

**Pesticide Action Network
North America Regional Center
d.b.a. Pesticide Action & Agroecology Network**

Financial Statements &
Independent Auditor's Report
for the Year Ended
March 31, 2025



TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT	3
FINANCIAL STATEMENTS	6
Statement of Financial Position	6
Statement of Activities and Changes in Net Assets.....	7
Statement of Functional Expenses	8
Statement of Cash Flows	9
Notes to Financial Statements.....	10



A PROFESSIONAL ACCOUNTANCY CORPORATION

Independent Auditor's Report

To the Board of Directors
Pesticide Action & Agroecology Network
Berkeley, California

Opinion

We have audited the financial statements of Pesticide Action & Agroecology Network ("the Organization"), which comprise the statement of financial position as of March 31, 2025, and the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of March 31, 2025, the changes in its net assets, its functional expenses, and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

Key audit matters are those matters that were communicated with those charged with governance and, in our professional judgment, were of most significance in our audit of the financial statements of the year ended March 31, 2025. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recognition and Classification of Revenue and Support in the Financial Statements

We consider the recognition and classification of revenue and support, which is discussed in Note 2 of the accompanying financial statements, to be a key audit matter. Provisions of this area of accounting require the Organization to record contributions and revenues to the financial statements for the correct year.

Page One of Three

They also require categorizing revenue and support to the appropriate category based on its reciprocal or nonreciprocal nature as well as the absence or existence of donor restrictions and/or conditions. In addition, this area requires that the Organization reliably determine when performance obligations to customers are satisfied, when donor conditions are met, and when restricted amounts should be released from restriction.

This matter is considered a key audit matter because the recognition and classification of support and revenue has a pervasive effect on the Organization's financial statements, including its changes in net assets, total current assets, and composition amongst *net assets without donor restrictions* and *net assets with donor restrictions*. This area of accounting also requires the Organization to exercise significant judgment in its application of accounting standards, which have undergone changes in the past few years.

This matter was addressed in the current audit through the examination of documentary evidence that supports the recognition and classification of contributed support and contracts with customers. These procedures were instrumental in forming our opinion on the financial statements as a whole.

Allocation of Expenses to Functional Groupings in the Financial Statements

We consider the allocation of natural expense categories amongst functional groupings (i.e., *program services*, *management & general*, and *fundraising*) to be a key audit matter. This is discussed in Note 2 of the financial statements.

This matter is considered a key audit matter because certain charity rating services and some institutional funding sources have been known to evaluate nonprofit organizations according to the overall proportion of expenses allocated to program services. Furthermore, because the expense allocations are based on time-and-effort estimates rather than factual data (e.g., timesheets), they require the Organization's personnel to exercise significant judgment.

This matter was addressed during the current audit through analysis of the design and execution of the Organization's cost allocation methodology. We assessed the methodology's consistency with GAAP, reviewed the underlying employee time-and-effort estimates for reasonableness and consistency with job titles, and verified through reperformance certain allocation calculations as part of forming our opinion on the financial statements as a whole.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 absolute assurance and therefore is not a

guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate, and have communicated, with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited the Organization's financial statements for the year ended March 31, 2024, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 24, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended March 31, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.



A Professional Accountancy Corporation
San Francisco, California
August 15, 2025

Pesticide Action Network North America Regional Center
d.b.a. Pesticide Action & Agroecology Network

Statement of Financial Position
March 31, 2025
with Comparative Totals for March 31, 2024

	3/31/2025	3/31/2024 (Note 2)
ASSETS		
Current Assets		
Cash & cash equivalents	\$ 1,820,069	\$ 1,319,250
Investments (Note 3)	394,683	386,255
Contributions receivable, current	442,701	422,523
Accounts receivable	11,346	811
Prepaid expenses	31,395	44,160
Other current assets	3,481	6,067
Total current assets	2,703,675	2,179,066
Contributions receivable, non-current	57,500	-
Deposits	9,000	9,200
Property & equipment, net (Note 4)	17,573	21,471
Right-of-use asset	-	29,582
TOTAL ASSETS	\$ 2,787,748	\$ 2,239,319
LIABILITIES & NET ASSETS		
Current Liabilities		
Accounts payable	\$ 56,879	\$ 31,513
Grants payable	27,625	7,500
Accrued vacation	88,517	104,131
Conditional grant advance	17,746	60,275
Operating lease liability, current (Note 5)	-	27,423
Other liabilities	32,431	32,433
Total current liabilities	223,198	263,275
Operating lease liability, non-current	-	-
TOTAL LIABILITIES	223,198	263,275
Net Assets		
Without donor restrictions	524,069	426,016
With donor restrictions (Note 6)	2,040,481	1,550,028
TOTAL NET ASSETS	2,564,550	1,976,044
TOTAL LIABILITIES & NET ASSETS	\$ 2,787,748	\$ 2,239,319

See accompanying notes to financial statements
and independent auditor's report.

