

Breaking **New** *Ground...*



Annual Report 2012 • Canadian Angus Association



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President's Message • Gary Latimer

It was an honour and pleasure to be your 107th Canadian Angus President.

There is much to be proud of in the past year. Canadian registrations and transfers have increased in a time when other cattle statistics have dropped. Not only have numbers increased, the gross income of sales has set many new records. There will be more than 200 Angus bull sales plus the private treaty sales that will take place this spring. Hats off to the Angus breeders who have made the total commitment to this great agriculture industry.

Duties as your President have been extremely easy. Angus members have been fortunate to have had years and years of great directors and presidents that have kept the breed on a steady course.

Your current Board of Directors is no exception. They are always forward thinking for the future of the Angus breed. Thank you to all the past and the current directors for the commitment to the betterment of the Angus breed.

We are very fortunate to have the best staff, and with CEO Rob Smith's enthusiastic leadership, our business always runs smoothly and is always improving.

The past year has again showcased the hard work the staff have put into the Canadian Angus Rancher Endorsed program. New consumer demand is pulling this program ahead. The Rancher Endorsed program is still the largest tag program in the world. Working towards a branded Angus program will keep the Angus demand well into the future.

Your Board dedicates much of its time to increasing Angus sales, local purebred sales, international sales and commercial sales. Thanks to Brian Good and his team for keeping our commercial trade number one with Angus genetics being more than 67 percent of the commercial market in Canada.

We always appreciate the great trade relationship with our U.S. neighbours. The Red Angus Association of America and the American Angus Association are great friends of the CAA. Their open-door policy with us is always appreciated.

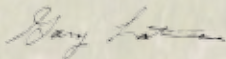
The continued interest from Russia and Kazakhstan is a bright light for our Angus cattle. Sales will continue but will take continuous nurturing to keep the trade door open and customers satisfied.

To keep our international friendships in the forefront, who could we ask to be our ambassador? Of course our commanding Juniors. They will be representing us down under at the New Zealand World Angus Forum as part of the Youth Programme. They will make us proud as they always do.

A dream of mine since I came on the Canadian Angus Board of Directors is for the Canadian Angus members to have a permanent home. Angus Central will be a showcase for Angus history as well as the future of the breed. The building is scheduled to be finished this fall with the grand opening scheduled for December. Everyone is invited to come and be part of this gala event.

Thanks to all at our home, Remittal Farms, for letting me give back to the Angus Breed. I appreciate you more than you will ever know.

Your 107th President,



Gary Latimer



Message du président • Gary Latimer

Ce fut un honneur et un plaisir d'être votre 107e Président de l'Association Angus Canadienne.

Il y a eu beaucoup d'événements l'an dernier dont nous pouvons être fiers. Les transferts et enregistrements ont augmenté en un temps où les autres statistiques dans le secteur bovin ont chuté. Non seulement ces chiffres ont augmenté, mais les revenus de ventes ont aussi atteint de nouveaux niveaux. Il y aura plus de 200 ventes de taureaux Angus ainsi que des ventes directes à la ferme qui ont eu lieu ce printemps. Je lève mon chapeau aux éleveurs Angus qui ont pris un engagement total pour cette grande industrie.

Mes fonctions en tant que Président ont été extrêmement faciles. Nos membres Angus ont eu la chance d'avoir de grands directeurs et présidents qui ont gardé la race sur la meilleure route.

Votre Conseil d'administration du moment ne fait pas exception. Il pense toujours pour l'avenir de la race Angus. Merci à tous les administrateurs passés et actuels pour l'engagement à l'amélioration de la race Angus.

Nous sommes très chanceux d'avoir le meilleur personnel et avec la direction enthousiaste de Rob Smith, CEO, nos affaires sont toujours complétées sans problème et s'améliore constamment.

L'année écoulée a présenté à nouveau le travail que le personnel a mis dans le programme Canadian Angus Rancher Endorsed. La demande grandissante des consommateurs donne un élan à ce programme. Le programme Rancher Endorsed est toujours le plus important programme de boucles dans le monde. Travailler à un tel programme permettra de maintenir la demande pour la race Angus dans le futur.

Votre Conseil d'administration consacre beaucoup de temps à l'augmentation des ventes Angus, des ventes pursang locales, des ventes internationales et des ventes commerciales. Merci à Brian Good et son équipe pour leur travail à maintenir nos échanges commerciaux #1 avec la génétique Angus représentant plus de 67 % du marché commercial au Canada.

Nous apprécions toujours les relations commerciales avec nos voisins américains. Le RAA et AAA sont des grands amis de notre AAC. Leur réceptivité face à nous est toujours appréciée.

L'intérêt continu de la Russie et du Kazakhstan présente un brillant futur pour nos bovins Angus. Les ventes continueront mais il faudra maintenir une attention continuelle pour ouvrir la porte à des nouveaux intérêts commerciaux et pour des clients satisfaits.

Pour maintenir nos amitiés internationales au premier rang, à qui pourrions-nous demander d'être notre ambassadeur ? Bien sûr, à nos Juniors. Ils nous représenteront en Nouvelle Zélande au World Angus Forum dans la programme pour jeunesse. Ils nous rendront fiers comme ils le font toujours.

Un de mes rêves depuis que je suis sur le Conseil de l'Association Angus Canadienne était d'offrir aux membres une place permanente. Angus Central sera une vitrine pour l'histoire de l'association Angus ainsi que l'avenir de la race. La construction devrait être achevée cet automne avec l'inauguration en décembre. Tout le monde est invité à venir participer à cet événement.

Merci à tous à la maison/ Ferme Remital pour m'avoir permis de redonner à l'Association Angus. Je vous apprécie plus que vous ne le saurez jamais.



Votre 107e Président
Gary Latimer

Canadian Angus Association

Board of Directors / Conseil d'administration

British Columbia

Lorraine Sanford • first term expires 2015

Alberta

David Bolduc • term expires 2013

Cecilie Fleming • term expires 2013

Gary Latimer • term expires 2014

Dawn Wilson • first term expires 2014

Saskatchewan

Kevin Blair • first term expires 2015

Jon Fox • first term expires 2015

Corinne Gibson • first term expires 2014

Manitoba

Lois McRae • term expires 2014

Ontario

Tom McDonald • term expires 2013

Quebec

Jérôme Richard • first term expires 2014

Maritimes

Jim Colodey • term expires 2014



*back (from left to right): Cecilie Fleming, Kevin Blair, Jon Fox, Lorraine Sanford, Lois McRae, Dawn Wilson, Corinne Gibson
front (from left to right): Jérôme Richard, Tom McDonald, Gary Latimer, Jim Colodey, David Bolduc, CEO Rob Smith*

Breaking New Ground in 2012

Monday, September 24, 2012 was a very important day in Canadian Angus history. That was the day we broke ground on Angus Central, the CAA's first home that we own, a value claim we have never offered to our membership before. It was a bright, sunny day; your Board and staff got together with some local breeders, great Angus cattle and our building contractors.

We felt like pioneers.

We felt like history was being made; our collective Angus history.

Your CAA spent 2012 "breaking new ground" for your benefit... your value. Whether by our great new (hopefully annual) Canadian Angus Foundation fundraiser, our transition into genomically enhanced evaluations, reforming our marketing and branding, morphing our AGM into an annual Canadian Angus National Convention, expanding international markets or our membership activity growth and strong financial year, 2012 is defined by "breaking new ground" to "cultivate new growth" for a better, brighter, more prosperous future.

For your Canadian Angus Association.

For you, as an Angus breeder in Canada.

Here are the highlights of progress within your CAA through 2012:

- We had our most successful fundraising year in Canadian Angus Foundation history! More than \$40,000 was raised from the Building the Legacy sale and more than \$11,000 was raised from the CAA staff's bred heifer donations.
- Our new National Convention, hosted outstandingly by Alberta, was highly successful with positive reviews and record crowds.
- Our new Summer Internship program featured outstanding output from Erin Toner (SK) and Stacey Domolewski (AB).
- We continue to strengthen and open up communication and feedback with our CAA membership, Board of Directors, regional associations and staff as well as our industry.
- The October trade mission to Russia and Kazakhstan yielded highly positive results. There is as much overseas interest in Canadian Black and Red Angus right now as ever before.
- The comprehensive membership survey you completed in 2011 represents our national voice and is leading to CAA outcomes and programs for your benefit now and in years to come.
- We received a grant from the Alberta Livestock and Meat Agency for \$119,000 for a DNA traceability project and are part of a \$780,000 industry-wide Agricultural Innovation Program grant for adoption of SNP-based DNA genomics technology.

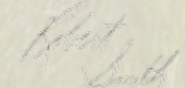


- We have entered the world of genomically enhanced EPDs and are working to make this more affordable for those of you that may see value from the calculation of GE-EPDs. What we can learn from genomics is enormous and your CAA needed to get in on this action.
- We transitioned to SNP technology for parentage verification, and reduced the fee for this test from \$30 to \$22. Until March 31, 2014, you can obtain this test for \$12, a 60% reduction in the fee from last year and a 64% reduction from four years ago when the fee was \$33/test.
- The CAA continued to show industry leadership with CAA Past President David Bolduc Vice Chair of Canadian Beef Breeds Council and Director Cecilie Fleming elected to the Alberta Beef Producers executive.
- We opted to increase the national footprint of our Field Services division with a greater presence at sales and outreach across Canada.
- There were significantly more Gold Show exhibits from coast to coast. 2011 saw 1,240 head in the ring whereby 2012 saw 1,386—a 12% increase in show cattle.
- The Board approved a policy for members and regions to influence, change or make CAA policy. If you ever wonder how to influence Board decisions other than phoning a Director, this is it.
- We welcomed our first Director of Marketing & Branding, Cassie Bacon (now Dorran), and Laurie Eskrick, our new Assistant Registrar.
- The Board-mandated 3% financial reserve contributions were made from 2012 operating revenue for 2011, 2012 and one-third of 2013 (\$150,000 in total from 2012 income).
- Finally, YOU led to exceptional growth! Our key measures were inspired and inspiring:
 - Registrations: up 3,522 or 6%: 55,816 to 59,338—third-highest ever;
 - Transfers: up 773 or 3%: 23,008 to 23,781;
 - Memberships: static at 2,557;
 - Weights: up 2,721 or 4%: 71,184 to 74,905;
 - Tags sales: up 33,110 or 12%: 266,910 to 300,020.

Resulting from your higher membership activity, we had our most robust fiscal year in over a decade.

There is no point in breaking new ground if your yield is not going to increase. Your CAA spent 2012 breaking new ground for one reason: to add value to YOUR CAA member experience. In the end, for us, that is all there is.

With gratitude,



Rob Smith, CEO



Media interview during the first Rancher Endorsed Day at Canadian Angus National Convention

Innovons en 2012

Le lundi 24 octobre 2012 était une journée très importante dans l'histoire de la race Angus Canadienne. C'est le jour où nous avons inauguré le nouveau bâtiment «Angus Central», Le premier Centre qui est notre propriété, une valeur jamais offerte à nos membres auparavant. C'était une belle journée ensoleillée ; votre Conseil d'administration et le personnel ainsi que certains éleveurs de la région, des bovins Angus et nos entrepreneurs en construction.

Nous nous sommes sentis comme des pionniers.

Nous sentions que l'histoire était en train de s'écrire ; notre histoire Angus collective.

Votre AAC a passé l'année 2012 « à inaugurer » pour votre bénéfice... votre valeur. Que ce soit par la nouvelle collecte de fonds pour la Fondation canadienne Angus annuelle, notre transition vers les évaluations génomiques améliorées, la réforme de notre image, le changement de notre AGA pour notre Congrès National annuel, l'expansion des marchés internationaux ou l'augmentation des adhésions et une année financière forte, 2012 est définie par « inauguration » pour « cultiver la nouvelle croissance » pour un avenir meilleur, plus brillant et plus prospère.

Pour votre Association Angus Canadienne.

Pour vous, éleveurs Angus au Canada.

