's your decision: charity trustees and decision making (CC27)
- Memorandum and articles of association
- Latest audited accounts and trustees' report and latest management accounts
- Minutes of recent meetings
- Summary of PAN UK strategy Risk register
- Trustee list and staff list

In addition, new trustees are invited to meet with key staff and to visit the offices.

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A 'Board update' is provided to each Board meeting with progress reports and activities of each project, publications, outreach activities, funding and donor news, and relevant organisational matters. Management accounts are also provided at each meeting.

Trustees are encouraged to identify development needs which PAN UK seeks to meet.

Key management personnel

The Trustee Board are responsible for setting pay for key management personnel. Pay for key management personnel will always be discussed and agreed during the Trustee Board meetings. In 2019, the Board approved the creation of a new staff / salary structure including five separate salary bands. The salary bands were benchmarked through comparison with peer organisations and the NICVA pay scale. Each role was assigned to a salary band based on the job description and responsibilities of that role. This includes the key management personnel. These salary bands took effect from 1 January 2020. The salary bands, and individual salaries, have been reviewed at the end of each year and a cost of living allowance increase set. For 2023, a cost of living allowance increase of 5.5% has been approved by the Board to take effect from 1 January 2023.

PAN UK has committed to undertaking a new benchmarking exercise in 2023 to ensure that staff salaries have remained fair and competitive during this period of challenging inflation and the different responses that organisations have had to this.

Related parties and relationships with other organisations

PAN UK plays a significant role in the global Pesticide Action Network (PAN). The global PAN consists of five Regional Centres, located in Africa, Asia and the Pacific, Europe, Latin America and North America. While each of the five Regional Centres is institutionally independent, they maintain regular coordination and collaboration. They have formed an institutional umbrella body 'PAN Regional Centres', but it has a limited turnover and does not employ staff. PAN UK has established joint programmes and projects with separate PAN Regional Centres, in particular PAN Africa and its member organisations, and in these cases funds and activities are specified in separate contracts.

PAN UK also seeks to work with other organisations on joint projects, where the projects fit the overall goals of all organisations involved. PAN UK is part of a number of coalitions and multi-stakeholder initiatives, and takes an active role in, for example, Sustain; the alliance for better food and farming, the Global Coffee Platform and the Better Cotton Initiative.

Public benefit

We develop our strategic plans to ensure that we provide public benefit and achieve our objectives. When reviewing our aims and objectives, and in planning activities and setting policies for the year ahead, the trustees confirm they have referred to the guidelines contained in the Charity Commission's general guidance on public benefit.

Diversity, equity, inclusion and justice

PAN UK is committed to social justice and doing whatever it can to promote diversity, equity and inclusion and oppose racism and other forms of discrimination in our programmes and within the organisation. In putting this into practice, PAN UK views diversity in its broadest form which includes, but is not limited to, the consideration of race, nationality, gender, age, class, disability, sexuality, language and educational background.

PAN UK established a diversity working group in 2021 to consider how we can turn this commitment into a reality within the organisation. The main focus of the group in 2022 has been on how we should recruit staff

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members in order to ensure diversity within the organisation. In 2023, we intend to turn our attention to examining the Pesticide Free Towns campaign through the lens of diversity and considering how the campaign can best deliver our aims in this area.

PAN UK is also a contributor to the RACE report (<https://www.race-report.uk>), which seeks to increase racial diversity within the environmental movement. We gather diversity data from staff and trustees in order to make a submission to the report each year regarding the diversity of the organisation and this contributes to sector wide statistics. Part of our submission also looks at the actions that the organisation is taking to improve diversity. The diversity working group has reviewed the possibilities outlined in this section of the submission and committed to implementing a number of these in the next year, including reporting on this area in our annual report. This is our first attempt at doing this and we will consider further what additional information we provide in future reports.