Pesticide Action Network North America Regional Center
d.b.a. Pesticide Action & Agroecology Network

Statement of Activities and Changes in Net Assets
for the Year Ended March 31, 2025
with Comparative Totals for the Year Ended March 31, 2024

	Without Donor Restrictions	With Donor Restrictions	24-25 Total	23-24 Total (Note 2)
Support & Revenue:				
Foundation grants	\$ 219,500	\$ 2,365,875	\$ 2,585,375	\$ 1,601,903
Donations	369,385	53,276	422,661	366,776
Program service contracts	64,524	-	64,524	75,057
In-kind support (Note 7)	4,080	-	4,080	4,505
Net assets released from restriction:				
Satisfaction of donor restrictions (Note 8)	1,928,698	(1,928,698)	-	-
Fees for service	27,450	-	27,450	15,450
Investment dividends & interest	42,851	-	42,851	31,875
Realized & unrealized gains/ (losses) on investments	(14,142)	-	(14,142)	23,072
Other	4,170	-	4,170	5,267
Total support & revenue	2,646,516	490,453	3,136,969	2,123,905
Expenses:				
Program services				
Core programs	1,233,448	-	1,233,448	1,454,727
Fiscal sponsorees	565,378	-	565,378	575,319
Total program services	1,798,826	-	1,798,826	2,030,046
Management & general	365,409	-	365,409	360,849
Fundraising	384,228	-	384,228	336,462
Total expenses	2,548,463	-	2,548,463	2,727,357
CHANGE IN NET ASSETS	98,053	490,453	588,506	(603,452)
NET ASSETS, beginning of year	426,016	1,550,028	1,976,044	2,579,496
NET ASSETS, end of year	<u>\$ 524,069</u>	<u>\$ 2,040,481</u>	<u>\$ 2,564,550</u>	<u>\$ 1,976,044</u>

See accompanying notes to financial statements
and independent auditor's report.

Pesticide Action Network North America Regional Center
d.b.a. Pesticide Action & Agroecology Network

Statement of Functional Expenses
for the Year Ended March 31, 2025
with Comparative Totals for the Year Ended March 31, 2024

	PROGRAM SERVICES			SUPPORTING SERVICES			23-24
	Core Programs	Fiscal Spsorees	Total Programs	Management & General	Fundraising	24-25 Total	Total (Note 2)
Salaries	\$ 559,636	\$ 222,720	\$ 782,356	\$ 174,124	\$ 208,334	\$1,164,814	\$ 1,416,767
Payroll taxes	41,916	17,519	59,435	13,568	16,286	89,289	106,714
Employee benefits	136,289	57,655	193,944	23,473	48,499	265,916	302,609
Consultants	225,507	117,145	342,652	95,137	32,177	469,966	301,300
Accounting & auditing	-	-	-	21,213	-	21,213	22,380
Advertising	890	-	890	313	-	1,203	2,103
Office expenses	8,707	1,375	10,082	2,208	3,882	16,172	18,137
Postage & printing	1,311	-	1,311	293	24,453	26,057	25,167
Information technology	28,361	-	28,361	10,550	7,944	46,855	52,449
Occupancy	40,547	935	41,482	11,599	11,348	64,429	102,684
Conferences & meetings	6,749	-	6,749	162	13,720	20,631	5,165
Insurance	2,902	2,855	5,757	4,084	779	10,620	11,305
Travel	12,724	-	12,724	1,177	4,777	18,678	25,238
Grants made	148,895	70,000	218,895	-	-	218,895	203,233
Depreciation	7,250	-	7,250	1,956	1,952	11,158	12,680
Other program and operating expenses	11,764	75,174	86,938	5,552	10,077	102,567	119,426
Total	\$1,233,448	\$ 565,378	\$ 1,798,826	\$ 365,409	\$ 384,228	\$2,548,463	\$2,727,357

See accompanying notes to financial statements
and independent auditor's report.