Voici les points de progrès réalisés par votre AAC en 2012 :

- Nous avons eu notre collecte de fonds le plus réussie dans l'histoire de la Fondation Angus Canadienne! Plus de 40 000 \$ ont été ramassés aux ventes et plus de 11 000 \$ ont été soulevés par les femelles offertes par le personnel de l'AAC.
- Notre nouvelle Convention Nationale Annuelle, organisée de façon exceptionnelle par l'Alberta, a été très réussie avec des commentaires positifs et une participation record.
- Notre nouveau programme de stage d'été avait deux jeunes exceptionnelles, Erin Toner (SK) et Stacey Domolewski (AB).
- Nous continuons à renforcer et à améliorer la communication avec nos membres de l'AAC, le Conseil d'administration, les associations régionales et le personnel, ainsi que notre industrie.
- La mission d'octobre en Russie et au Kazakhstan a donné des résultats très positifs. Il y a plus d'intérêt que jamais pour l'Angus Noir et Rouge Canadien.
- Le sondage sur l'adhésion, que vous avez complété en 2011, représente notre voix nationale et mène à des actions de l'AAC pour des programmes à votre avantage, maintenant et dans les années à venir.
- Nous avons reçu une subvention de Alberta Livestock and Meat Agency de 119 000 \$ pour un projet de traçabilité avec l'ADN et faisons partie d'un programme d'un montant de 780 000 \$ donné à l'industrie pour l'adoption de la technologie SNP basée sur l'ADN génomique.

- Nous sommes entrés dans le monde des EPD génétiquement améliorés et travaillons pour que cela soit plus disponible pour ceux d'entre vous qui voient la valeur du calcul des GE-EPD. Ce que nous pouvons apprendre de la génomique est énorme et votre AAC devait « participer à cette action ».
- Nous avons fait la transition à la technologie SNP pour la vérification des parents et réduit les frais pour ce test de 30 \$ à 22 \$. Et, jusqu'au 31 mars 2014, vous pouvez obtenir ce test pour 12 \$, une réduction de 60 % du coût de l'année dernière et une réduction de 64 % depuis quatre ans, alors que le coût était 33 \$/ test.
- L'AAC continue de démontrer son leadership avec notre ancien Président David Bolduc maintenant vice-président du Conseil canadien des races de boucherie et de notre directrice Cecilie Fleming élue au conseil d'administration pour les Producteurs Bovins de l'Alberta.
- Nous avons opté pour une meilleure participation nationale de notre division des Services de champ avec une plus grande présence aux ventes et sensibilisation partout au Canada.
- Il y a eu significativement plus de participation aux Gold Shows d'un océan à l'autre. 2011 a vu 1,240 bovins dans l'arène tandis que 2012 en a vu 1,386—une augmentation de 12 %.
- Le Conseil a approuvé une politique pour que les membres et les régions aient une chance d'influencer les politiques de l'AAC. Si vous vous demandez comment influencer les décisions du bureau de direction autre que de téléphoner à un directeur, vous avez maintenant cette opportunité.
- L'AAC a accueilli notre première directrice de Marketing, Cassie Bacon (maintenant Dorran) et Laurie Eskrick, notre nouvelle assistante Registrare.
- Les contributions de 3% pour la réserve financière, telle que commandée par le bureau de direction, ont été faites avec les revenus de 2012 pour 2011, 2012 et un tiers de 2013 (150 000 \$ au total provenant des revenus de 2012).
- Enfin, VOUS avez conduit à une croissance exceptionnelle ! Nos mesures principales ont été inspirées et inspirantes :
 - Enregistrements : augmentation de 3 522 ou 6 %: 55 816 à 59 338—troisième plus élevé à jamais ;
 - Transferts : augmentation de 773 ou 3 %: 23 008 à 23 781 ;
 - Adhésions: Statique a 2,557;
 - Poids : augmentation de 2 721 ou 4 %: 71 184 à 73 905 ;
 - Boucles Angus : augmentation de 33 110 ou 12 %: 266 910 à 300 020.

Conséquent à une augmentation de l'activité des membres, nous avons eu notre meilleure année financière en plus d'une décennie.

Il n'y a aucun intérêt pour de nouvelles inaugurations si votre rendement ne va pas augmenter. Votre AAC a passé 2012 à inaugurer pour une raison : ajouter de la valeur à VOS membres de l'AAC. En fin de compte, pour nous, c'est tout ce qui compte.

Sincèrement,



Rob Smith, CEO

Financial Statements of Canadian Aberdeen Angus Association

Year ended December 31, 2012

Independent Auditors' Report

To the Members of the Canadian Aberdeen Angus Association

We have audited the accompanying financial statements of Canadian Aberdeen Angus Association, which comprise the statements of financial position as at December 31, 2012, December 31, 2011 and January 1, 2011, the statements of operations, changes in net assets and cash flows for the years ended December 31, 2012 and December 31, 2011, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements.

The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Canadian Aberdeen Angus Association as at December 31, 2012, December 31, 2011 and January 1, 2011, and its results of operations and its cash flows for the years ended December 31, 2012 and December 31, 2011 in accordance with Canadian accounting standards for not-for-profit organizations.

KPMG LLP
Chartered Accountants
February 15, 2013
Calgary, Canada



Statements of Financial Position

December 31, 2012, December 31 and January 1, 2011

Assets	2012	Dec. 31, 2011	Jan. 1, 2011
Current Assets:			
Cash	\$ 245,461	\$ 169,137	\$ 31,055
Accounts receivable	104,844	119,363	49,726
Prepaid expenses and deposits	5,877	4,471	27,688
	356,182	292,971	77,414
Investments:			
Unrestricted	90,549	-	1,198,420
Future development fund (note 3)	167,000	101,515	342,066
	257,549	101,515	1,540,486
Property and equipment (note 4)	1,291,742	1,308,656	62,881
	\$ 1,905,473	\$ 1,703,142	\$ 1,711,836
Liabilities and Net Assets			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 126,341	\$ 129,543	\$ 161,905
Member accounts	60,126	71,473	53,327
Deferred Revenue	49,968	-	-
	236,435	201,016	215,232
Net assets:			
Invested in property and equipment	1,291,742	1,308,656	62,881
Internally restricted (note 3)	167,000	101,515	342,066
Unrestricted	210,296	91,955	1,091,657
	1,669,038	1,502,126	1,496,604
Commitments and contingencies (note 6)			
	\$ 1,905,473	\$ 1,703,142	\$ 1,711,836

See accompanying notes to financial statements.

On behalf of the Board:

Gary Latimer, President

Rob Smith, Chief Executive Officer

Statements of Operations

Years ended December 31, 2012 and 2011

	2012	2011
Revenue:		
Registrations	\$ 1,608,579	\$ 1,444,133
CACP tag program	1,063,589	916,340
Transfers	359,321	342,137
Memberships	214,950	209,915
Other	134,190	126,357
Performance weights	105,036	96,982
DNA	91,042	181,160
Grants	53,197	196,417
	3,629,904	3,513,441
Expenses:		
CACP tag program	933,488	843,662
Wages and employee benefits	850,885	864,406
Office, rent and other expenses	361,981	351,656
Provincial activity grants	268,929	188,476
Advertising and promotion	220,567	257,228
Travel	139,170	141,456
Field service	119,308	111,753
Directors and committees	104,437	131,547
DNA	103,433	139,422
Professional fees	93,301	121,613
Bank charges	70,112	65,865
Genetic evaluations	63,497	61,256
Junior activity	49,543	47,346
Registry	49,215	54,581
Subscriptions and memberships	18,827	68,439
Depreciation	16,914	20,223
Member tools	2,400	98,031
Export promotions	2,250	-
Loan fee	-	14,640
	3,468,257	3,581,600
Excess (deficiency) of revenue over expenses before the undernoted	161,647	(68,159)
Other income:		
Investment income	5,265	57,870
Gain on sale of investments	-	15,811
	5,265	73,681
Excess of revenue over expenses	\$ 166,912	\$ 5,522

See accompanying notes to financial statements.

Statement of Changes in Net Assets

Years ended December 31, 2012 and 2011

December 31, 2012	Invested in property and equipment	Internally - restricted	Unrestricted	2012 Total
Balance, beginning of year	\$ 1,308,656	\$ 101,515	\$ 91,955	\$ 1,502,126
Excess of revenue over expenses	(16,914)	-	183,826	166,912
Transfers	-	65,485	(65,485)	-
Balance, end of year	\$ 1,291,742	\$ 167,000	\$ 210,296	\$ 1,669,038

December 31, 2011	Invested in property and equipment	Internally - restricted	Unrestricted	2011 Total
Balance, beginning of year	\$ 62,881	\$ 342,066	\$ 1,091,657	\$ 1,496,604
Excess of revenue over expenses	(20,223)	-	25,745	5,522
Investment in property and equipment	1,265,998	-	(1,265,998)	-
Transfers	-	(240,551)	240,551	-
Balance, end of year	\$ 1,308,656	\$ 101,515	\$ 91,955	\$ 1,502,126

See accompanying notes to financial statements.

Statement of Cash Flows

Years ended December 31, 2012 and 2011

	2012	2011
Cash provided by (used in):		
Operations:		
Excess of revenue over expenses	\$ 166,912	\$ 5,522
Item not involving cash:		
Depreciation of property and equipment	16,914	20,223
Gain on sale of investments	-	(15,811)
	183,826	9,934
Changes in non-cash operating working capital accounts:		
Accounts receivable	14,519	(69,637)
Prepaid expenses and deposits	(1,406)	23,217
Accounts payable and accrued liabilities	(3,202)	(32,362)
Member accounts	(11,347)	18,146
Deferred revenue	49,968	-
	232,358	(50,702)
Investing:		
Purchase of investments	(156,034)	(202,070)
Proceeds on sale of investments	-	1,656,852
Purchase of property and equipment	-	(1,265,998)
	(156,034)	188,784
Change in cash position	76,324	138,082
Cash, beginning of year	169,137	31,055
Cash, end of year	\$ 245,461	\$ 169,137

See accompanying notes to financial statements.

Notes to Financial Statements

Years ended December 31, 2012 and 2011

1. General:

The Canadian Aberdeen Angus Association (the "Association") is a not-for-profit organization incorporated under the Animal Pedigree Act.

The purpose of the Association is to support the development of the Angus breed through programs and strategies that emphasize the superior characteristics of the Angus breed and maintain high genetic merit and the purity of the breed.

The Association is a not-for-profit organization under the Income Tax Act and accordingly is exempt from income taxes, provided certain requirements are met.

On January 1, 2012, the Association adopted Canadian Accounting Standards for Not-For-Profit Organizations in Part III of the CICA Handbook. These are the first financial statements prepared in accordance with these standards. In accordance with the transitional provisions, the Association has adopted the changes retrospectively, subject to certain exemptions allowed under these standards. The transition date is January 1, 2011 and all comparative information provided has been presented by applying Not-For-Profit Standards.

There were no adjustments to net assets at December 31, 2011 or January 1, 2011 and no impact to excess of revenue over expenses for the year ended December 31, 2011 as a result of the transition to not-for-profit standards.

2. Significant accounting policies:

(a) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Changes in fair value are recognized in net income in the period incurred.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

(a) Financial instruments (continued):

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Association determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Association expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(b) Investments:

Investments are recorded at fair value. They are disclosed separately from current assets to reflect the Association's intention to hold them at least throughout the following year as a reserve for unforeseen circumstances.

(c) Property and equipment:

Property and equipment is stated at cost and depreciation is provided for over the estimated useful lives of the assets, on a straight-line basis over five years.

(d) Member accounts:

Member accounts represent cash receipts received during the current year in payment of membership fees applicable to the following year and for services not yet provided.

(e) Deferred revenue:

Deferred revenue represents amounts received in advance for services that will not be delivered until the next fiscal year.

(f) Revenue recognition:

The Association recognizes revenue for registration at the time of the registration as this is the point in time where the service is performed. Membership revenue is recognized over the period to which the membership applies. Tag revenue is recognized at the time payment is received which closely corresponds to the time of delivery. Grant revenue is recognized at the time it is received if there are no externally imposed restrictions on the use of funds. Where there are restrictions, such funds are recognized as revenue when the criteria have been met, in accordance with the deferral method of accounting. Other services revenue is recognized at the time the service is performed.