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Key people and suppliers

| | |
|------------------------------------|---|
| Trustees | Barbara Dinham, Chair Edward Moore, Treasurer Lasse Bruun Elizabeth Gadd David Goulson (resigned 4 May 2022) Sondhya Gupta (appointed 22 February 2022) Victoria Johnson (resigned 2 December 2022) Stephanie Morren (appointed 21 February 2023) Vera Ngowi Christopher Stopes Anthony Youdeowei |
| Company Secretary | Keith Tyrell |
| Registered office | Brighthelm Centre North Road Brighton BN1 1YD |
| Telephone | 01273 964230 |
| Website | www.pan-uk.org |
| E-mail | admin@pan-uk.org |
| Company registration number | 02036915 (England and Wales) |
| Charity registration number | 0327215 |
| Auditors | Goldwins Limited Chartered Accountants 75 Maygrove Road West Hampstead London NW6 2EG |
| Bankers | Co-operative Bank Plc City Office 80 Cornhill London EC3V 3NJ National Westminster Bank Plc Brixton Branch 504 Brixton Road London SW9 8EB Triodos Bank Deanery Road Bristol BS1 5AS |

Statement of responsibilities of the trustees

The trustees (who are also directors of Pesticide Action Network UK for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently; observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

Goldwins limited were re-appointed as the auditors of the charitable company during the year and have expressed their willingness to continue in that capacity.

The trustees' annual report has been approved by the trustees on 23rd May 2023 and signed on their behalf by;



Barbara Dinham, Chair

Independent auditor's report

To the members of Pesticide Action Network UK

Opinion

We have audited the financial statements of Pesticide Action Network UK (the 'charitable company') for the year ended 31 December 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of

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the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than

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the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Anthony Epton
Anthony Epton (Senior statutory auditor)
for and on behalf of

Goldwins Limited,
Statutory Auditor,
Chartered Accountants,
75 Maygrove Road,
West Hampstead,
London, NW6 2EG

6 June 2023

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STATEMENT OF FINANCIAL ACTIVITIES (incorporating an income and expenditure account)

For the year ended 31 December 2022

| | | 2022 | 2022 | 2022 | 2021 |
|------------------------------------|-------|-----------------|------------------|------------------|----------------|
| | | Unrestricted | Restricted | Total | Total |
| | Notes | funds | funds | funds | funds |
| | | £ | £ | £ | £ |
| Income from: | | | | | |
| Donations and legacies | 3 | 53,803 | - | 53,803 | 47,549 |
| Charitable activities: | | | | | |
| Goal 1 (UK) | 4 | - | 371,343 | 371,343 | 265,602 |
| Goal 2 (International) | 4 | 25,837 | 716,811 | 742,648 | 629,766 |
| Information provision | 4 | - | 50,000 | 50,000 | - |
| Other trading activities | 5 | 77 | - | 77 | 148 |
| Investment income | 6 | 4,077 | - | 4,077 | 163 |
| Total income | | 83,794 | 1,138,154 | 1,221,948 | 943,228 |
| Expenditure on: | | | | | |
| Raising funds | 7 | 632 | - | 632 | 487 |
| Charitable activities: | | | | | |
| Goal 1 (UK) | 7 | 31,729 | 283,136 | 314,865 | 307,765 |
| Goal 2 (International) | 7 | 86,439 | 603,904 | 690,343 | 587,987 |
| Information provision | 7 | - | 54,222 | 54,222 | 52,935 |
| Total expenditure | | 118,800 | 941,262 | 1,060,062 | 949,174 |
| Net income / (expenditure) | 8 | (35,006) | 196,892 | 161,886 | (5,946) |
| Transfer between funds | | 2,880 | (2,880) | - | - |
| Net movement in funds | | (32,126) | 194,012 | 161,886 | (5,946) |
| Total funds brought forward | | 559,594 | 330,833 | 890,427 | 896,373 |
| Total funds carried forward | 16 | 527,468 | 524,845 | 1,052,313 | 890,427 |

All of the above results are derived from continuing activities.

There were no other recognised gains or losses other than those stated above.

The attached notes form part of these financial statements.