Pesticide Action Network North America Regional Center
d.b.a. Pesticide Action & Agroecology Network

Statement of Cash Flows
for the Year Ended March 31, 2025
with Comparative Totals for the Year Ended March 31, 2024

	24-25	23-24 (Note 2)
Cash flows from operating activities:		
Cash received from grantors/contributors	\$ 2,952,353	\$ 2,294,252
Cash received from payments of program fees	16,915	15,696
Cash received from other sources	47,021	37,142
Cash generated from operating activities	3,016,289	2,347,090
Cash paid to, or for the benefit of, employees	(1,535,633)	(1,835,812)
Cash paid to contractors and suppliers	(751,234)	(704,534)
Grants paid to other nonprofit organizations	(198,772)	(449,443)
Cash disbursed for operating activities	(2,485,639)	(2,989,789)
Net cash flows from operating activities	530,650	(642,699)
Cash flows from investing activities:		
Purchases of fixed assets	(7,261)	(9,626)
Purchases of investments	(22,570)	(10,679)
Net cash flows from investing activities	(29,831)	(20,305)
NET INCREASE IN CASH	500,819	(663,004)
CASH & CASH EQUIVALENTS, beginning of year	1,319,250	1,982,254
CASH & CASH EQUIVALENTS, end of year	\$ 1,820,069	\$ 1,319,250

Supplemental information:

Reconciliation of change in net assets to cash flows generated from operating activities:

Change in net assets	\$ 588,506	\$ (603,452)
Adjustments to reconcile change in net assets to net cash from (used for) operating activities		
Realized and unrealized (gains)/losses on investments	14,142	(23,072)
Depreciation expense	11,159	12,680
Other non-cash item	-	228
Changes in assets and liabilities:		
Contributions receivable	(77,678)	190,241
Accounts receivable	(10,535)	246
Prepaid expenses and other assets	15,551	7,234
Lease assets and liabilities	2,159	7,241
Accounts payable	25,366	(38,388)
Accrued vacation	(15,614)	(9,722)
Conditional grant advance	(42,529)	60,275
Grant and custodial liabilities	20,123	(246,210)
Net cash flows generated from operating activities	\$ 530,650	\$ (642,699)

Supplemental cash flow information related to leases:

Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ (49,652)	\$ (82,192)

See accompanying notes to financial statements
and independent auditor's report.

Pesticide Action Network North America Regional Center d.b.a. Pesticide Action & Agroecology Network

Notes to Financial Statements March 31, 2025

1. The Organization

Nature of Activities

Pesticide Action Network North America Regional Center, d.b.a. Pesticide Action & Agroecology Network, (“PAN”), a California nonprofit organization, was incorporated in 1984 under the name Pesticide Education and Action Project. PAN educates the general public on pesticide-related issues, and advocates replacing hazardous pesticide use with safer, ecologically sound and socially just alternatives.

PAN’s mission is to end reliance on hazardous pesticides and achieve health, resilience and justice in food and farming. Using grassroots science, strategic communications, and coalition organizing to build power with communities across the U.S. and around the world, PAN confronts the harms of industrial agriculture and builds solutions. PAN North America is one of five Regional Centers that cooperate globally, with sister Centers located in Africa, Asia/Pacific, Europe, and Latin America. Together, the network challenges the local and global proliferation of pesticides, defends basic rights to health and environmental quality, and advocates for a just, resilient, and healthy food and farming system.

PAN’s approach is to work in coalitions with others to build broad public will to influence change in pesticide use and regulation, environmental health, and food system policy. PAN's core program is structured between Organizing, Communications, and Grassroots Science. During a history of supporting allies and building partnerships, PAN has sometimes acted as fiscal sponsor to new and emergent coalitions, such as the California Farmer Justice Collaborative. PAN also occasionally serves as the U.S. fiscal agent for sister PAN Regional Centers (as further described in Note 2).

Nature of Funding

The Organization receives the majority of its funding through foundation grants. Additional sources of income include contributions from individual and corporate donors, government grants, program service contracts, and interest and earnings from the Organization’s cash and investments.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America. Under the accrual basis of accounting, support is recognized when it is awarded, revenue is recognized when it is earned, and expenses are recognized when they are incurred.