(g) Use of estimates and assumptions:

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant areas requiring the use of management estimates relate to the collectibility of accounts receivable and the useful life of property and equipment for depreciation purposes and evaluation of their net recoverable amount. Consequently, actual results could differ from those estimates.

3. Internally restricted funds:

Investments consist of two fixed income investments in the amount of \$43,900 and \$40,844, and cash held of \$172,805. The fixed income investments earn interest at 5.29% and 5.69%, and have maturity dates of April 25, 2017 and June 3, 2018, respectively.

In 2005, the Association's Board of Directors resolved to restrict, each year, an amount equal to 3% of that year's registration revenues, consisting of registration, memberships and transfers, until the fund reaches one year's operating income. This resolution replaced the previous existing resolution to restrict an amount equal to 3% yearly revenue, excluding grants, to a maximum of \$1,500,000. The internally restricted amounts are not available for other purposes without the approval of the Board of Directors. In the prior year, the Board of Directors approved the use of a portion of the fund to purchase land for the future construction of a new office building.

	2012	2011	2010
Future development fund	\$ 167,000	\$ 101,515	\$ 342,066

4. Property and equipment:

December 31, 2012	Cost	Accumulated depreciation	Net book value
Land	\$ 1,263,276	\$ -	\$ 1,263,276
Computer hardware	273,680	266,173	7,507
Computer software	186,439	181,213	5,226
Furniture and equipment	139,783	137,549	2,234
Automotive equipment	33,749	20,250	13,499
Signs	10,939	10,939	-
Leasehold improvements	79,743	79,743	-
	<u>\$ 1,987,609</u>	<u>\$ 695,867</u>	<u>\$ 1,291,742</u>

December 31, 2011	Cost	Accumulated depreciation	Net book value
Land	\$ 1,263,276	\$ -	\$ 1,263,276
Computer hardware	273,680	259,227	14,453
Computer software	186,439	179,315	7,124
Furniture and equipment	139,783	136,229	3,554
Automotive equipment	33,749	13,500	20,249
Signs	10,939	10,939	-
Leasehold improvements	79,743	79,743	-
	<u>\$ 1,987,609</u>	<u>\$ 678,953</u>	<u>\$ 1,308,656</u>

5. Canadian Angus Foundation Inc.:

The Canadian Angus Foundation Inc. (the "Foundation") is incorporated, as a corporation without share capital, under the Canada Corporations Act. The Foundation operates to receive donations for purposes of funding scholarships and the preservation of Association archives. The Foundation is a registered charity under the Income Tax Act and accordingly is exempt from income taxes, provided certain requirements are met.

The Association exercises control over the Foundation by virtue of its ability to appoint a majority of the voting members of its Board of Directors. The accounts of the Foundation have not been consolidated in these financial statements. The financial information of the Foundation as at December 31, 2012, 2011 and 2010 and the periods ending December 31, 2012 and 2011 are summarized as follows:

January 1, 2011	Cost	Accumulated depreciation	Net book value
Computer hardware	\$ 270,958	251,468	19,490
Computer software	186,439	177,418	9,021
Furniture and equipment	139,783	132,880	6,903
Automotive equipment	33,749	6,750	26,999
Signs	10,939	10,471	468
Leasehold improvements	79,743	79,743	-
	<u>\$ 721,611</u>	<u>\$ 658,730</u>	<u>\$ 62,881</u>

	2012	2011	2010
Statement of Financial Position			
Total assets	\$ 246,136	\$ 196,690	\$ 166,148
Total liabilities	121,488	119,2011	111,380
Total net assets	124,648	77,489	54,768
	<u>\$ 246,136</u>	<u>\$ 196,690</u>	<u>166,148</u>

In accordance with donor imposed restrictions, \$91,046 (2011 - \$89,737; 2010 - 82,518) of the Foundation's assets are to be used to provide scholarships to junior candidates. A further \$30,442 (2011 - \$29,464; 2010 - 27,950) of the Foundation's assets are subject to donor imposed restrictions that they be maintained for a period of not less than ten years, after which time the funds are to be used towards meeting the goals and projects of the Foundation as established under its constitution, including support for junior members, archiving of records and memorabilia for posterity and education and research. These externally restricted contributions have been deferred and are recognized in revenue when the contributed funds are spent on the program to which they are restricted. Investment income earned on these funds can be used at any time, at the discretion of the Foundation.

Years ended December 31, 2012 and 2011	2012	2011
Results of Operations		
Total revenues	\$ 53,667	\$ 43,997
Total expenses	6,508	20,775
Excess of revenue over expenses	<u>\$ 47,159</u>	<u>\$ 23,222</u>
Cash Flows		
Cash from operations, increase in cash	<u>\$ 45,460</u>	<u>\$ 26,810</u>

6. Commitments and contingencies:

The Association is committed under certain leases for office space and equipment, a software licensing and maintenance agreement and a commitment to purchase subscriptions to Angus World Magazine for its members. The aggregate amounts of these commitments over the next five years are as follows:

2013	\$ 222,938
2014	103,331
2015	90,399
2016	88,242
2017	88,242

On October 19, 2011, the Association signed a loan offer letter with Agriculture Financial Services Corporation for funding the construction of a new office building. The principal amount is \$2,928,000 with monthly payments of \$17,396 at an interest rate of 3.84% beginning November 1, 2012. The loan matures on October 1, 2017. As at December 31, 2012, this loan has not been drawn upon. The loan is available to be drawn until April 1, 2013. If the loan is not fully drawn by this date, it is capped at the outstanding balance. It is the Association's intention to draw on this loan prior to April 1, 2013.

The Association is involved in on-going negotiations with the publisher of Angus World Magazine as a result of the Association's desire to terminate all existing purchase and service contracts and reclaim the moniker of official publication. A without prejudice offer was made to the publisher of Angus World to purchase the moniker of official publication in October 2011. This offer was not accepted. The Association made a contribution towards a potential settlement with Angus World in the latter part of 2012 which is in trust with the Association's legal counsel. Negotiations between the Association and the publisher are continuing and the ultimate outcome is not determinable.

7. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of \$22,510 (December 31, 2011 - \$15,527; January 1, 2011 - \$7,778), which includes amounts payable for goods and services tax.

8. Related party transactions:

Directors and committees expense includes \$nil (2011 - \$20,270) in consulting fees paid to a member of the Association acting in an oversight role for a portion of the fiscal year.

Revenue includes \$3,138 (2011 - \$1,250) generated from a company owned by a member of the Association acting in an oversight role with \$898 (December 31, 2011 - \$nil; January 1, 2011 - \$nil) remaining in accounts receivable at year end relating to this revenue.

9. Risk management:

The Association is exposed to a number of financial risks in the normal course of its business operations, including interest rate risk, credit risk and commodity price risk.

(a) Interest rate risk:

The Association is exposed to interest rate risk on its investments. A prolonged decline in the rate of interest inherent in investments held by the Association of one percentage point would reduce the Association's interest revenue by approximately \$52 (2011 - \$850).

(b) Credit risk:

The Association is exposed to credit risk from counterparties being unable to fulfil their obligations. The Association manages risk through various internal processes including credit policies and limits, credit checks and experience. There is no significant concentration of credit risk with any one party as at December 31, 2012 and 2011.

(c) Commodity price risk:

Fluctuations in the market for cattle may impact on producers' decisions to register livestock which would reduce the Association's registration revenues and thereby limit operations. The Association mitigates this risk through the active promotion of the Angus breed.

Breaking New Ground with Canada's Leading Beef Breed

Grant Monies

The CAA received a \$119,000 grant from Alberta Meat and Livestock Agency (ALMA) for a DNA traceability project with collaborators Heritage Angus Beef, Livestock Gentec and Delta Genomics.

This project will incorporate progeny carcass and performance data into our genetic evaluation program and will be a DNA traceability tool for our Canadian Angus Rancher Endorsed participants. Calves and their performance and carcass records will be linked to their respective Angus sires for breed improvement purposes. Beef cuts will be linked to calves and their management records for DNA traceability and label verification at the retail end.

Also, the CAA received a \$780,000 industry-wide Agricultural Initiatives Program grant for adoption of SNP-based DNA genomics technology allowing for successful transitioning to SNP technology for parentage verification testing.

Association Statistics

- Registrations: 59,338

- Red Animals: 19,581 (33%)
- Black Animals: 39,756 (67%)

The ratio of registrations from Red to Black is widening.

Black Angus registrations have increased 4.5% between 2010 and 2012.

- Angus make up 49% of the total national registered cow herd and account for 45% of the total number of transferred animals in Canada

- Transfers: 23,781

- Weights: 74,905

- Memberships: 2,557

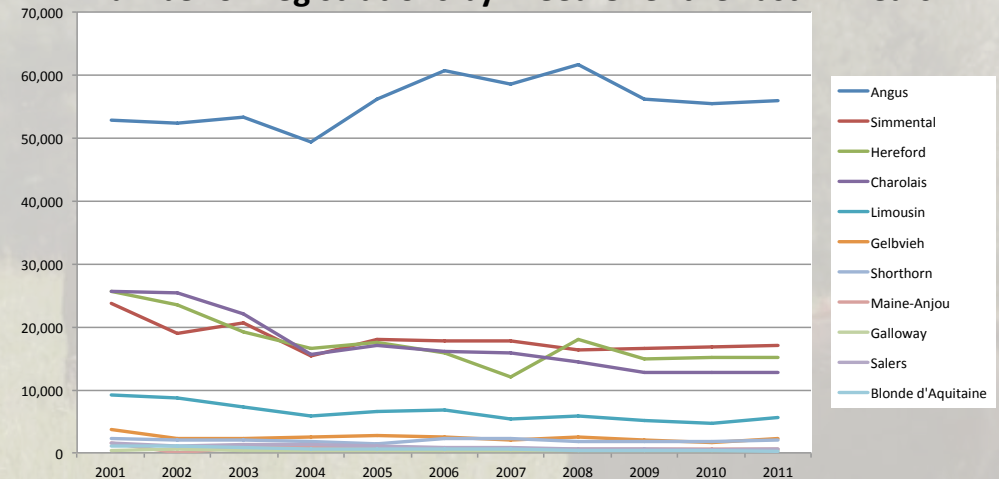
- 5 members have more than 500 registered Angus
- 6 members have 350–500 registered Angus
- 15 members own 11% of all Angus registered in Canada
- 96 members have more than 100 registered Angus

- 57% of registrations were submitted electronically
- 42% of registrations were submitted before the July 15 electronic deadline

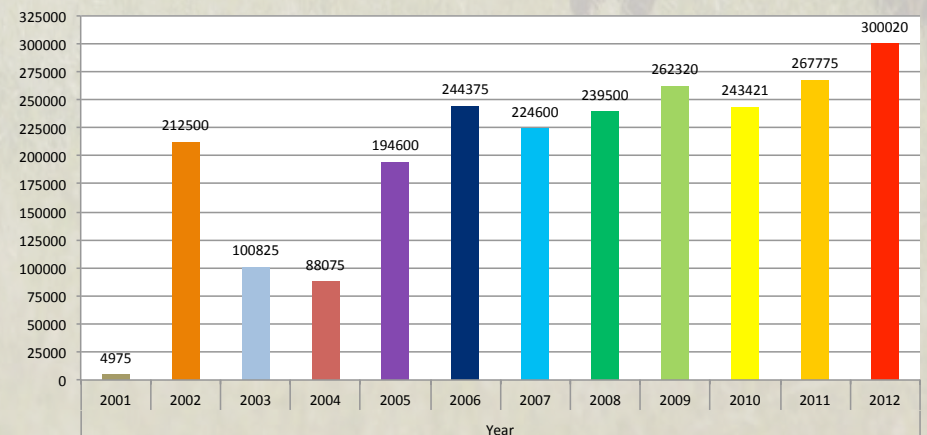
- 173 Angus feature sales at 67 participating auction markets
- Tag sales: 300,020



Number of Registrations by Breed Over the Last 12 Years



Number of Tags Sold



Social Media

Reports from Media Technology Monitor explain that almost seven in 10 Internet users are regularly using social media, logging on at least once a month. Facebook remains the most popular social network with 49.27 percent of the Canadian population signed up, says Socialbakers. The number of Twitter users has grown 80 percent in the last year as Twitter claims to be "the fastest, simplest way to stay close to everything you care about." Since the fall of 2012, Twitter has allowed our Association to stay connected with our members in real time and quickly share information, gather real-time market intelligence and build relationships. Facebook, YouTube and Blogger remain important too, as we share our brand, get news and education to our members and engage our audiences through regular posts.



