

Australian Holistic Management Co-operative Limited

Annual Report

2022-23

This annual report has been prepared by the Directors of the Australian Holistic Management Co-operative Limited for the financial year 1 July 2022 to 30 June 2023.

It is submitted to the 2023 Annual General Meeting of the Co-operative to be held at 1pm (AEDT) on Friday 17th, November 2023, as per the requirement of Rule 5.3 Business of the annual general meeting, 1.b.ii a report on the state of affairs of the co-operative.

This report includes the following elements:

- Our Purpose
- What we have achieved
- Individual Director Perspectives
- Performance Metrics: financial; governance
- Financial Statements
- Whole under Management - Holistic Context

Board

Tony Hill
Director
Executive Chair

Dave Ellis
Secretary & Treasurer

Ian Chapman
Director

Rebecca Gorman
Director

Brian Wehlburg
Director

Michael Gooden
Director

Our Purpose

Statement of Purpose:

We help regenerate land and communities using Holistic Management processes with a focus on sound ecological monitoring

Rationale

Ecological Outcome Verification (EOV) is the monitoring tool that will drive Australian agricultural land health improvement and it has been at the core of our activities again this financial year. This robust measurement approach is outcomes based, so farmers can use whatever management approaches that suit them to improve nature's resilience. If they wish, farmers in the Co-op can use the Australian Holistic Management Co-op logo to show that they're on the journey of ecological health, when they are achieving positive ecological change they will receive the EOV report, which then enables them to seek the Land to Market seal.

During 2022-23 as we have progressed in the roll out of EOV while changes to Land to Market have taken place. This means that we have focused on establishing farmer's baseline sites and conduct annual monitoring to collect robust data, as well as assisting farmers to use the monitoring data to support management decisions.

The results of our efforts are substantial. As of 30 June 2023,

- 96 land-bases
- 102 Days of Monitoring
- 285,000 Ha EOV monitored
- 41 Land bases - Baseline Monitoring
- 31 land-bases- Annual monitoring EOV Certificates issued
- 97% of EOV monitored land improved- and the L2M seal was issued.
- 2 projects - Dawson Catchment Baseline and Deckers Sheep Project Year B.

What have we achieved

Key achievements during 2022-23 include:

Co-operative

- The Co-op entered its 5th year of operation.
- Continued effective operation of the Australian Holistic Management Co-operative Limited
- The financial year of 2022-23 resulted in a stable level of turnover compared to the previous financial year, \$584,459 compared with \$289,919 (2021-22)
- Co-op Membership as at 30 June 2023 - 64 members (compared to 55 at the previous June)
- Many thanks to Emily Whyman, Dave Ellis and Pi Wei Lim for their incredible effort over this year of change in the Co-op, their commitment to the Co-op has been above and beyond.

Ecological Outcome Verification (EOV)

- Continued delivery of Ecological Outcome Verification, including update of Australian field guides in line with EOV 3.0. There is a 4.0 version being developed by SI EOV QA to be rolled out for the 2024/25 Monitoring season.
- Growth in demand for EOV services has revealed a shortage of resources for EOV delivery, with substantial delays in delivery of 2022-23 monitoring reports to members. Since July, systems are being managed to improve this substantially for the 2023/24 season.
- Continuing participation in regular contact with Savory Institute EOV QA for update workshops, and other specific topic workshops and discussions
- EOV capacity building:
 - two new verifier accreditations awarded to Emily Whyman and Harry Watson
 - 5 new monitors functionally accredited: Silas Blough, Teale Simmons, Phil Larwell, John Stokes and Henry Hinds.

Brand

- We transitioned from Land to Market Australia to the Australian Holistic Management Co-op.
- We reworked our website and logo.
- Land to Market - now a stand alone business with in Savory, has gone through enormous change and during the year has been working on a chain of custody process for entire supply chains. They have been building the Market Partners - who are seeking products with EOV. We expect to see this work come to fruition on the ground, in Australia in 2024.
- Continued support for Co-op members to use of the Land to Market brand and seal where Land to Market eligibility requirements are met

Farming Matters Conference

- Due to changes in the Co-op during the year and limited capacity, the Farming Matters Conference was not held this year. Plans for regional field days and a large field day at Coombing Park - Carcoar NSW - 25 years on from the 1st HM conference in Australia - are underway for 2024.