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BALANCE SHEET

As at 31 December 2022

| | Notes | 2022 £ | 2021 £ |
|---|-------|------------------|----------------|
| Fixed assets | | | |
| Tangible assets | 11 | - | - |
| Current assets | | | |
| Debtors | 12 | 76,047 | 24,622 |
| Cash at bank and in hand | 18 | 982,409 | 893,191 |
| | | <u>1,058,456</u> | <u>917,813</u> |
| Creditors: amounts falling due within one year | 13 | (6,143) | (27,386) |
| Net current assets | | <u>1,052,313</u> | <u>890,427</u> |
| Net assets | | <u>1,052,313</u> | <u>890,427</u> |
| Represented by: | | | |
| Restricted funds | 16 | 524,845 | 330,833 |
| Unrestricted funds | | | |
| - General fund | 16 | 527,468 | 559,594 |
| Total funds | | <u>1,052,313</u> | <u>890,427</u> |

The financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the trustees on 23rd May 2023 and signed on their behalf by



Barbara Dinham, Chair

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STATEMENT OF CASH FLOWS

For the year ended 31 December 2022

| | Note | 2022 £ | 2022 £ | 2021 £ | 2021 £ |
|--|------|-----------|-----------|-----------|-----------|
| Net cash provided by / (used in) operating activities | 17 | | 85,141 | | (9,646) |
| Cash flows from investing activities: | | | | | |
| Interest / rent / dividends from investments | | 4,077 | | 163 | |
| Cash provided by / (used in) investing activities | | | 4,077 | | 163 |
| Change in cash and cash equivalents in the year | | | 89,218 | | (9,483) |
| Cash and cash equivalents at the beginning of the year | | | 893,191 | | 902,674 |
| Change in cash and cash equivalents due to exchange rate movements | | | - | | - |
| Cash and cash equivalents at the end of the year | 18 | | 982,409 | | 893,191 |

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 - effective 1 January 2015) - (Charities SORP FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

b) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

c) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Income received in advance for the provision of specified service is deferred until the criteria for income recognition are met.

e) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

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g) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

h) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise of trading costs and the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of delivering services and activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.
- Expenditure includes attributable VAT which cannot be recovered.

i) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charitable activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities on the basis of staff time.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

| | |
|--------------------------------|-----|
| Furniture and office fittings | 25% |
| Computer and similar equipment | 25% |

l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can

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be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

p) Pensions

The Company's pension policy is to make a contribution to employees' pension schemes of 8% of gross salary. The employee can choose to contribute as well. Contributions are recognised as expenditure as they fall due and are allocated between activities and restricted and unrestricted funds in line with staff time spent on these.

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2 Detailed comparatives for the statement of financial activities

| | 2021 Unrestricted £ | 2021 Restricted £ | 2021 Total £ |
|------------------------------------|---------------------------|-------------------------|--------------------|
| Income from: | | | |
| Donations | 47,549 | - | 47,549 |
| Charitable activities: | | | |
| Goal 1 (UK) | - | 265,602 | 265,602 |
| Goal 2 (International) | 33,441 | 596,325 | 629,766 |
| Information provision | - | - | - |
| Other trading activities | 148 | - | 148 |
| Investment income | 163 | - | 163 |
| Total income | 81,301 | 861,927 | 943,228 |
| Expenditure on: | | | |
| Raising Funds | 487 | - | 487 |
| Charitable activities: | | | |
| Goal 1 (UK) | 22,441 | 285,324 | 307,765 |
| Goal 2 (International) | 59,965 | 528,022 | 587,987 |
| Information provision | 2,076 | 50,859 | 52,935 |
| Total expenditure | 84,969 | 864,205 | 949,174 |
| Net income / (expenditure) | (3,668) | (2,278) | (5,946) |
| Transfer between funds | (8,865) | 8,865 | - |
| Net movement in funds | (12,533) | 6,587 | (5,946) |
| Total funds brought forward | 572,127 | 324,246 | 896,373 |
| Total funds carried forward | 559,594 | 330,833 | 890,427 |