Facebook Page

- Campaign in June with five Facebook advertisements
- 3,687 "likes" plus a multitude of followers
- 2 million Friends of Fans
- CAA's Facebook Marketing Workshop was delivered twice at Farmfair and twice at Agribition with a video workshop now on YouTube Channel

Promotional Items

- New red and black Angus bracelets distributed to Angus breeders
- Continued Canadian Angus Rancher Endorsed aprons and updated Calving Books
- Cotton gloves handed out by field staff
- Kid's Activity Book used during public school and consumer education
- Silly bands in the shape of a cow, cowboy, tag, ANGUS and I LOVE ANGUS

Angus Central

Work officially began on the new office, Angus Central, in the fall of 2012 including a ground-breaking ceremony. A consortium of CAA board of directors, members and staff helped with the ceremony which included live Angus cattle and building contractor Boychuk Design Build.

The new building will be Canada's leading beef breed's first owned national centre. Planning permissions are being secured from Rocky View County with the building schedule suggesting occupancy in the new building in December 2013. The building will be located between Calgary and Airdrie, Alberta, east of Balzac and the QEII highway.

Angus Central will provide a modern, more easily accessible office with pride of ownership. The CAA will focus on administration of member services, training, meetings, promotions and industry partnerships in our new building. With the Canadian Angus Rancher Endorsed program at an all-time high for demand, the future of the new CAA building will provide means for improved marketing and exchange of ideas. Angus Central will truly be one of the world's most important and influential centres of Angus activity and excellence.



Angus Central



Promotional Items



**Ground
Breaking
Ceremony**



2012 Gold Show Winners

Red Show Female of the Year



Red Ter-Ron Alice 31Y
OWNED BY KEELY ADAMS

Black Show Female of the Year



DMM Miss Essence 61W with DMM Stache 72Z
OWNED BY TY WILSON

We completed our first Gold Show season in which all 2012-born calves had to be tagged with a Canadian Angus Rancher Endorsed tag. In total, 1,386 entries showed across the nation with less than 15 animals that weren't tagged.

Red Show Bull of the Year



Red DMM Glesbar Barndance 35X
OWNED BY DARLENE & GLEN GLESSMAN, LEE & DAWN WILSON, AND GOAD FAMILY ANGUS

Black Show Bull of the Year



Just Enuff New Edition Edgar
OWNED BY BILL FULTON, STEVE & SUE JAMES AND JUST-ENUFF ANGUS



2012 All-Star Team

- HEIFER CALF CHAMPION
- HEIFER CALF CHAMPION
- JUNIOR CHAMPION FEMALE
- JUNIOR CHAMPION FEMALE
- SENIOR CHAMPION FEMALE
- SENIOR CHAMPION FEMALE
- BULL CALF CHAMPION
- BULL CALF CHAMPION
- JUNIOR CHAMPION BULL
- JUNIOR CHAMPION BULL
- SENIOR CHAMPION BULL
- SENIOR CHAMPION BULL

- Red Mar Mac Lady Trooper 114Z**, OWNED BY MAR MAC FARMS
- Poplar Meadows Heroine 34'12**, OWNED BY TANYA BELSHAM
- Red Ter-Ron Alice 31Y**, OWNED BY KEELY ADAMS
- Justamere 10277 Tiffany 203Y**, OWNED BY JUSTAMERE FARMS LTD.
- Red LFE Serena 190X** WITH RED TER-RON SERENA 1Z, OWNED BY HALLEY ADAMS
- DMM Miss Essence 61W** WITH DMM STACHE 72Z, OWNED BY TY WILSON
- Red Ter-Ron Overload 117Z**, OWNED BY ROB ADAMS
- Poplar Meadows Blown Away 2'12**, OWNED BY TANYA BELSHAM
- Red Ter-Ron Wicked 53Y**, OWNED BY TERRY ADAMS
- Justamere 422 Impact 244Y**, OWNED BY JUSTAMERE FARMS LTD. AND HOLLINGER LAND & CATTLE
- Red DMM Glesbar Barndance 35X**, OWNED BY DARLENE & GLEN GLESSMAN, LEE & DAWN WILSON AND GOAD FAMILY ANGUS
- Just Enuff New Edition Edgar**, OWNED BY BILL FULTON, STEVE & SUE JAMES AND JUST-ENUFF ANGUS



Canadian Junior Angus Association

Erin Toner, CJAA President

Hello fellow Angus breeders. Since Convention last year in Lethbridge, the Canadian Junior Angus Association has been very busy putting on events for Juniors and spreading excitement about the Angus breed.

In July we held Showdown 2012 in Lindsay, Ontario, which was a great success. We had the greatest amount of Juniors and cattle in attendance to date! The weekend ran smoothly with everyone taking part and enjoying all the events we offered. At Showdown we had our Annual General Meeting at which we elected the 2012–2013 CJAA board. Elected were Erin Toner, Saskatchewan, as President; Kevin Bolduc, Alberta, as Vice President; Rebecca Gilby, Nova Scotia, as Secretary and Allison Speller, British Columbia, as Treasurer. Other directors on the board include Chad Lorenz from Alberta, Katie Wright from Saskatchewan, Austen Anderson from Manitoba, Michael Hargrave from Ontario and Blair Allnutt from Quebec.

Once again the CJAA had a scholarship fundraiser. Congratulations to Clint and Suzanne Smith of Breek Creek Angus on winning the Dutch auction heifer as well as Michael Hargrave of Harprey Farms on winning the raffled heifer. Thank you to everyone for their continued support of this fundraiser, especially our donors this past year—the CAA Staff, Heart Bar Cattle Co. and Remitall Farms. Without the support of our Angus breeders nationwide we would be unable to have the amazing Junior events that we do. In total we raised almost \$11,000 to be split with the Canadian Angus Foundation. These funds go directly to our three scholarships awarded to Junior Angus members each year.

The Canadian Junior Angus Association was very excited to once again put on our annual GOAL Conference. We had it this past February in Edmonton at the Fantasyland Hotel. We had a schedule of events that all the Juniors in attendance enjoyed! Our keynote speaker for Saturday night was Dr. John Fast speaking about “Succeeding at Succession: The Ultimate Farm Management Challenge”. Other exciting speakers we had this year included Heather Hargrave speaking to us about beef advocacy, Cassie Dorran educating us about professionalism and marketing and Stephen Scott spoke about beef markets around the world. We also had many fun activities that we did throughout the weekend including an Amazing Race Challenge and the opportunity to go to either the water park, games land, or take some time to shop around the mall. We said goodbye to three retiring directors at GOAL. Kevin Bolduc, Rebecca Gilby and I will be retiring off the board this year with extremely capable fellow Juniors taking over our positions. Thank you for your time and commitment to the board. I can say as a retiring director that we are all very thankful for this experience.

As many know, the Canadian Angus Association is sending three teams to New Zealand this fall to take part in the Youth Programme at the World Angus Forum. From 19 applicants there were 12 chosen to make up the teams, each consisting of four Juniors. The lucky Juniors who were selected to attend were announced at GOAL and are as follows: Austen Anderson, Matthew Bates, Kaitlyn Bolduc, Ty Dietrich, Stacey Domolewski, Erika Easton, Sean Enright, Michael Hargrave, Patrick Holland, Jared Hunter, Chad Lorenz and Melissa McRae. Needless to say, the selection committee had a big job and were able to select a great group of Juniors who will do amazing representing Canada in October.

The CJAA is once again offering three scholarships to deserving juniors. This year we are changing to a tiered funding method which has the first-place recipient receiving \$2,000, second place receiving \$1,500 and third receiving \$1,000. To apply, you must fill out the application form and write an essay. Applications are due June 15th.

Showdown is going to be in Armstrong, BC July 25–27. This year we have a new competition that we are introducing, a farm sign competition. Contestants will create hand-made farm signs to be displayed with their cattle or in another location in the barn for participants that did not bring cattle. Farm signs can be created from any medium except computers and professional printers. There is no size limit for this competition. Judging will take place during the herdsman competition. The content of the sign can include an original farm name/logo or an existing farm name/logo. We are once again offering all of the other competitions for Juniors to take part in. I am looking forward to Showdown and am excited to see everyone there!

That is what the CJAA has been keeping busy with over the last year. As a board we all take great pride and joy in the events that we put on for deserving Juniors. See you all down the road!



Biggest Showdown ever with more than 140 Angus youth in attendance, more than 180 cattle and more than 260 people at the closing banquet



2012 CJAA Board of Directors

Regional Association Reports

British Columbia Highlights

- Supported all the Canadian Angus Rancher Endorsed Sales in BC
- Presented Angus influence jackets to: Rosemary Phillips—Charlie Lake; Tom Hanna—Armstrong; Murray Richards—Prince George; Will Mulvahill—Alexis Creek; Ed Shook—Vavenby; James Urquhart—Trail
- Sponsored the Williams Lake Bull Show and Sale
- Participated in BC Cattlemen's Convention Trade Show
- Sponsored two Gold Shows—Armstrong and Smithers
- Sponsored the CJAA Showdown
- Sponsored 4-H from Vancouver Island to Dawson Creek
- Attended the 2012 Canadian Angus National Convention in Lethbridge
- Supported the Pacific Invitational All Breeds Female Sale
- Published quarterly BC Angus newsletters
- Presented Doug Haughton with honorary president's pin
- Maintained the BC Angus web page and created a BC Angus Facebook page
- Congratulations to Frank and Beth Plain on their 50 year award
- Congratulations to 2012 Gold Show All Star Heifer and Bull Calf Champion—Poplar Meadows
- Thank you to the BC Angus Board of Directors, CAA Director Lorraine Sanford, CJAA Director Allison Speller, Fieldman Jack Brown and BC Angus Newsletter Editor Donna Donaldson



The Plains receiving CAA 50 Year Heritage Award

British Columbia President's Report

BC Angus continues to be active in the promotion of great Angus cattle. Our directors work hard to keep the BC Association operating practically and financially sound. Our fieldman, Jack Brown, attends as many functions as possible including Angus bull and female sales, the BC Cattlemen's Convention, Angus shows and all the Canadian Angus Rancher Endorsed Sales across the province. We have directors from most areas of the province and if Jack is unable to attend an event, at least one of the BC Angus directors will be there. We feel it is very important to have a BC Angus Association presence at these events. In July we are looking forward to the 2013 Canadian Junior Angus Showdown in Armstrong, BC. We must always remember that the Juniors are the future of the Angus business and we need to continue to support them any way we can. Congratulations to Harvey and Phylis Wiles on receiving the Honourary President award. I hope to see a big-turn out for the National Convention in Guelph.