Profile, Projects and Future Plans

- Deckers sheep producers project year B - Savory Institute funding of \$500,000 with monitoring of 38 landbases with an area of more than 72,000ha.
- Deckers sheep project also included funding for capacity building- Holistic Management training and Holistic Management support of \$90,000 which been carried forward to 2023-24 year.
- Dawson Catchment Coordination - project is underway with the baseline monitoring completed.

Individual Director Perspectives

Tony Hill was executive chair until January 23, then Rebecca Gorman and Brian Wehlburg were executive co-chairs January 23 onwards.

Tony Hill

In the six months up to December 2023, the continued growth in membership and activities of the co-op demonstrated continuing successful implementation of its innovative concept. It provides a unique opportunity for farmers to gain robust monitoring and verification of the ecological health of their farmland, in a structure that is entirely under their control, through the co-op structure of one member, one vote. A major innovative aspect of the co-op is that it provides a market based solution where consumers and businesses can support improving ecological health of farmland through their purchasing decisions, through the Savory Institute Ecological Outcome Verification (EOV) protocol and Land to Market (L2M) mechanism. Given the importance of agriculture from a social and economic perspective, it is vital to demonstrate how livestock, in particular, can make a positive contribution to planetary health.

Ian Chapman

The last 12 months have probably been the most challenging time for me as a board member. In previous years we were trying to establish ourselves, searching for funding and activities to support the promotion of EOV and Holistic Management, while refining and continuing the EOV monitoring and reporting for members. The 'net' was cast widely, and our time and efforts were spread thinly.

With experience and some funded projects, we started what has turned out to be a slow process of developing more strategic directions, beginning with revisiting our Holistic Context, Statement of Purpose. Our progress was severely interrupted by Tony's very unfortunate and scary medical episode. Thankfully Emily Whyman, PiWei Lim and Dave Ellis stepped up and the co-op continues to benefit from their expertise. Concurrently the board was able to access philanthropic funding for a CEO/COO, and as you know Helen Lewis was the successful candidate.

For the co-op the role Helen plays offers enormous potential. At the same time it has added an increasing demand on board member's time and expertise, as activities increase, and the need to adopt different processes and governance. I believe a new era for the co-op has begun.

Rebecca Gorman

While EOV has the capacity to link consumers with farmers and vice versa, I have always thought one of the co-op's great opportunities is to support members in their aspirations for their land - helping with that otherwise potentially boring activity of monitoring. Once collated, the monitoring data shows-up ecological trends that can sometimes be hard to see. As a land owner myself, this is the great worth of EOV, a measure against which I can evaluate my management. Using the EOV report to reflect on the holistic management of the farm, offers me a point in time to challenge grazing practices and other interventions and ask, is my management leading me towards my holistic context? I have tried to keep this clarity in mind this year as we have gone through the intense process of fund raising for and then recruiting a CEO to help manage the rapid growth and membership support opportunities of the Co-op. One of the really enjoyable parts of this experience was meeting and talking with the many people who applied for the job. There was interest and engagement from such a broad range of people, which highlighted the important environmental work we are doing. We had candidates from all over Australia and three from abroad. I loved hearing the back stories and ideas they all brought to the interviews. Helen Lewis stood out, as someone with a deep understanding and experience of managing and supporting people through their land and community projects. She is particularly focused on improving the support we offer members and I'm excited to see how this builds. The CEO position has been supported by a small group of philanthropists who have generously backed the goals of the Co-op in an effort to help push us forward into a larger scale operation. They represent those who truly understand the potential that farmers have in making climate positive land change. Sustainable Table - a fund dedicated to transforming farming, food and fibre systems through regenerative ways of being, doing and knowing, kindly auspiced the donations and we thank them for that. Without doubt this transition period has been challenging as we sort out our priorities and the best ways to deliver them. But we all agree on the importance of this work for both our communities and our environment.

Michael Gooden

2023 was my first year on the AHMC board. I had been involved on several other boards over the past 10 years - each having differences and challenges. The AHMC has been unique. The effort that has been put in to date, largely in a volunteer capacity by the founders of the Co-Op must not go unrecognised. The opportunity that lies before AHMC to expand EOV to a larger scale should not be missed, for the planet's sake. In the past 12 months much time has been spent on the strategy to allow the Co-Op to operate in its context. Although I have been managing our own business for 10 years using the HM decision making framework, it's the first time I have ever seen it used in a way that slows down the decision making process. Certainly a learning experience for me.