Cash & Cash Equivalents

Cash & cash equivalents include bank checking and money market funds, as well as cash deposits held in an investment brokerage account.

**Pesticide Action Network North America Regional Center
d.b.a. Pesticide Action & Agroecology Network**

**Notes to Financial Statements
March 31, 2025**

Investments

Investments include mutual funds consisting of equity and debt securities. The amounts are carried on the books at fair value using unadjusted quoted prices for identical assets in active markets that are accessible at the measurement date (level 1 inputs as defined by generally accepted accounting principles).

Contributions Receivable

Contributions receivable consist of contributions promised to the Organization prior to year-end, which are expected to be collected during subsequent fiscal years. As management believes that all amounts are fully collectible, there is no allowance for uncollectible amounts reflected in the financial statements. Amounts due within one year of the balance sheet date are presented as current, while amounts due beyond one year are classified as non-current and discounted to present value only in situations where such discounts would be material to the financial statements as a whole. Currently, there are no discounts recorded in the financial statements.

Fair Value of Current Assets & Liabilities

The carrying amounts of cash and cash equivalents, accounts receivable and accounts payable approximate fair value because of the short maturity of these instruments.

Property & Equipment

Property and equipment consist of office furnishings and equipment, and leasehold improvements. Assets with an initial cost (or fair market value if donated) of \$1,000 or more are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets, which is three to seven years for assets currently on the books.

Leases

Leases with an initial term of greater than 12 months are capitalized as a right-of-use asset with a corresponding lease liability in accordance with FASB ASC 842. The Organization has elected the practical expedients available under ASC 842 to exclude from the statement of financial position leases with an initial term of 12 months or less. During the fiscal year ended March 31, 2025, the Organization held one operating lease for its Berkeley office facility. This lease expired in July 2024 and was replaced with a 12-month lease at the same location.

The Organization does not hold any finance leases as defined by ASC 842.

Net Assets

Net assets, revenues, expenses, gains, and losses are classified based upon the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net assets without donor restrictions, which includes resources not subject to, or no longer subject to, donor-imposed stipulations.

Net assets with donor restrictions, which includes resources whose use is limited by donor-imposed time and/or purpose restrictions.

**Pesticide Action Network North America Regional Center
d.b.a. Pesticide Action & Agroecology Network**

**Notes to Financial Statements
March 31, 2025**

Fiscally Sponsored Projects

The Organization acts as fiscal sponsor and/or administrator of various coalitions whose activities are aligned with PAN's mission. The accounting treatment for each project rests largely on whether PAN is granted variance power. Variance power refers to PAN having legal ownership of the funds received and the ultimate authority over the use of the funds. In cases where PAN is granted variance power, either by those making contributions to a sponsored project or the representatives of the project, the project is considered a program of PAN. Accordingly, the project's revenues and expenses are reflected in PAN's financial statements.

Recognition of Support and Revenue

The Organization recognizes support and revenue in accordance with the provisions of ASC 958 and ASC 606, respectively. Amounts received are generally considered contributions recognizable under ASC 958 when the funding sources do not receive direct commensurate value in exchange for their payments (i.e., when funding from an institutional funding source is used to provide services to members of the public). Conversely, amounts received from a funding source to provide services directly to the resource provider are considered contracts with customers recognizable under ASC 606.

Recognition of Contributions

Contributions are presented on the *statement of activities and changes in net assets* according to the various sources of the support. These include foundation grants, government grants/contracts, donations, program service contracts, and in-kind support. The Organization recognizes contributions when it receives cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest.

Contributions are reported as increases in *net assets without donor restrictions* unless use of the contributed assets is limited by donor-imposed stipulations. Expirations of donor restrictions (i.e., the donor stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

In-Kind Support

Gifts in-kind currently consist of donated software licenses for a customer relationship management application as well as donated wine for the 40th anniversary party. These contributions are recognized in the financial statements as revenue and expense at their estimated fair value based on what the Organization would be required to pay had the items not been donated.