-Lance Savage, BC Angus Association President

Alberta Highlights

Overall Highlight of 2012

- Alberta Angus Association had a fantastic time hosting the 2012 Canadian Angus Association National Convention in Lethbridge
- Hosting a successful AGM in Bashaw in conjunction with the Alberta Junior Angus Show
- Hosting two successful Gold Shows at Olds Fall Classic and Farmfair International with great attendance at both shows
- Alberta Angus Association Hall of Fame Gala & Awards night in August

Achievements

- Angus Appreciation Steak Dinner in support of the fall feeder calf sales at Triple J Livestock, Westlock; Dryland Cattle Trading Corp, Veteran; Viking Auction Market, Viking; Stettler Auction Mart, Stettler; Nilsson Bros. Vermilion, Vermilion; and Provost Livestock Exchange, Provost, where more than 1,000 steak dinners were served across the province
- AAA board retreat with representatives from Alberta and Canadian Angus Associations
- Alberta Angus booth on location at Canadian Bull Congress, Feeders Association of Alberta Convention, Cattlemen's Crop Visions, Alberta Cattle Feeders Association, Calgary Bull Sale, Farmfair International, and Medicine Hat Pen Show



Serving Rancher Endorsed beef at Canadian Bull Congress in Camrose

Awards Presented

- Ed Boake Memorial Purebred Breeder of the Year: CD Land & Cattle—Doug, Cheryl, Stacey & Becky Domolewski of Taber
- Commercial Breeder of the Year: Lee & Kim Gaehring & family
- Lybrook Miller Scholarship: Chad Lorenz, Markerville—\$200
- Dorothy Banks Scholarship: Chad Lorenz, Markerville—\$500
- Hall of Fame Inductions: Breed Builder—Loma Lanes Angus, Edmund & Shirley Kolesar, Aden; Breed Builder—Doug & Linda Henderson, Lacombe; Breed Builder—Get-A-Long Stock Farms, Dennis & Shelley Ericson, Wetaskiwin

Thank You

- To exhibitors, volunteers, sponsors and membership
- SAAC for their assistance with the 2012 CAA Convention

Additional Remarks

Looking forward to seeing you at the Alberta Angus Association Hall of Fame Gala & Annual General Meeting in conjunction with the Alberta Junior Angus Association Show on August 13, 2013 in Bashaw.

Alberta President's Report

Welcome 2013! Let's hope it will be as good as 2012 has been to the agriculture industry. As we look back on 2012 and all the great times it provided us all, we must not lose perspective and focus. We must remember that we have to work at keeping Angus in the forefront of customer and consumer minds. The Alberta directors have been hard at work this past fall with two successful Gold Shows and six commercial auction mart steak fries. The AAA booth was at many events and had a successful run of promoting Angus in Alberta. The Alberta directors had their strategic planning meetings in May, getting ready for their AGM in August and are preparing for the 40th Anniversary of Farmfair this fall and hosting the national Angus show.

-Carol High, Alberta Angus Association President

Saskatchewan President's Report

Greetings from the Saskatchewan Angus Association!

As I write this report on a cold snowy day in April, I am sure all in this province are looking forward to the green days of June. Our past year in Saskatchewan has been a very good one, starting with our summer Gold and Junior shows held in Yorkton in early July. This event was the largest summer Gold Show in numbers shown in the nation. It entailed a very large and interesting pen show which really enhanced the event. I would like to again thank my organizing committee for doing a great job planning and pulling this show off.

We again enjoyed a great Agribition with a few more numbers entered and shown. Again there were two strong sales held during the Agribition week with outstanding genetics being offered to the world in both sales. At this time I would like to thank all who volunteered their time to put this event on. Mostly we as an Association need to thank the show sponsors in both the black and red shows as well as the commercial show. Without your help and support, Agribition would not be the great event it is now!

Our province recognized two very worthy recipients of our annual awards. Taylor Enterprises of Wawota, a 600-head commercial cow/calf operation using strictly Angus genetics, was awarded our Commercial Producer of the Year for 2012, and Blairs.Ag Cattle Co. was awarded Purebred Breeder of the Year for their accomplishments over the past year. Congratulations to both operations from the membership of the SAA.

We held some excellent brainstorming meetings in the past year trying to find the most effective plans for helping our Saskatchewan membership into the future and are now just starting to put some of these plans and ideas into motion.

Finally, we have started planning for the 2014 Canadian Angus Convention and annual general meetings, which will be held in our province, so start to make plans and consider this to be the first of many invitations to join us in Moose Jaw in June 2014!

-Dale Easton, Saskatchewan Angus Association President

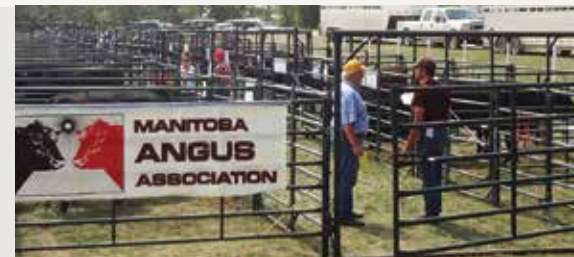


Record sales at Canadian Western Agribition

Regional Association Reports (Cont.)

Manitoba Highlights

- Ag Days in January with Cheryl Hazenberg attending to help promote the Rancher Endorsed Tags
- February and March saw most of the bull sales completed in Manitoba
- April—awards presented at two bull development centres for the top Angus bulls
- Handed out around 250 Angus tokens to 4-H members showing Angus or Angus cross calves
- July was the first Angus Gold Pen Show & Field Day held in Neepawa with the entries doubled from previous summer Gold Shows
- August long weekend—MB Youth Beef Round-up where the Manitoba Angus Junior Show is held in Neepawa
- Fall—the first feeder sale was held in which the Rancher Endorsed tagged cattle were grouped and sold first in the sale
- Many Angus feeder sales throughout the province with coffee at all sales sponsored by the Manitoba Angus Association and Angus burgers sponsored by some of the purebred breeders
- Manitoba Angus Fall Gold Show at MLE—entries were up and the quality of animals was excellent
- The Keystone Classic Sale was one the great success stories to finish off 2012 in Manitoba. The sale quality was excellent and in spite of poor road conditions, there was lots of interest with the sale having one of the highest averages in its 24-year history.
- In early 2013 there will be new herd maps available
- The Manitoba Angus board has worked hard to help all of these events happen, and we appreciate everyone's support at these events throughout the year



First Angus Gold Pen Show and Field Day

Manitoba President's Report

Manitoba had another successful year in 2012. The year began with our AGM in early January with an average attendance and a few new members attending. Mid-January Ag Days continues to grow in popularity. The booth was busy promoting Angus, and Cheryl was there once again from the Canadian office helping to promote the Rancher Endorsed Tags. The bull sales in 2012 were some of the best prices we have ever seen in Manitoba with lots of demand for the good quality Angus bulls. We had information about the Angus Tags at most of these sales. We continue to hand out Angus tokens at 4-H Beef Achievements, and they are greatly appreciated by the members. This was the first year for a new event, the combined Manitoba Angus Gold "Pen" Show and Field Day. The entries were doubled from previous years. We attribute this to the fact that the cattle did not have to be halter broke or clipped which was a huge time saver to the average cattle producer. There was 100 percent compliance with the new Rancher Endorsed Tag rule. We would like to see the spectator part of this show grow and we will be following the same format this year. There was a good turnout of Junior Angus members at the show in Neepawa on the August long weekend and we were happy to see the Juniors take the initiative to reorganize and elect a new executive. We will continue to support them in the future. Fall feeder sales went well, with the good Angus calves demanding an increase over the rest. We will continue to promote the use of the Rancher Endorsed Tags and encourage the commercial producers to take advantage of these organized sales. The Manitoba Angus Association sponsored coffee at all of these sales and also organized some of the purebred producers to sponsor Angus burgers for lunch at some of them. We hope to continue this promotion. The Fall Gold Show was a great success this year with entries greatly increased over previous years and the quality was excellent.

-Dallas Johnston, Manitoba Angus Association President

Ontario Highlights

Award Presentations

- 2012 OAA Commercial Breeder of the Year is Dwight Zehr
- 2012 OAA Purebred Breeder of the Year is Oaklane Farm, Richard and Mary Tanner
- 2012 OAA Honourary President is John Duivenvoorden
- 2012 Show Bull of the Year is Tullamore 104 Freedom 130Y, owned by Tullamore Angus, Bill and Sylvia Jackson
- 2012 Show Female of the Year is LLB Classy Lass 388Y, owned by Tullamore Angus, Bill and Sylvia Jackson



Rancher Endorsed Participant Hero Burgers serving lunch during Showdown

Ontario President's Report

The Ontario Angus Association was busy with many activities this year. The Ontario Angus board worked hard over the past year to provide services to our members. In July, Canadian Juniors arrived in Lindsay for Showdown. It was one of the biggest and best Showdowns ever. The Juniors did a great job of putting on the show and I thank them. I also want to thank all the breeders who supplied cattle, guidance and acted as judges. I also want to thank the many breeders who supported the auction on Saturday night at Showdown. We raised an amazing amount of money in Ontario for the Junior organization. In November we hosted the National Angus Show at the Royal Winter Fair. The committee did a great job of organizing prizes, the show and the meal afterwards. The breeders brought their best animals to town and what a great show and sale we had! We are very thankful for the sponsorship of the show by Hero Certified Burgers. In December we hosted our annual Futurity sale. The breeders again supplied us with a strong selection of great animals for the buyers to purchase. The board also produced a new directory this year. The committee did their best to include all breeders in it. It is a great tool for learning about other breeders and their programs and contacting them. We have also tried to keep the website current with events and information. I have enjoyed my two years as president. Everyone on the board is so helpful and willing to work on projects. I have especially enjoyed meeting with members across the province at various events. Angus people are great people! All the best for 2013.

-Tammi Ribey, Ontario Angus Association President

Quebec Highlights

Overall

- Angus breeders and their animals made their mark at various Quebec shows in 2012, winning several inter-breed championships and reserves, including Champion Inter-breed Female and Honorable Mention Male at Expo Bœuf
- Five of the specialized feeder calf sales in 2012 included blocks of Angus or Angus-influence calves

Achievements

- The Association maintained an Angus presence at beef days, shows, sales and through our website
- Seven Angus shows throughout the year, including our Gold Show at Expo Boeuf, all of which showcased many quality animals
- Continued and increased interest in the green Angus-ATQ tag program
- Continued growth and activity for the Quebec Juniors: delegates attended both Showdown and the GOAL Conference; several new Junior members participated in the annual Junior Angus Show held in conjunction with Expo Boeuf

Thank You

- Thank you to Jérôme Richard for his excellent work on the Canadian Angus Association Board of Directors
- Thank you to Wayne Gallup, CAA Eastern Fieldman, for his tireless promotion of the breed, his attendance at all Quebec Angus sales and all the Rancher Endorsed green tag sales that he organized
- Thank you to our long-time past-president, Stan Christensen. Welcome to the new Board of Directors: John Donaldson, President; Ryan Currie, Vice President; Donna Donaldson, Jérôme Richard, Pierre Laberge, Stan Christensen and Chris Bushey.

Quebec President's Report

Our AGM was held in February with a larger attendance than usual and many new members participating in their first meeting. Rob Smith gave an excellent presentation assisted by Brian Good. There are some new faces on the Board which now consists of Ryan Currie (Vice President) with the other Director positions filled by Donna Donaldson, Jérôme Richard, Stan Christenson, Pierre Laberge and Chris Bushey. Cynthia Jackson was officially designated Secretary and Arlene Brock has agreed to act as Treasurer. We will be having a Field Day and Picnic at JD Farms on July 12 and a Female Sale at Brome Fairgrounds on September 28. For the first time we will be hosting two Gold Shows this year, one on August 30 at Brome Fair and the second at Beef Expo on October 12. The Juniors will be holding their annual Junior Show at Beef Expo. Bull sales have done extremely well this year with some of the highest prices ever seen in Quebec. The green-tagged feeder sales have shown excellent increases both in volume and price.

For any of you that do know me, I am a Past President of the Canadian Angus Association and have raised Angus cattle on my family farm for almost 60 years. I am looking forward to representing the members as President of the Quebec Angus Association this year.

-John Donaldson, Quebec Angus Association President



Mac Angus receiving CAA 50 Year Heritage Award

Regional Association Reports (Cont.)

Maritimes Highlights

- 2 sales—April multi-breed Maritime bull sale—Angus placed among the top sellers in this sale
- Buyer of the high-selling bull received a free bag of Canadian Angus Rancher Endorsed tags from MAA
- October British breed female sale—Angus numbers down, prices fair
- Junior Show—largest number of participants in over 20 years—all three provinces well represented
- Champion heifer—winner of Dick Turner Award—Melanie Wood and Reserve—Ella Wood—both showing Bannockburn females
- Maritime Commercial Breeder of the Year—Island Meadow Farms—the Jewells—PEI
- Maritime Honourary President—Les Halliday—PEI
- Three Gold Shows—one in each province—all well attended
- Angus females well represented with 4-H animals qualifying for the Royal 4-H Beef Show at Royal Winter Fair in Toronto
- Wayne Gallup, Eastern Fieldman, visited several farms during his June visit—including a provincial “Pasture Tour/Grass Fed Beef” event in Nova Scotia



Maritime Angus Field Day held in Prince Edward Island

Maritimes President's Report

Another year has passed for the Maritime Angus Association. Our activities started this spring with another successful bull sale in April at Nappan, with Angus bulls selling for prices as good as anywhere in the country.

