

Holistic Management International

Annual Report 2007



healthy land.
sustainable future.

Dear Friends,

As new Chairman of the Board and recently appointed Executive Director, it is our pleasure to share with you HMI's accomplishments in 2007 and give you a brief glimpse of what we're doing in 2008.

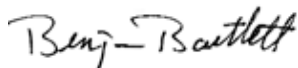
We live in a time when the human dialogue is about seemingly intractable ecological and social problems. But HMI has a hopeful, extremely important message to add to that dialogue. With Holistic Management, we can heal the land, restore the balance of nature in our malfunctioning ecosystems, and contribute mightily to a sustainable future for all humankind.

The proof? On over 30 million acres on four continents, thousands of ranchers, farmers, and traditional land-based communities are now producing abundant and ecologically diverse grasslands, healthy habitats for wildlife, restored watersheds, and sustainable livelihoods for generations to come. They are doing so by managing the land holistically.


On the heels of our very successful "International Gathering 2007" last November, we launched what may be the most powerful contribution we can make to changing public perception about earth's grasslands. With a one-hour PBS documentary "Healing the Land: The Untold Story," HMI is "going public" with greater reach and impact than ever before.

This exciting development, as with everything else we do, is only possible because of you. As you read this Annual Report, please know that we remain ever grateful to you, our community of friends and supporters. Together, we can help heal the planet and make it a good place for our children and grandchildren.

With many thanks,



Ben Bartlett
Chair of the Board



Peter Holter
Executive Director



Mission

Holistic Management works to reverse the degradation of private and communal land used for agriculture and conservation, restore its health and productivity and help create sustainable and viable livelihoods for the people who depend on it.

Programs



Through a cadre of over 70 certified educators, HMI shows ranchers, farmers, and pastoral communities in many parts of the world how to manage land for health, pro-

ductivity, and the benefit of the whole ecosystem. On two learning sites, in Texas and Zimbabwe, we demonstrate the dramatic effectiveness of Holistic Management. From our headquarters in Albuquerque, we provide consulting services to land stewards in the United States who are committed to management that is ecologically sustainable, economically viable and socially rewarding.



New and Ongoing

A major grant from the Office of Disaster Assistance at USAID enabled us to expand our Land Restoration/Goat

Banking project in Zimbabwe to two more villages. Over 1,100 families in some of the poorest villages of this troubled country are now restoring their grazing lands and using a goat-as-currency banking program to create a better future for their children.

HMI continues its consulting and training work with Horizon Organic to improve pasture health at dairies in Idaho, Maryland, and New Mexico.



A two-year contract with Acoma Pueblo, New Mexico was completed in 2007. HMI provided on-the-ground training to Acoma land managers to improve grazing and hunting practices on tribal lands.



Our project to help 1,500 Maasai families in Kenya improve their grazing lands progressed nicely in 2007. We expect to do more work in that region of Africa in 2008.

In March and November 2007, we secured a contract to help build the team of a new ranch and eco-tourism site in Taos, New Mexico, and to develop a plan for profitable agriculture and educational operations.

In March and November, HMI presented a series of workshops in Albuquerque to train new ranchers, and to advance the knowledge of land managers already employing Holistic Management.

Spreading the Word



HMI continues to raise awareness of Holistic Management through an intensive public relations and media campaign, including radio shows, monthly editorials, keynote speeches and participation

in conferences. In 2007, HMI reached readers and listeners in North America, Europe, Russia, and Asia via print, on-line and broadcast media. HMI educates the public, government and the media by speaking up regularly about events currently in the news (floods, fires, etc.) that bear a relationship to prudent land stewardship and the benefits of Holistic Management.

HMI's International Gathering 2007 "From the Ground Up: Simple Solutions to Complex Problems" welcomed participants from three continents. More than 40 workshops and a lineup of renowned keynote speakers raised the bar for such gatherings and introduced Holistic Management to a large and influential segment of the environmental community.

Throughout 2007, HMI and a production team worked on a concept for a one-hour PBS documentary "Healing the Land: The Untold Story." The project went into production early in 2008, and filming has since been completed in Australia, Mexico and Southern Africa. We anticipate that the film will air nationally in December 2008. It will show how ranchers and land-based communities trained in Holistic Management have profoundly changed the land they work, and the extraordinary benefits that have resulted for people, animals and ecosystems.

Audited Financials 2007

| | 2007 | 2006 |
|---|------------------|------------------|
| Revenue | | |
| Training and Education | 462,950 | 380,893 |
| Educational Sites | | |
| Africa Center | 83,161 | 223,887 |
| West Ranch | 78,479 | 95,487 |
| Public Education and Awareness | 201,872 | 65,837 |
| Philanthropy and Grants | 411,526 | 337,675 |
| Royalties from Assets | 578,450 | 995,408 |
| Administration | <u>73,987</u> | <u>125,147</u> |
| Total Revenues | <u>1,890,425</u> | <u>2,224,334</u> |
| Expenses | | |
| Training and Education | 427,371 | 483,722 |
| Educational Sites and Grants | | |
| Africa Center | 395,615 | 446,655 |
| West Ranch | 330,952 | 286,441 |
| Public Education and Awareness | 450,334 | 261,691 |
| Philanthropy | 93,099 | 143,544 |
| Royalties from Assets | 133,960 | 73,517 |
| Administration | <u>357,208</u> | <u>404,728</u> |
| Total Expenses | <u>2,188,539</u> | <u>2,100,298</u> |
| Change in Net Assets | (298,114) | 124,036 |
| Assets | | |
| Cash | 475,941 | 100,215 |
| Investments, at fair value | 119,598 | 578,542 |
| Receivables | 181,096 | 292,554 |
| Other Receivables | 42,775 | 73,200 |
| Prepaid Expenses | 23,249 | 30,084 |
| Inventory | 4,354 | 8,300 |
| Property/Equipment | 1,862,818 | 1,793,631 |
| Other Assets | <u>2,604,329</u> | <u>2,634,216</u> |
| Total Assets | <u>5,314,160</u> | <u>5,510,742</u> |
| Liabilities | | |
| Current Portion LTD | 44,378 | 62,221 |
| Accounts Payable | 84,746 | 86,529 |
| Accrued Liabilities | 19,902 | 14,743 |
| Deferred Revenue | 20,364 | 75,456 |
| Long Term Debt | 158,435 | 135,595 |
| Line of Credit | <u>100,000</u> | |
| Total Liabilities | <u>427,825</u> | <u>374,544</u> |
| Net Assets | | |
| Unrestricted | 3,476,061 | 3,841,823 |
| Temporarily Restricted | 123,584 | 7,685 |
| Permanently Restricted | <u>1,286,690</u> | <u>1,286,690</u> |
| Total Net Assets | <u>4,886,335</u> | <u>5,136,198</u> |
| Total Liabilities and Net Assets | <u>5,314,160</u> | <u>5,510,742</u> |



Our Donor Community 2007

The HMI community continues to grow. With increased numbers of supporters like you, it is our greatest pleasure to acknowledge your contribution and salute your willingness to help restore desertified land around the world. With pride and gratitude, we thank you for helping to secure a sustainable future for all. Each gift is also a gift to your children and grandchildren. THANK YOU!

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sustainable future.

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