Contracts with Customers

Revenues from contracts with customers (as defined by FASB ASC 606) are presented under the *fees for services* caption of the *statement of activities and changes in net assets*. These include occasional honoraria and similar services related to the Organization's mission. Such revenues are recognizable at the point in time when the services are rendered. Accounts receivable arising from contracts with customers totaled \$10,600 as of March 31, 2025, and \$0 as of March 31,

**Pesticide Action Network North America Regional Center
d.b.a. Pesticide Action & Agroecology Network**

**Notes to Financial Statements
March 31, 2025**

2024. There was no deferred revenue arising from contractors with customers as of March 31, 2025, or March 31, 2024.

Functional Expenses

The Organization presents its expenses by function and natural category. *Program services* include the direct conduct and direct supervision of specific program activities. *Fundraising* includes efforts to solicit monetary and nonmonetary contributions. *Management & general* includes general oversight, recordkeeping, regulatory compliance, governance, financial management, and all other activities that do not constitute the direct conduct or direct supervision of specific program services or fundraising activities. The cost of each employee's compensation is allocated amongst program and supporting services according to management's estimate of time and effort. Shared office costs (e.g., office rent, telecommunications, utilities, and depreciation) are allocated based on aggregated time and effort expended on each function. Other expenses are charged directly and entirely to the appropriate function based on the underlying nature of the expense.

All advertising costs are expensed as incurred.

Income Taxes

As a public charity organized under Internal Revenue Code Section 501(c)(3), the Organization is exempt from income taxes, except on activities unrelated to its mission. As management believes that all of the Organization's activities are related to its mission, no provision has been made for income tax expense. The Organization's federal *Return of Organization Exempt from Income Tax* (Form 990) filings for the tax years ending in 2022 through 2025 are subject to examination by the Internal Revenue Service, generally for three years after they were filed. The Organization's California *Exempt Organization Annual Information Return* (Form 199) filings for the tax years ending in 2021 through 2025 are subject to examination by the Franchise Tax Board, generally for four years after they were filed.

Use of Estimates

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

Prior Year Comparative Information

The financial statement information for the year ended March 31, 2024, presented for comparative purposes, is not intended to be a complete financial statement presentation. For a complete presentation of fiscal year 2024, refer to the financial statements for that year.

3. Investments - Fair Value Measurements

The Organization has valued its investments in accordance with FASB ASC #820, which establishes a framework for measuring fair value in accordance with generally accepted accounting principles. The Standard clarifies the definition of fair value, taking the position that

**Pesticide Action Network North America Regional Center
d.b.a. Pesticide Action & Agroecology Network**

**Notes to Financial Statements
March 31, 2025**

fair value is the exchange price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the valuation date.

There are three defined levels in the fair value hierarchy:

- Level 1 – Unadjusted quoted prices for identical assets or liabilities in active markets that are accessible at the measurement date.
- Level 2 – Prices or valuations based on observable inputs other than quoted prices in active markets for identical assets and liabilities.
- Level 3 – Prices or valuation techniques that require inputs that are significant to the fair value measurement and unobservable (supported by little or no market activity).

Fair values of assets measured on a recurring basis at March 31, 2025, consist of two publicly traded mutual funds. All assets are valued based on Level 1 inputs (quoted prices in active markets for identical assets).

Balanced U.S. corporate equity and debt fund	\$286,633
U.S. Governmental bond fund	<u>108,050</u>
Total investments at March 31, 2025	\$394,683

4. Property & Equipment

Property and equipment consist of the following at March 31, 2025:

Office furnishings & equipment	\$98,276
Leasehold improvements	<u>7,538</u>
Property & equipment, cost basis	105,814
Accumulated depreciation	<u>(88,241)</u>
Property & equipment, net book value	\$17,573

5. Lease

PAN rented its Berkeley office under a 7-year operating lease that expired July 31, 2024. A new Berkeley office lease was executed in August 2024 for a term of 12 months, with base rent of \$2,500 per month. The Organization's total rent expense for the year ended March 31, 2025, was \$56,126. (The Organization subsequently renewed for an additional 6-month term in August 2025 with substantially the same terms.)