The Maritime Angus Field Day was held in early June on Prince Edward Island at the Crapaud Exhibition grounds, hosted by the Dixon family and the PEI Angus Association. A great social time and fun auction were also held at the Exhibition grounds. The Junior heifer show was held on Saturday, with approximately 30 Juniors showing both purebred and crossbred heifers. A fun auction and social evening were enjoyed by all who attended. The incoming Canadian Angus Association President Gary Latimer judged both the showmanship and conformation classes (with the assistance of ringman Austen Anderson, the Canadian Junior Angus Ambassador). CEO Rob Smith and Eastern Fieldman Wayne Gallup also enjoyed some of our Maritime hospitality over the weekend. While in the province, Gary Latimer, Rob Smith, Austen Anderson and Wayne Gallup were able to visit with many Angus breeders and some businesses that may be interested in joining the Rancher Endorsed program. During his visit to the Maritimes, Wayne Gallup and I met with some purebred and commercial breeders in New Brunswick. Wayne explained some of the advantages of being part of the Canadian Angus Rancher Endorsed program. He was very well received.

In the middle of June, Betty Lou and I attended the Canadian Angus Association National Convention in Lethbridge, Alberta. Some very informative sessions, panel discussions and tours made the time go by very fast. The annual Angus in Action sale was held at Nappan in October. The number of purebred Angus cattle was down from last year, however, the quality of cattle was good and prices were also good. A major factor in the number of cattle offered was a shipment of Angus heifers that went to Russia this past summer from the Maritimes. I am proud to say that the Maritimes have also been well represented by our Junior members at various shows and conferences. Rebecca Gilby, our Junior director to the Canadian Junior Angus Association, attended the GOAL Conference in Saskatchewan, Showdown in Ontario, and I also saw her working the ring with other Juniors at Agribition.

2012 saw the updated breeder directory for the three Maritime Provinces come to fruition. The last one completed in 2006 was sadly out of date. New ad campaigns from the Canadian Angus Association have been utilized in our own Maritime advertisements. Our “farm gate” green tag promo signs have been popular and look great at the farm or in the show barn. Your board of directors will be pushing for more new advertisements and promotional items in 2013. Angus beef is on the tip of everyone’s tongue, from the farms and feedlots to restaurants and on TV. We as breeders can’t become complacent with this popularity; in order to maintain our dominant position in the cattle market we need to be aggressively pursuing ways to keep improving our breed and our image to the commercial cattlemen and the public.

In conclusion, I would like to take this opportunity to thank you for allowing me to represent your interests as your president, not only locally in the Maritimes, but nationally as well. I have thoroughly enjoyed meeting and speaking with new people, attending shows and sales, and I take great pride in being an Angus producer and part of the Angus breed. Remember, show YOUR pride in being an Angus breeder by telling others why you feel Angus cattle are superior to other breeds, and by using Rancher Endorsed green tags.

-Trevor Welch, Maritimes Angus Association President

Canadian Red Angus Promotion Society Highlights

- 2012 Purebred Breeder of the Year—T Bar K Ranches, Kevin and Kim Dorrance, Wawota, SK
- 2012 Commercial Breeder of the Year—Sandhills Colony, Mike Wurz, Beiseker, AB
- Red Round Up 2012 was a success with 50 live lots grossing \$352,800 and averaging \$7,056, as well as 18 embryo and semen lots grossing \$43,600
- Bull Futurity Grand Champion was Red Wrights 832S Ironhide 4Z, Wright Livestock, Melfort, SK. Bull Futurity Reserve Grand Champion was Red Ter-Ron Overload 117Z, Ter-Ron Farms, Forestburg, AB.
- Our Annual Summer Tour took place over the long weekend in August in the Sangudo, Alberta area. Our hosts, Rainbow Red Angus, Towaw Cattle Co., Anchor 1 Angus, Chittick Family Farm and Lewis Farms are to be commended for the wonderful job they did organizing the event.
- We continue with our advertising campaign, focusing on publications that target the commercial cattle industry and cow/calf producers.
- We support the major purebred Red Angus shows across Canada.
- We are working to continue to increase the presence and awareness of the Society using online tools like our website and social media. Efforts have been made to keep these current, interesting and updated often.
- Youth is important to us and we support the Canadian Junior Angus Association and 4-H programs in Canada with sponsorship, breed awareness, awards and bursaries.
- We publish a quarterly newsletter to keep the membership informed and provide a platform for members to advertise to other breeders.

Canadian Red Angus Promotion Society Bursary

- We provided three young cattle enthusiasts with a \$500 bursary towards the purchase of a Red Angus influenced animal. The recipients were: Kalen Dunn, Harney, Manitoba, who purchased Red BWFX Tibbie 1Z; Justin Douglas, Barrhead, Alberta, who purchased Red TNF Miss Chief; Michelle Larkin, HRM, Nova Scotia, who purchased Red Ter-Ron Annie 166Y.

Canadian Red Angus Promotion Society President's Report

In 2012, the Canadian Red Angus Promotion Society celebrated 40 years as an organization. With this we have looked back on our past and the creation of the Society and now are looking forward to where we can take CRAPS for our membership.

We continue to have a strong membership who are passionate about Red Angus and we are working to provide services that will help promote our great Canadian genetics. We continued with a strong advertising campaign in 2012 having representation in both national and regional publications. We saw an increase in applications for our Junior bursary program and were able to award it to three very deserving young people. As well we focused to increase our social media and have seen interest from around the world.

As we move forward, we continue to grow our successes such as the annual Red Roundup and our Summer Tour. We are striving to develop new ideas that will provide services to our membership and help us to grow towards a bigger and brighter future.

-Michael Wheeler, Canadian Red Angus Promotion Society President



2012 CRAPS Summer Tour in the Sangudo, Alberta area

Canadian Angus Foundation: 2012 Year in Review

written by Michael Latimer, CAA General Manager

For the third time in four years, the Canadian Angus Foundation exceeded expectations and reached record levels of support. Generous support from our membership, industry partners and international friends helped make this happen. The inaugural "Building the Legacy" sale was the single biggest fundraiser in Foundation history. The funds generated are dedicated toward sending three teams to compete in the 2013 World Angus Forum Youth Programme. Not only is this a tremendous opportunity for these young individuals, but it will showcase the bright future of Canadian Angus to the world. This could not have happened without the support that we received from everyone involved. We look forward to the "Building the Legacy II" sale in Guelph this June and believe that it will once again exceed our expectations.

Stacey Domolewski of Taber, Alberta, was named the Junior Ambassador for the 2012–2013 year. As our Ambassador, Stacey represented the Canadian Angus Association and its members at numerous events across Canada. She attended the Royal Winter Fair, Farmfair, Agribition, Saskatchewan Beef Industry Conference, and will be attending the Maritime Field day. She was also selected to compete on one of the Canadian teams in the 2013 World Angus Forum Youth Programme. Stacey has a remarkably positive and cheerful personality that has made her a great ambassador for us, and we wish her all the success in the world.

On behalf of the Foundation, I would like to thank everyone for their continued support. The upcoming year will see revisions to the by-laws that are the result of changes in the government act that oversees registered charities such as the Foundation. This is a perfect opportunity to set the direction that the Foundation will take for the next 20 years. I would encourage those interested in guiding the Foundation to put their name forward for the CAF Board of Directors, or let us know if you would like to assist in another capacity. We need strong leadership from across Canada to ensure a vibrant future.

Canadian Angus Foundation Junior Ambassador

The Canadian Angus Foundation Junior Ambassador Competition is designed to recognize an outstanding Junior Angus member who can ably demonstrate an ability to promote the Angus breed on a national and international level.

The award was created in the spirit of Robert C. McHaffie, a past president of the Canadian Angus Association who supported junior involvement and was instrumental in the formation of the Canadian Junior Angus Association.

The winner of the competition represents Canadian Angus Juniors at major shows across Canada for one year. The experience culminates in a trip to an international Angus event.

This competition is open to members of the Canadian Junior Angus Association between 18 and 21 years of age who own purebred Angus cattle (or their immediate family does).

Components of the competition include:

1. Personal résumé
2. 800–1,000 word essay on a common topic
3. 5-10 minute speech
4. Industry knowledge exam
5. Interview before a panel of judges



2012 CAF Junior Ambassador Stacey Domolewski with CAA General Manager Michael Latimer and past Junior Ambassadors Ricki Fleming (2007), Austen Anderson (2011) and Erika Easton (2010)

Full details can be found on the Canadian Angus Foundation website at www.canangusfoundation.ca

Canadian Angus Foundation Donor Recognition

The Canadian Angus Foundation wishes to express its gratitude to the following generous donors during the 2012 calendar year.

\$5,000 to \$10,000

Allflex Canada
Blairs.Ag Cattle Company, Darren & Deb Blair
Blairs.Ag Cattle Company, Kevin & Noreen Blair
Canadian Angus Association
Cudlobe Angus, David & Margaret Bolduc
Cudlobe Angus, Dyce & Adrianna Bolduc

\$1,000 to \$4,999

Alta Genetics
Angus Spring Classic
Angus World
Bandura Ranches
Bar Heart Angus
Belvin Angus, Colton Hamilton
Belvin Angus, Gavin & Mabel Hamilton
Benchmark Angus
Black Magic Group
Bohrson Marketing Services
Bow Valley Genetics
C.D. Land & Cattle
Canadian Angus Association Staff
Carrey Auction Services
Castle Rock Marketing
Corner Creek Angus
Coul Angus
Diamond T Cattle Co.
Doug Fee
Ebon Hill Angus
French River Cattle Co.
Glesbar Red Angus
Hamilton Farms
Jewel Red Angus
Locust Grove Angus
Lookout Stock Farm
Miller Wilson Angus
Poplar Meadows Angus
Red Angus Association of America
Remitall Farms, Gary and Jaci Latimer
Remitall Farms, Richard and Kelly Latimer
Saskatchewan Angus Association
Soo Line Angus
Towaw Cattle Co.
Youngdale Angus

\$500 to \$999

Anderson Cattle Co.
Big Sky Angus
Border Butte Angus
Chico Ranches
Everything Angus
Geis Angus Farm
George and Val Buttmer
Glen Islay Farm
J & S Cattle Co.
Justamere Farms Ltd.
Lazy MC Angus
Lee and Leeanne Carfantan
LLB Angus
Lorenz Angus
Mountain View Benefits
National CUP Lab
U2 Ranch

\$100 to \$499

Jim and Hilda Colodey
Lazy E Bar
Lynn Minja
Mackenzie Red Angus
Maritimes Angus Association
Sandy Margetts
Shirley Turner

Foundation Heifers

Sold at the 2012 Canadian Western Agribition

CAA staff won three embryos from the 2009 WAF embryo auction. Doug and Wendy Newton of Heart Bar Cattle Co. kindly donated the recipient dams for the staff's three embryos and shepherded two live calves to weaning. These embryos resulted in two live calves, Canadian Lynn 18Y and Canadian Lynn 22Y, which were moved to Remitall Farms, the Latimer family, to oversee their breeding to Remitall F Odyssey 67X, the Alberta Gold Show Grand Champion Bull and recognized as RBC Supreme Top 10. The Canadian Angus Foundation partnered with the CJAA in raising funds jointly through promotion and selling of these two heifers. 22Y was "dutch" auctioned at the Masterpiece Sale raising \$7,100. With raffle tickets purchased throughout the fall, 18Y raised \$3,700.