With our goal in mind we embarked on employing a CEO. We were delighted with a large field of quality applications from varied backgrounds and the decision was made to employ Helen Lewis. Helen began with a long list of tasks and the blank slate of a new position. Progress has been slow, but necessary to ensure we have strong roles and responsibilities, governance and a structure that is going to allow the growth of the Co-Op into the future. With the establishment of several sub committees and continuity at the board, my hope is the next 12 months will be more rewarding than the previous. We are laying the foundations for exciting times ahead.

Brian Wehlburg

Your Co-op has continued to gain momentum over the period. The Deckers Project is a major driver for this while outside of this program new land areas being monitored are certainly lower than I wish for. My milestone for the year is the evolution of our CEO position and fellow educator Helen Lewis joining the team. As members you would have all felt Helen's energy creating a stronger connection with you, our members, developing better feedback mechanisms and regular correspondence both with the board and members. Behind the scenes Helen has been supporting Pi Wei and Emily and creating better structures for their tasks. Helen has also been helping get better communication with Savory Institute and associated organisations. The rebuild of our website, which represents our Co-op in a much better way was another milestone for the year, and again huge thanks for all the work that went into this development.

Performance Metrics

Financial Report 2022-23

Cash at bank 30 June 2022: \$157,218.66

Income:	\$584459	Assets:	\$319,270.42
Expenses:	\$519171	Liabilities	\$103,482.19
Tax paid:	\$20,962	Net assets	\$215,788.23
Net income:	\$24,854		

Comments:

The financial reports for the year ended 30th June 2023 have been published with the 2023 AGM information, showing the Co-op generating a small cash trading surplus of A\$ 12K.

- The Co-op had cash balances at the bank of A\$ 157K at the end of the reporting period.
- In summary it has been a tremendously busy year for all operational areas of the Co-op as reflected by the

more than doubling of the cash receipts and payments compared the previous year.

Key Events undertaken during the year:

- Handover of formal Treasurer and Secretary role from Chris Main to Dave Ellis.
- Implementation of a cloud based Accounting s/w package (Xero), and full migration of former excel based cashbook records.
- Development of the Monitoring Services (EOV) financial project management and recording capabilities.
- Focus on the reconciliation of data between the Asana EOV project management Software and the Xero financial data.
- 9 new Members joined the Co-op during the financial year, bringing the total Members to 64 as at 30th June 2023.
- The Deckers Sheep Project Yr A contract was completed and Year B Contract extension signed for 40+ landbases.
- Dawson Catchment Coordinating Association initial contract started, to run for 2 years of monitoring for 21 landbases.

Governance 2022-23- Ordinary Board Meetings- Directors Attendance

Director	Elected/ Appointed	18/7	15/8	6/9	10/10	11/11	11/12	13/1	13/2	13/3	22/3	20/4	5/5	8/5	22/5	30/6
Tony Hill, Executive Chair	2021	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Chris Main	2020	Y	A	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Ian Chapman	2020	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Brian Wehlburg	2019	Y	Y	A	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Rebecca Gorman	2020	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Michael Gooden	2022	#	#	#	#	#	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Dave Ellis Sec & Treas. NonDirector	2022	#	#	#	#	#	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Helen Lewis CEO	May 2023	#	#	#	#	#	#	#	#	#	#	#	#	#	Y	Y

Note: y = attended, A = apology, R = resigned, n/a = not available/ # = not involved

Board Strategy Meetings 2022-23

August 2022, September 2022 (3), October 2022

Financial Statements to 30 June 2023

Australian Holistic Management Co-operative Limited - Statement of Receipts & Payments

For the year ended 30th June		2023	2022
	Note	A \$	A \$
Receipts			
Membership Fees		22,500	35,500
Monitoring Fees		429,763	126,920
Lismore Project		-	100,000
Soil Testing		3,417	720
Training Courses		73,036	100
Other Receipts		1,367	277
Interest		1,379	50
Total Receipts		531,462	263,567
Payments			
Monitoring costs		352,481	66,269
Lismore Project		-	97,390
Conference & events		29,137	-
Soil testing		38,362	9,225
Training courses		32,282	-
Administration		20,895	1,714
Insurance		3,404	3,080
Marketing		10,100	8,257
IT Services		1,115	1,938
Sponsorship & donations		-	12,050
Travel, meals & accommodation		-	3,113
Subscriptions & memberships		250	153
Website design and maintenance		10,561	2,652
Total Operational Payments		498,587	205,841
Net Receipt/(Payment) before income tax		32,875	57,726
Income tax paid	1d	20,962	14,427
Net Receipt/(Payment) for the period ended 30th June		11,913	43,299

Plans for 2023-24

With the new CEO role created with the support of Sustainable Table and Macdoch Foundation, the Co-op can look forward to the following focus areas being developed.