**Pesticide Action Network North America Regional Center
d.b.a. Pesticide Action & Agroecology Network**

**Notes to Financial Statements
March 31, 2025**

6. Net Assets with Donor Restrictions

The balance of net assets with donor restrictions at March 31, 2025, consists of awards received for the following:

Fiscally sponsored projects	
El Quinto Sol	\$567,295
California Farmer Justice Collaborative	342,556
Sacramento Food Policy Council	266,231
Other fiscally sponsored projects	<u>69,214</u>
Subtotal – fiscally sponsored projects	1,245,296
International support	357,145
Replacing highly hazardous pesticides with agroecology	230,000
<i>Farming for the Future</i> project	136,040
General support for future periods	33,000
Other activities	<u>39,000</u>
Total net assets with donor restrictions	\$2,040,481

7. In-Kind Contributions

10 annual Salesforce CRM licenses	\$3,600
Wine for 40 th anniversary party	<u>480</u>
Total in-kind support	\$4,080

8. Net Assets Released from Restrictions

During the year ended March 31, 2025, donor restrictions were satisfied and net assets released from restrictions as follows :

Fiscally sponsored projects	
Direct expenses	\$509,379
Indirect expenses*	<u>84,165</u>
Subtotal – fiscally sponsored projects	593,544
General activities pertaining to 2024-2025	452,000
<i>Farming for the Future</i> project	291,946
International support	207,958
Replacing highly hazardous pesticides with agroecology	152,500
Pesticides, Climate & Agriculture	62,000
Changing policy and practice to protect pollinators	38,750
Other activities	<u>130,000</u>
Total net assets with donor restrictions	\$1,928,698

*PAN retains nominal amounts from each grant to offset the costs of managing the respective fiscal projects.

**Pesticide Action Network North America Regional Center
d.b.a. Pesticide Action & Agroecology Network**

**Notes to Financial Statements
March 31, 2025**

9. Retirement Plan

The Organization maintains a 403(b) retirement plan for its employees. Under the plan's terms, employees may set aside a portion of their wages in a tax- advantaged retirement savings account upon their hire date. At the discretion of management, the Organization may contribute additional amounts to eligible participating employees with at least one year of service. During the year ended March 31, 2025, there were no employer contributions to the retirement accounts of employees.

10. Contractual Commitments

The Organization engages outside contractors to provide various services, some of which extend beyond a single fiscal year. As of March 31, 2025, the Organization had outstanding contracts for consulting and related services totaling approximately \$140,000 for work not yet performed. These costs will be recognized as expenses in fiscal year 2025–2026 when the contracted services are delivered and the related performance obligations are met.

11. Contingencies, Risks & Uncertainties

Compliance with Funding Source Restrictions

The Organization receives contributions and grants that are restricted for a specific program or purpose. If such restrictions are not met in accordance with the funding source agreement, there is the possibility that funds would have to be returned to the donor. It is management's opinion that all donor conditions have been met for grants and contributions that have been released from net assets with donor restrictions or recorded directly to net assets without donor restrictions.

Concentration of Cash Deposits

As of March 31, 2025, the Organization held approximately \$1,816,000 in one bank, exceeding FDIC insurance limits by approximately \$1,566,000.

Investment Risk

The Organization's investments in mutual funds (detailed in Note 3) are subject to fluctuation in fair value. Although this presents the possibility for loss, management believes that the Organization's investments are adequately diversified.

12. Liquidity & Availability

PAN regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. PAN has various sources of liquidity at its disposal, including cash and equivalents and receivables. For purposes of analyzing resources available to meet general expenditures over a 12-month period, PAN considers all expenditures related to its ongoing activities as well as the conduct of services undertaken to support those activities to be general expenditures.

**Pesticide Action Network North America Regional Center
d.b.a. Pesticide Action & Agroecology Network**

**Notes to Financial Statements
March 31, 2025**

In addition to financial assets available to meet general expenditures over the next 12 months, PAN anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

PAN receives a substantial amount of support by way of restricted contributions. Because donor restrictions require resources to be used in a particular manner or in a future period, PAN must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available to general expenditures within one year. As part of PAN's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due.

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Cash & cash equivalents	\$1,820,069
Investments	394,683
Contributions receivable, current	442,701
Accounts receivable	11,346
Less: net assets with purpose restrictions	<u>(1,949,981)</u>
Total	\$718,818

13. Subsequent Events

Leases

In July 2025, PAN signed an extension of the Berkeley office lease for a 6-month term through January 2026, with base rent of \$2,500 per month.

Financial Statement Preparation

In preparing these financial statements, management has evaluated events for potential recognition or disclosure through August 15, 2025, the date the financial statements were available to be issued.