Congratulations to those chosen to compete in the 2013 World Angus Forum during the Youth Programme

Stacey Domolewski, Taber, Alberta; Sean Enright, Renfrew, Ontario; Ty Dietrich, Forestburg, Alberta; Erika Easton, Wawota, Saskatchewan; Kaitlynn Bolduc, Stavely, Alberta; Matthew Bates, Cameron, Ontario; Chad Lorenz, Markerville, Alberta; Patrick Holland, Montague, Prince Edward Island; Melissa McRae, Brandon, Manitoba; Austen Anderson, Swan River, Manitoba; Michael Hargrave, Maxwell, Ontario; and Jared Hunter, Didsbury, Alberta

CAF Building the Legacy Sale

During the Canadian Angus National Convention



The first ever Canadian Angus Foundation Building the Legacy sale kicked off in a big way in Lethbridge, Alberta, Saturday, June 16. The sale was initiated to help the Foundation fund Canadian youth teams to compete in the 2013 World Angus Forum in New Zealand. Generous donors contributed to more than 20 lots of semen, embryos and artwork that was auctioned, raising a grand total of \$40,470.

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Selling lots in a live auction for the Building the Legacy Sale



Disclaimer: The categories are not a reflection of tax receipted amounts, but a level of monetary participation in Foundation activities. Every attempt for accuracy was made, but there is always a margin of error. We apologize for any oversights. Recognition levels include general donations, gift-in-kind, memorial donations, and items purchased at public auction for both the donator and the purchaser.

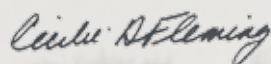
Financial Statements of the Canadian Angus Foundation

Year ended December 31, 2012

As an effort to reduce administration costs for the Canadian Angus Foundation and to see funds used for the purposes that they were intended, the Board has appointed Cecilie Fleming to conduct the Financial Review. This was done in consultation with Revenue Canada and is compliant with their requirements for financial reporting. The Board has also authorized Chair Doug Fee and Director David Bolduc to sign the 2012 Financial Statements on behalf of the Board.

Reviewed by:

On the basis of information provided by management, I have performed a review in respect of these financial statements.



Cecilie Fleming

May 9, 2013

Canadian Angus Foundation Balance Sheet

	Balance as of Dec. 31, 2011	Balance as of Dec. 31, 2012
Current Assets		
Cash	\$ 42,889.49	\$ 88,349.84
Investments	149,186.42	155,172.07
Inventory	4,614.10	2,614.10
Total Current Assets	\$ 196,690.01	\$ 246,136.11
Current Liabilities		
Canadian Angus Memorial Fund	\$ 4,075.00	\$ 3,575.00
Dorothy Banks Scholarship	10,311.00	9,311.00
Enduring Property Investments	29,463.81	30,441.90
Dick Turner Scholarship	7,200.00	6,300.00
Junior Scholarship	68,151.12	71,860.37
Total Current Liabilities	\$ 119,200.93	\$ 121,488.27
Accumulated Surplus		
Retained Earnings	\$ 54,268.02	\$ 77,489.08
Current Earnings	23,221.06	47,158.76
Total Surplus	\$ 77,489.08	\$ 124,647.84
Total Liabilities and Surplus	\$ 196,690.01	\$ 246,136.11

Canadian Angus Foundation Revenue and Expense Summary

	Year to Date December-31-11	Year to Date December-31-12
Revenues:		
Youth Programming	\$ 0	\$ 4,500
Auctioned Items	3,832	1,500
Heifer Donation Program	3,670	0
General Donations	33,753	43,919
Investment Income	2,741	3,748
TOTAL	43,997	53,667
Costs and Expenses:		
Junior Ambassador Travel	2,022	5,930
Bank & Interest Charges	77	85
Audit Fees	0	0
Printing	389	414
Office Expense	463	80
General Donations	17,825	0
TOTAL	\$ 20,775	\$ 6,508
SURPLUS	\$ 23,222	\$ 47,159

Notes to Financial Statements

Year ended December 31, 2012

1. General:

Canadian Angus Foundation Inc. (the "Foundation") is incorporated, as a corporation without share capital, under the Canada Corporations Act. It operates to receive donations for purposes of funding scholarships and the preservation of the archives of the Canadian Aberdeen Angus Association (the "Association"). The Foundation is a registered charity under the Income Tax Act and accordingly is exempt from income taxes, provided certain requirements are met. The Foundation is controlled by the Association by virtue of the Association's ability to appoint a majority of the voting members of the Board of Directors.

2. Significant accounting policies:

- (a) Revenue recognition:
The Foundation follows the deferral method of accounting for revenue. Restricted contributions, such as grants and donations designated for a specific purpose are recognized as revenue in the period in which the related expenses are incurred. Unrestricted contributions, such as grants and donations not designated for a specific purpose, are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.
- (b) Deferred contributions:
Externally restricted contributions are recognized as revenue when the contributed funds are spent on the program to which they are restricted.
- (c) Administration support services:
The Foundation relies on the Association for administrative support services for which no charges are made and no amounts are recognized in these financial statements.
- (d) Use of estimates:
The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year.

3. Deferred contributions:

- (a) Dorothy Banks Scholarship Fund:
The Dorothy Banks Scholarship Fund was established by the Foundation in co-operation with the Dorothy Banks Scholarship Committee to provide scholarships to junior candidates. The Foundation grants scholarships using contributions received explicitly for this purpose.
- (b) Canadian Angus Memorial Fund:
The Foundation receives memorial donations, which are allocated to this fund. These financial contributions are used to offset travel for youth to attend the GOAL Conference. This was formerly known as the Norm Wade Scholarship.
- (c) Enduring Property Investment Fund:
The Enduring Property Investment Fund was established by the Foundation in 2009 as a way for donors to contribute funds dedicated for the long-term vision of the Foundation. Contributions are to be held by the Foundation for a duration of not less than 10 years, after which time the funds are to be used toward meeting the goals and projects of the Foundation as established under its constitution, including support for junior members, archiving of records and memorabilia for posterity, and education and research. Investment income earned on the funds can be used at any time, at the discretion of the Foundation.
- (d) Dick Turner Scholarship Fund:
The scholarship was established in July 2010 shortly after the passing of Dick Turner. The parameters of how the funds will be dispersed have not been set, although they will be directed toward youth development.
- (e) Canadian Junior Angus Association Scholarship
This scholarship fund was included in the Foundation beginning in 2010. This was done in an effort to maximize the return on investment through consolidation. The process for dispersing funds will remain unchanged unless directed by the Canadian Junior Angus Association.

4. Risk management:

The Foundation is not exposed to significant financial risks in the normal course of its business operations.

5. Capital disclosures:

The Foundation's capital is its net assets. The Foundation manages capital using annual budgeting and long-range plans. Management uses these plans to ensure adequate capital is on hand to meet current and future capital requirements.

2012 Provincial Honourary Presidents

British Columbia • Harvey and Phylis Wiles

Harvey and Phylis Wiles are cattle ranchers and purebred breeders and have been for a very long time. They call Taylor home, and Harvey and his family are part of the local history. The WILP/HAR name is a combination of the couples' names and initials and their P/H brand.

Harvey and Phylis live on the same acreage that Harvey's family homesteaded in Taylor. This couple will celebrate their 63rd wedding anniversary in July.

The first Black Angus females owned by the Wiles came from Alberta (Ferintosh), but they made a real "circle tour" before they arrived at the Wiles ranch. The original owner had a wife that coveted a Palomino horse, so he traded black heifers for that yellow horse. The next owner took them to the PNE, where the Whiplash Ranch from Northern B.C. bought them. The eight head ended up at the Wiles Ranch, and the progeny of the original eight went to Alaska, then back to Bashaw... almost full circle.

The Wiles are getting on in years but you would never know it as they still calve out over 100 head, making them one of the largest purebred producers in BC. They begin calving at the tail end of February/the beginning of March and get help from family and friends.

The registered cattle are all sold by private treaty off the home place, while the steers are sold through the local auction market. A good number of their bulls sell locally to repeat customers, but their heifers have sold into Alberta, Saskatchewan, Alaska, the BC central interior and lower mainland.

Miller Wilson Angus of Alberta purchased 10 cow/calf pairs and won Legends of the Fall with offspring of one of those WILP/HAR Angus cows. Remington Cattle Co. had also purchased their breeding.

Phylis is famous for her good eats, and their door is always open. Many, many friends and acquaintances keep that door swinging on its hinges regularly. They come from all over, and Phylis and Harvey are glad to see them; they are made welcome. The couple is very content with life on their cattle operation, they are proud of their place, their cattle, their cow dogs and their reputation. People like the Wiles "do the cattle industry proud".

Alberta • Ken Cox

Ken Cox's résumé makes him an excellent choice to be the Alberta Angus Association's honorary president for 2013. Ken's contributions to the Angus Breed as well as the cattle industry in general make him a worthy recipient.

After attending Lakeland College, Ken settled in the Camrose area where he, Verny and family eventually established Lorrust Angus. A respected judge, he has evaluated many major shows and has shown extensively as well.

Ken is a great promoter of cattle, but his most worthy contribution is his willingness to volunteer. He has tirelessly served wherever he was needed for years.

Ken has devoted many hours to 4-H, serving in many capacities, and because of his dedication he was inducted into the Alberta 4-H Hall of Fame.

At Edmonton Northlands, he has offered to serve wherever he was needed. He has been barn boss and for many years ringman for the Angus Show. Ken prepared the design for the show ring and provided and arranged the decorations. He chaired and worked on various committees and was such a dedicated volunteer that he was awarded the Volunteer Award of Merit by Northlands as well as the General Service Award from the Alberta Angus Association for years of service. Ken also served as ringman for Agribition and was awarded a buckle for his work.

Ken truly enjoys sharing his knowledge and enthusiasm with youth. He was involved with the Canadian National Junior Angus Heifer Show helping with the planning and organizing, making that show a premier event. He could also be seen spending hours doing whatever needed to be done; a very tireless volunteer.

Recently Ken has been working as a fieldman for the Canadian Angus Association. He promotes the Canadian Angus Rancher Endorsed program and is a valued asset in the promoting of green Angus tags. He does that job with the same enthusiasm and willingness that has been evident throughout his cattle career.

Through his dedication and work ethic, Ken has made a very significant contribution to the Angus breed and the cattle industry. Having named Ken and Verny Cox, Lorrust Stock Farm, their 2000 Purebred Breeder of the Year, the Alberta Angus Association is delighted to name Ken their honorary president for 2013.

Saskatchewan • Bill Dillabaugh

My brother and I had a big learning curve in 1970. We knew nothing about raising, showing, and feeding show cattle, or what bulls to use as herd bulls. Luck was with us as we managed to put together a competitive show string. I asked a million questions and learned from the people who were successful. Peak Dot and Double AA put on Ranchers Round Up Bull Sale at Wood Mountain in the early 70s. This sale was the forerunner of the very successful Peak Dot and Ranchers Choice bull sales, still running today.

In the early 1980s, Double AA quit showing cattle and started developing the Annie K cow line. This cow line came from one cow, Woodlawn Ida. We started breeding the AA cattle through the cow lines. This cow line is quite famous today. From my experience with show horses, when walking through the Regina Bull Sale barn in the 1970s, I thought the Angus bulls lacked strength in the back legs and the back quarters. Some of them were incorrect to my way of thinking. So, while we were developing the Annie K cow line, we developed three bull lines with a lot of Annie K in their makeup. The lines were the Blackman, the Bardolene and the Rito.

We bred Annie Kay cow tag #554 to Rito #2100. He was at that time the number one carcass bull in the USA. We compared data and found our other two lines were just as good and surpassed the 2100 line of cattle. The Johnston brothers, Saskalta and Double AA teamed up with the University of Saskatchewan to develop carcass data. This was very interesting; we may have been one of the first to do this! The Angus business has been interesting, rewarding, and has opened many doors and the lifelong friendships are second to none.

I was lucky to meet Matt Fleury when for health reasons I had to disperse our cattle. Matt bought a large group of Double AA cows and two bull lines, the Blackmen and the Bardolene lines. I have a few cattle at Matt's place and a few at Saskalta. Matt is continuing my breeding program. I am as excited about the new calves and sale cattle as Matt is. But I am pretty short on the work end. Breeding a great cow herd takes a lifetime. It's great when the next generation is taking it forward. I am a great believer in Canadian genetics; they are second to none. In the 1970s the Americans came to the Cross Country Sale for Canadian genetics. This is happening again.