3 Income from donations and legacies

| | Unrestricted £ | Restricted £ | 2022 Total £ | 2021 Total £ |
|-------------|-------------------|-----------------|--------------------|--------------------|
| Other gifts | 53,803 | - | 53,803 | 47,549 |
| | 53,803 | - | 53,803 | 47,549 |

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4 Income from charitable activities

| | Unrestricted £ | Restricted £ | 2022 Total £ | 2021 Total £ |
|---|-------------------|------------------|--------------------|--------------------|
| Goal 1: To reduce pesticide use and related harms in the UK | | | | |
| Arcadia, a charitable fund of Lisbet Rausing and Peter Baldwin | - | - | - | 80,000 |
| Chapman Charitable Trust | - | 20,000 | 20,000 | 20,000 |
| Earthsong Foundation | - | 5,000 | 5,000 | - |
| Esmee Fairburn Foundation | - | 50,000 | 50,000 | 50,000 |
| Farming the Future | - | 3,245 | 3,245 | 20,843 |
| RSPB | - | 93,689 | 93,689 | 54,759 |
| The Savitri Waney Charitable Trust | - | 39,409 | 39,409 | 20,000 |
| Tolkien Trust | - | 140,000 | 140,000 | - |
| Zephyr Charitable Trust | - | 20,000 | 20,000 | 20,000 |
| Total Goal 1 | - | 371,343 | 371,343 | 265,602 |
| Goal 2: To reduce pesticide use and related harms in agriculture internationally | | | | |
| Aid by Trade Foundation | - | 26,204 | 26,204 | 24,948 |
| Bees for Development | - | 6,192 | 6,192 | - |
| C & A Foundation | - | - | - | 45,615 |
| CAF American Donor Fund | - | 1,000 | 1,000 | - |
| University of Edinburgh | - | 49,677 | 49,677 | 49,677 |
| GIZ | - | 99,845 | 99,845 | 45,650 |
| Global Greengrants Fund | - | 100,031 | 100,031 | - |
| IDH | - | - | - | 19,204 |
| Laudes Foundation | - | 20,000 | 20,000 | 44,142 |
| PAN North America | - | 14,136 | 14,136 | 35,911 |
| Paul Reinhart AG | - | 78,256 | 78,256 | 62,832 |
| TRAID | - | 273,444 | 273,444 | 241,679 |
| UN Food and Agriculture Organisation | - | 23,778 | 23,778 | - |
| UN Environment Programme | - | 24,248 | 24,248 | 26,667 |
| Consultancy | 25,837 | - | 25,837 | 33,441 |
| Total Goal 2 | 25,837 | 716,811 | 742,648 | 629,766 |
| Information Provision | | | | |
| Tolkien Trust | - | 50,000 | 50,000 | - |
| Total Information Provision | - | 50,000 | 50,000 | - |
| Total Income from charitable activities | 25,837 | 1,138,154 | 1,163,991 | 895,368 |

5 Income from other trading activities

| | Unrestricted £ | Restricted £ | 2022 Total £ | 2021 Total £ |
|--------------------------|-------------------|-----------------|--------------------|--------------------|
| Other trading activities | 77 | - | 77 | 148 |
| | 77 | - | 77 | 148 |

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6 Income from investments

| | Unrestricted | Restricted | 2022 | 2021 |
|-----------------------|---------------------|-------------------|--------------|--------------|
| | £ | £ | Total | Total |
| | | | £ | £ |
| Bank interest | 531 | - | 531 | 163 |
| Foreign exchange gain | 2,082 | - | 2,082 | - |
| Bank compensation | 1,464 | - | 1,464 | - |
| | 4,077 | - | 4,077 | 163 |