- Membership services and support - EOV Support, Education, Regional activity, Community.
- Delivering Co-op education with HM Educators nationally
- Expanding the Monitors and Verifier team
- Effective and Timely EOV Monitoring service
- Initiating new projects- EOV and HM Education
- Collaborating with Land to Market, as they establish their representative in Australia and develop the Deckers Supply chain and other market access for eligible members.
- Engaging in the Natural Capital arena, adding value for members with EOV.
- Collaborating with regenerative organisations on Policy positions for submissions and campaigns.

AHMC Holistic Context 2022-23 (March 23)

Whole Under Management:

Decision Makers:

Members

Strategic & budget - Board: Rebecca (co-Chair), Brian (co-Chair), Tony, Ian and Michael

Operational - Emily, Dave, Pi Wei

EOV Verifiers: Ian, Tony, Brian Emily, Harry

Resource Base: People

People who we influence:

Members

TEAM: Kate Lance, Kerry Wehlburg, Monitors: Phil, Silas, Teale, Henry, John Stokes, Craig Carter.

HM Educators HMENZA, Brian Marshall, Savory Institute, L2M, Carbon Sync

HM Management Groups & Learner Practitioners RAA, EAL Lab, Soils for Life, Mulloon Institute, Farmers for Climate Action, Organic Community - Organic Federation of Australia, SCPA, NASAA, Australian Certified Organic, Organic Food Chain, Biodynamic Research Institute, Aus-Qual, Safe Food Qld, Permaculture, AFSA, Southern Cross University, Regenerative farmers- Charles Massey, Charlie Arnott, Bush Heritage

Politicians, Federal, State & Local Govt/ Departments

RCS, Media, Catchment Management Authorities, Landcare, Biodiversity Conservation Trust

Regenerative Scientists, Indigenous Business Australia - NIAA

People who influence us:

Members, MACDOCH / Sustainable Table, other funders, HMI, HM Educators, Savory Institute, L2M HM Management Groups & Learner Practitioners. Coops NSW/ BCCM

Regenerative farmers network, influential Regenerative Network: Charles Massey, Martin Royds, Charlie Arnott, Bruce Maynard. RCS, Regrarians, Carbon Sync, Bush Heritage, Deep Winter Agrarians, Farming Secrets Network

Regenerative product market partners, Healthy Soils Australia

Carbon Farmers Australia, Australian Institute of Ecological Agriculture, Australian Food

Sovereignty Alliance

Indigenous Business Australia - NIAA

Physical Resources: Holistic Management, Co-op brand, EOV service & integrity, skills, monitoring expertise, knowledge, connections, networks, experience.

Current Money:

Membership fees/ Member shares/ MACDOCH / Sustainable Table

Projects funding, Training fees/ Fee for services, SI, L2M projects and Impact Landed.

AHMC Holistic Context (2022-23)

Quality of Life:

We build a community that is respected, trusted, supportive and well connected.

Our sense of urgency is motivation to create a community that feels enthusiastic, energised and motivated, inspired by making a difference.

We are confident, productive and financially secure. We are organised, capable, well informed. We have fun.

We feel a part of something worthwhile, engaged and optimistic.

We feel authentic and a sense of integrity, appreciated for what we do.

We are transparent and committed.

We feel creative, excited, empowered by what we do.

We experience a sense of fairness, freedom and balance from what we do.

Forms of Production:

Professional application of well-informed, sound insights

Committed, open and good time management

Effective planning and budgeting and monitoring of progress

Monitoring of good communications

Creating opportunities to learn and share

Engaged and having fun and enjoying what we are doing and creating time for social activities

Being positive and committed and having clarity

Being respectful

Being ethical, transparent and even handed in relationships and transactions

Create relevance and belief and clarity in what we are doing

Mentoring (to be mentored, to be a mentor)

Honest

Human health (raising awareness)

Future Resource Base:

- We are seen as: open, honest, energetic, knowledgeable, committed, trustworthy, respectful, good communicators

- Our Community is: connected, supportive, honest, prosperous, open minded, healthy

- Our assets are: fit for purpose, functional, safe, multipurpose, and aesthetically pleasing

- Our environment is: highly functioning water cycle, mineral cycle, energy flow and community dynamics as part of a clean, green environmentally sound food and fibre production base