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7 Analysis of expenditure

Current reporting period

| | | Cost of raising funds | Goal 1 (UK) | Goal 2 (Intl) | Information provision | Support costs | Governance costs | 2022 Total | 2021 Total |
|-----------------------|---------------|-----------------------------|----------------|------------------|--------------------------|------------------|---------------------|------------------|----------------|
| | | £ | £ | £ | £ | £ | £ | £ | £ |
| Staff costs | Direct | - | 234,929 | 248,219 | 34,499 | 65,438 | - | 583,085 | 552,379 |
| Direct costs | Direct | 632 | 28,817 | 70,644 | 12,216 | - | - | 112,309 | 54,310 |
| Grants to partners | Direct | - | - | 317,469 | - | - | - | 317,469 | 296,454 |
| Support costs - rent | Direct | - | - | - | - | 22,407 | - | 22,407 | 19,925 |
| Support costs - other | Direct | - | - | - | - | 20,046 | - | 20,046 | 17,484 |
| Governance costs | Direct | - | - | - | - | - | 4,746 | 4,746 | 8,622 |
| | | 632 | 263,746 | 636,332 | 46,715 | 107,891 | 4,746 | 1,060,062 | 949,174 |
| Support costs | % staff costs | - | 48,965 | 51,735 | 7,191 | (107,891) | - | - | - |
| Governance costs | % staff costs | - | 2,154 | 2,276 | 316 | - | (4,746) | - | - |
| 2022 Total | | 632 | 314,865 | 690,343 | 54,222 | - | - | 1,060,062 | 949,174 |
| 2021 Total | | 487 | 307,765 | 587,987 | 52,935 | - | - | 949,174 | |

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Previous reporting period

| | Basis of allocation | Cost of raising funds | Goal 1 (UK) | Goal 2 (Intl) | Information provision | Support costs | Governance costs | 2021 Total |
|-----------------------|---------------------|-----------------------|----------------|----------------|-----------------------|----------------|------------------|----------------|
| | | £ | £ | £ | £ | £ | £ | £ |
| Staff costs | Direct | - | 228,348 | 216,546 | 34,570 | 72,915 | - | 552,379 |
| Direct costs | Direct | 487 | 22,768 | 21,266 | 9,789 | - | - | 54,310 |
| Grants to partners | Direct | - | - | 296,454 | - | - | - | 296,454 |
| Support costs - rent | Direct | - | - | - | - | 19,925 | - | 19,925 |
| Support costs - other | Direct | - | - | - | - | 17,484 | - | 17,484 |
| Governance costs | Direct | - | - | - | - | - | 8,622 | 8,622 |
| | | 487 | 251,116 | 534,266 | 44,359 | 110,324 | 8,622 | 949,174 |
| Support costs | % staff costs | - | 52,543 | 49,827 | 7,954 | (110,324) | - | - |
| Governance costs | % staff costs | - | 4,106 | 3,894 | 622 | - | (8,622) | - |
| 2021 Total | | 487 | 307,765 | 587,987 | 52,935 | - | - | 949,174 |

Of the total expenditure in 2022, £118,800 was unrestricted (2021: £84,969) and £941,262 was restricted (2021: £864,205). Grants to partners in 2022 includes grants to Pesticide Action Nexus Association, Ethiopia of £97,853 (2021: £103,534), Organisation Béninoise pour la Promotion de l'Agriculture Biologique, Benin of £210,695 (2021: £188,622) and AGENDA for Environment and Responsible Development, Tanzania of £8,921 (2021: £nil). Grants to partners in 2021 also includes a grant to Pesticide Action Network, India of £4,298.

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8 Net income / (expenditure) for the year

| | | |
|--|-------------|-------------|
| This is stated after charging / (crediting): | 2022 | 2021 |
| | £ | £ |
| Operating lease rentals: | | |
| Property | 22,407 | 19,926 |
| Other equipment | 379 | 328 |
| Auditor's remuneration: audit fees | 3,500 | 3,500 |
| Foreign exchange (gains) / losses | (2,082) | (3) |

9 Analysis of staff costs, trustee remuneration and expenses and the cost of key management personnel

| | | |
|---|----------------|----------------|
| Staff costs were as follows: | 2022 | 2021 |
| | £ | £ |
| Salaries and wages | 492,660 | 468,802 |
| Social security costs | 51,012 | 46,074 |
| Employer's contribution to defined contribution pension schemes | 39,413 | 37,503 |
| | 583,085 | 552,379 |

The number of employees with employee benefits (excluding employer's pension and national insurance contributions) greater than £60,000 per annum was as follows.

| | | |
|--------------------|-------------|-------------|
| | 2022 | 2021 |
| Range | No. | No. |
| £60,000 to £69,999 | 0 | 1 |
| £70,000 to £79,999 | 1 | 0 |

The total employee benefits (including employer's pension and national insurance contributions) of the key management personnel were £87,062 (2021: £82,926).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2021: £nil). No charity trustees received payment for professional or other services supplied to the charity (2021: £nil). Charity trustees were reimbursed expenses of £nil during the year (2021: £nil).

Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

| | | |
|-----------------------|-------------|-------------|
| | 2022 | 2021 |
| | No. | No. |
| Charitable activities | 10.0 | 10.0 |
| Support | 2.0 | 2.0 |
| | 12.0 | 12.0 |

10 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

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11 Tangible fixed assets

| | Furniture, fittings and equipment | Total |
|--------------------------|--|--------------|
| | 2022 | 2022 |
| | £ | £ |
| Cost | | |
| At the start of the year | 5,021 | 5,021 |
| Additions in year | - | - |
| Disposals in year | - | - |
| At the end of the year | 5,021 | 5,021 |
| Depreciation | | |
| At the start of the year | 5,021 | 5,021 |
| Charge for the year | - | - |
| Eliminated on disposal | - | - |
| At the end of the year | 5,021 | 5,021 |
| Net book value | | |
| At the end of the year | - | - |
| At the start of the year | - | - |

All of the above assets are used for charitable purposes.

12 Debtors

| | 2022 | 2021 |
|----------------|---------------|---------------|
| | £ | £ |
| Trade debtors | 46,561 | 2,080 |
| Other debtors | 1,000 | 1,600 |
| Prepayments | 4,257 | 99 |
| Accrued income | 24,229 | 20,843 |
| | 76,047 | 24,622 |

13 Creditors: amounts falling due within one year

| | 2022 | 2021 |
|-----------------|--------------|---------------|
| | £ | £ |
| Trade creditors | 1,472 | 8,185 |
| Other creditors | 471 | 1,184 |
| Accruals | 4,200 | 18,017 |
| | 6,143 | 27,386 |

14 Pension scheme

The Company's pension policy is to make a contribution to employees' pension schemes of 8% of gross salary. The employee can choose to contribute as well. Contributions are recognised as expenditure as they fall due.

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15 Analysis of net assets between funds

| | 2022 | | |
|--|----------------|----------------|------------------|
| | Unrestricted | Restricted | Total funds |
| | £ | £ | £ |
| Tangible fixed assets | - | - | - |
| Net current assets | 527,468 | 524,845 | 1,052,313 |
| Net assets at the end of the year | 527,468 | 524,845 | 1,052,313 |

| | 2021 | | |
|--|----------------|----------------|----------------|
| | Unrestricted | Restricted | Total funds |
| | £ | £ | £ |
| Tangible fixed assets | - | - | - |
| Net current assets | 559,594 | 330,833 | 890,427 |
| Net assets at the end of the year | 559,594 | 330,833 | 890,427 |

| 16 Movements in funds | At 1 January 2022 £ | Income & gains £ | Expenditure & losses £ | Transfers £ | At 31 December 2022 £ |
|---------------------------------|---------------------------|------------------------|------------------------------|----------------|--------------------------------|
| Restricted funds: | | | | | |
| Goal 1 (UK) | 133,848 | 371,343 | 283,136 | (3,394) | 218,661 |
| Goal 2 (International) | 193,266 | 716,811 | 603,904 | 11 | 306,184 |
| Information provision | 3,719 | 50,000 | 54,222 | 503 | - |
| Total restricted funds | 330,833 | 1,138,154 | 941,262 | (2,880) | 524,845 |
| General funds | 559,594 | 83,794 | 118,800 | 2,880 | 527,468 |
| Total unrestricted funds | 559,594 | 83,794 | 118,800 | 2,880 | 527,468 |
| Total funds | 890,427 | 1,221,948 | 1,060,062 | - | 1,052,313 |

| Movements in funds in previous reporting period | At 1 January 2021 £ | Income & gains £ | Expenditure & losses £ | Transfers £ | At 31 December 2021 £ |
|--|---------------------------|------------------------|------------------------------|----------------|--------------------------------|
| Restricted funds: | | | | | |
| Goal 1 (UK) | 153,570 | 265,602 | 285,324 | - | 133,848 |
| Goal 2 (International) | 116,098 | 596,325 | 528,022 | 8,865 | 193,266 |
| Information provision | 54,578 | - | 50,859 | - | 3,719 |
| Total restricted funds | 324,246 | 861,927 | 864,205 | 8,865 | 330,833 |
| General funds | 572,127 | 81,301 | 84,969 | (8,865) | 559,594 |
| Total unrestricted funds | 572,127 | 81,301 | 84,969 | (8,865) | 559,594 |
| Total funds | 896,373 | 943,228 | 949,174 | - | 890,427 |

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Purposes of restricted funds

Goal 1 (UK)

This is our work to reduce pesticide use and related harms in the UK. This includes engagement with the UK Government, supermarkets and local councils. This work is described in more detail in the annual report.

Goal 2 (International)

This is our work to reduce pesticide use and related harms internationally. To achieve this objective, we work with international institutions, national authorities and key supply chain initiatives. We also act to build the evidence base to encourage action, including the delivery of projects in Benin and Ethiopia.

Information provision

This work raises awareness about the harms caused by pesticides. It is done in various ways, including publishing information booklets, posters and leaflets as well as through our online communications channels.

Transfers between funds

Transfers between funds comprise two separate types of transaction. Some of the transfers relate to exchange gains or losses on restricted funds that require a transfer to or from unrestricted funds to bring the restricted fund back into balance. The remaining transfers represent a cumulative underspend on restricted funds where the donor has provided approval that this can be transferred to unrestricted funds.

17 Reconciliation of net income / (expenditure) to net cash flow from operating activities

| | 2022 | 2021 |
|---|---------------|----------------|
| | £ | £ |
| Net income / (expenditure) for the reporting period (as per the statement of financial activities) | 161,886 | (5,946) |
| Interest, rent and dividends from investments | (4,077) | (163) |
| (Increase) / decrease in debtors | (51,425) | (23,523) |
| Increase / (decrease) in creditors | (21,243) | 19,986 |
| Net cash provided by / (used in) operating activities | 85,141 | (9,646) |

18 Analysis of cash and cash equivalents

| | At 1 January 2022 | Cash flows | Other changes | At 31 December 2022 |
|--|----------------------|---------------|------------------|---------------------------|
| | £ | £ | £ | £ |
| Cash at bank and in hand | 893,191 | 89,218 | - | 982,409 |
| Total cash and cash equivalents | 893,191 | 89,218 | - | 982,409 |

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19 Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

| | Property 2022 | 2021 | Equipment 2022 | 2021 |
|------------------|------------------|---------------|-------------------|------------|
| | £ | £ | £ | £ |
| Less than 1 year | 21,831 | 22,407 | 304 | 304 |
| 1 – 5 years | 5,458 | 5,602 | 25 | 25 |
| | 27,289 | 28,009 | 329 | 329 |

20 Contingent assets or liabilities

There are no contingent assets or liabilities existing.

21 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. Each member is liable to contribute a sum not exceeding £1 in the event of the charity being wound up.

22 Related party transactions

PAN UK is related to Pesticide Action Network Europe (PAN Europe), a company registered in England and Wales, by virtue of the fact that PAN UK is one of the founding members of PAN Europe and currently sits on PAN Europe's Board. PAN Europe's objectives closely relate to PAN UK's objectives and from time to time PAN UK supports PAN Europe's projects by providing administrative support and technical support.

In 2022, PAN UK received £20,000 from Polden Puckham Charitable Trust on behalf of PAN Europe for work on supply chains and sustainable agriculture. This amount was paid to PAN Europe in year. PAN UK also paid a €300 membership subscription to PAN Europe in 2022.