The Canadian Legacy sale is off and running, where heifer calves offered went for \$5,000 and a bull sold for \$37,000. This sale will get nothing but better.

When I look back and remember the cattle we had to work from, I take my hat off to the Angus breeders; they now have a great cow herd, a great team selling Angus meat, stores and restaurants featuring Angus beef, ranchers using Angus bulls, and a whole new generation of excited Angus breeders to take this forward! What could be better? Life is good. Thanks for the honour of being honorary president.

Manitoba • Jim Skelton

This year's honorary president is Jim Skelton from Reston. Jim and his wife Dene (Lorna) have been married since December 1969. They have four children, two daughters and two sons, along with seven grandchildren.

Jim became involved with Angus cattle in the fall of 1968 when he travelled to the Toronto Royal with Ben Jackson to help him show market steers. It was there that he met Grant Wilson (Lenlook Angus), Innis Hodson (Rosebank Farms) and Larry Walker (Black Meadows Angus). These new acquaintances turned into lifelong friendships. Since they all had purebred Angus herds, for many years these breeders had a strong influence on Jim.

Jim served on the Manitoba Angus board from 1992–1999. During his time on the Angus board, one of the positions he held was to organize and develop the Angus feeder sales. This has since grown into a huge part of Angus promotion today. We thank him for his time served on the Manitoba Angus board.

Jim and his wife farmed north of Sinclair until 2009 and then moved into Reston. He still takes an active part in the farm with his son Jason. They have about 100 Black Angus cows and continue to use registered Black Angus bulls.

Congratulations Jim on being the 2013 Manitoba Angus honorary president for 2013.

Ontario • John Duivenvoorden

John Duivenvoorden came to Canada from Holland in 1952 at the age of seven with his farming family. He and his wife Patricia married in 1965, and in 1966 they purchased their own farm and began their journey in the beef industry. Together they have raised five children and have 14 grandchildren. They had their first Angus cattle 33 years ago. In 1992, John began his registered purebred Angus herd under the prefix JPD Farms in Innisfil, Ontario. He has always been passionate about his cattle and still farms with his daughter Lori, her husband Darryl and their four children, Michaela, Evan, Owen and Nolan Chalmers in Shanty Bay where they calve out 40 head as JPD.

John has always been active in the beef industry. He has been a member and also a director of the Simcoe County Cattlemen's Association and the former Simcoe County Cow-Calf Club. He was also a member of the Barrie Fair Board and as such was responsible for bringing the Bluewater Points Show back to Barrie, where it returns this year. John has been a director on the Bluewater Angus Board, the Ontario Angus Association and sat for seven years as the Ontario Director to the Canadian Angus Association. *(cont. on the next page)*

2012 Provincial Honourary Presidents (Cont)

Ontario • John Duivenvoorden *(cont)*

John has always been a proud supporter and advocate for the Canadian Angus Foundation and the Canadian Junior Angus Association. For a brief period John was also the Canadian Angus Association Eastern Fieldman promoting Angus tags and the Canadian Angus Rancher Endorsed program.

John currently farms 600 acres in Innisfil and Coldwater, is an active participant in JPD Angus and also has a farm and cattle in Alberta. Although John and Pat had times when their trucking business, Duivenvoorden Haulage Ltd. (which is still run by their son John), had to be the priority, they never gave up farming. Farming and cattle are John's passion. He will be honoured to be named honorary president of the Ontario Angus Association for 2013 and will look forward to attending as many events as possible.

Quebec • Stan Christensen

Stan Christensen operates his herd under the name Ferme Sage in honour of his wife's family who have held the land since the 1840s in Lac Ste Marie, Quebec.

Stan graduated from Computer Science in Ottawa where he met Cheryl on the ski hill. They married in 1975 and started the herd with the purchase of two Red Angus cows by Cheryl's father in the spring of 1984. Later that year the "Ferme Sage" partnership was formed with Cheryl. Their two sons were later added to the partnership; Ian, who is currently farming with them and Eric, who now resides in Vancouver.

The commercial cows were all replaced by Red Angus and the farm has exclusively raised Red Angus since 1991. This herd went from 45 cows in 1984 to near 200 and currently has about 130 cows calving yearly. For many years now, Ferme Sage has been one of the few herds in eastern Canada to be on the top 100 list for registrations. Stan is also one of the first Angus breeders in Canada to use the Herdmagic (later HerdMaster) program, and one of the first to ultrasound heifers in the herd in addition to the bulls. Stan believes that the best way to make good selections is to first evaluate all of the animals that are born in the herd and continually measure calves for growth and carcass traits. Some of their current herd bulls are fourth-generation Ferme Sage breeding. Stan previously served as the Quebec representative on the Canadian Angus Board of Directors and in 2000 became the first member from Quebec to become President of the Canadian Angus Association. He also held the position of President of the Quebec Angus Association for most of the past 15 years. Stan currently sits on the feeder calf marketing committee as regional representative for the Quebec Beef Producers Federation.

Stan does not plan on retiring or abandoning Angus cattle any time soon.

Maritimes • Harold Nielsen

Harold Nielsen of Shortt's Lake, Nova Scotia, is the Maritime Angus honorary president for this year. Harold is no stranger on the Angus scene, having served eight years as the Maritime Director to the Canadian board of directors (1994–2002). Harold's term covered a period when election protocol was being revised, and his six-year term morphed into eight years.

Black Angus cattle have been a part of Harold's life for more than 50 years. The name Foundation Stock Farm, also well-known in Angus circles, actually preceded him. His grandfather established a purebred dairy herd under the Foundation Stock name in the early 1950s. Harold's father, Boerge Nielsen, first registered Angus cattle in the Foundation Stock name in 1963. Harold, then only seven years old, and his brother and father soon became a force to be reckoned with on the show circuit throughout the Maritimes and at the Royal Winter Fair in Toronto. The Niensens continued to show until the year 2000. By this time, a third generation of Niensens was often on the halter of the animals leading the way into the winner's circle.

Harold and his wife Debbie have three children; Carrie, now living in Hawaii and anxiously awaiting the arrival of her first child in early June; son Ben, still living in Brookfield with his partner and two young children; and daughter Mallorie, now a partner in Foundation Stock Farm and living in Shortt's Lake and working in Truro.

Harold is well known for his Angus knowledge and is well versed in pedigree information. The Nielsen's early Angus herd had impressive genetics from many American sires and further abroad, including the well-known Kharau line from New Zealand. Nielsen cattle were part of the Maritime contingent when Canada hosted the World Angus Forum in 1985. Harold was unable to attend—somebody had to milk the cows at home!

Harold sold his cows and quota in the late 1990s and has since maintained his Angus herd while working on a nearby dairy farm—one of the larger dairy farms in Nova Scotia, usually working 16-hour days as they milk three times a day.

With Mallorie now in partnership in the farm and the fourth generation of Niensens coming up, Harold hopes to see the Foundation Stock Farm name around for another 50 years.

Maritime Angus breeders salute Harold Nielsen as our 2013 honorary president.

Breaking New Ground with Canada's Leading Beef Breed

Recognition for Commercial Sector

In appreciation of the commercial sector, for the last seven years the CAA has recognized an Auction Mart of the Year for their promotion of Angus and Angus cross cattle. The following auction marts have received this prestigious award and been presented with an Angus picture to feature at their market:

- Mankota Stockmen's Weigh Co., SK, 2006
- B.C. Livestock Producers Co-op, BC, 2007
- Saskatoon Livestock Sales Ltd., SK, 2008
- Provost Livestock Exchange, AB, 2009
- Assiniboia Auction Mart, SK, 2010
- VJV Auction Co. Ltd. of Ponoka, Stavely and Dawson Creek, AB and BC, 2011
- Valley Auction Ltd. of Armstrong, BC, 2012

CAA began to recognize an Eastern and Western Feedlot of the Year in 2010. The following feedlots have received this award in recognition of their endorsement of Angus cattle to their customers and promotion of the Canadian Angus Rancher Endorsed Tag program.

- Ferme d'Anjou et Fils, QC, 2010 Eastern Feedlot of the Year
- High Ridge Feeders and Shannondale Farm, MB, 2010 Western Feedlot of the Year
- Les Fermes Desrosiers, QC, 2011 Eastern Feedlot of the Year
- Red Coat Cattle Feeders Inc., 2011 Western Feedlot of the Year
- Conlin Feeders, 2012 Eastern Feedlot of the Year
- Hagel Feeders, 2012 Western Feedlot of the Year

International Relationships

International exports have become important with more and more Canadian Angus being exported to other countries. Canadian Angus breeders have an increasing interest in marketing their cattle abroad, and the CAA has been working to help develop these relationships further. The following countries were visited by staff or visited the CAA headquarters in Calgary:

- Argentina
- Holland
- Russia
- Kazakhstan
- Australia
- Malaysia
- Korea
- Germany
- Finland
- UK
- USA



Dutch and Russian visitors at the CAA headquarters

CEO Rob Smith and President Gary Latimer were invited to join a Government of Canada trade mission to Russia/Kazakhstan to increase demand for Canadian Angus cattle.



2011 Western Feedlot of the Year
Red Coat Cattle Feeders Inc.

Summer Marketing Internship Program

CAA hired two summer interns for the first time. Stacey Domolewski and Erin Toner were chosen to primarily market the female beef project to existing 4-H members, promote the 4-H beef project, increase the number of Junior Angus members, be involved with general industry promotion and gain exposure to the CAA office services. During the four months of their internship, the girls attended 28 shows and 18 schools, travelling more than 31,000 kilometres and reaching over 115,000 people.



(from left to right): Stacey Domolewski, Cassie Dorrان, Erin Toner
2012 Canadian Angus National Convention,
Lethbridge, AB

Long-Term Recognition

In 1998, the Canadian Aberdeen Angus Association instituted a long-term recognition award to recognize those individuals and families that have demonstrated a long-time commitment to the Angus breed in Canada by maintaining a continuous membership in the Association for at least 50 years. In 2011, the award program was expanded to recognize families with 75 and 100 continuous years of membership.

To date, 132 Angus families have been recognized for 50 years of continuous service. In 2013, we are pleased that we will recognize the following Angus families for commitment to the breed:

50 Year CAA Heritage Award

Heber & Lavigne Adams and Family, ON
Clangour Angus, AB
Durness Angus, AB
Ebon Hill Angus—The Hillestads, AB
Foundation Stock Farm, NS
Rainbow Hills Ranch, AB
Burt & Jo Shantz—Needmore Angus, AB
Two C Angus, AB

Current Regional Representation

	President	Secretary
British Columbia	Lance Savage	Jill Savage
Alberta	Carol High	Denise Rice
Saskatchewan	Dale Easton	Belinda Wagner
Manitoba	Dallas Johnston	Arlene Kirkpatrick
Ontario	Al Hargrave	Julie Smith
Quebec	John Donaldson	Cynthia Jackson
Maritimes	Trevor Welch	Betty Lou Scott
Canadian Red Angus Promotion Society	Michael Wheeler	Rhea Wheeler

Current Canadian Angus

Association Staff

Rob Smith, CEO
Michael Latimer, General Manager
Alan Yuen, Office Manager
Joanelle Fuellbrandt, Office Administrator
Kajal Devani, Director of Breed Development
Cheryl Hazenberg, Director of Technical Services
Tina Zakowsky, Director of Communications
Cassie Dorran, Director of Marketing and Branding
Stacy Price, Registrar
Ciara Buchanan, Assistant Registrar
Shirley Anderson, Assistant Registrar
Laurie Eskrick, Assistant Registrar
Belinda Wagner, Canadian Junior Angus Association Coordinator
Brian Good, Director of Field Services
Jack Brown, BC Fieldman
Ken Cox, AB Fieldman
Laird Senft, SK Fieldman
Blair McRae, MB Fieldman
Wayne Gallup, Eastern Fieldman

Canadian Angus Association Mission Statement

To maintain breed registry, breed purity and provide services that enhance the growth and position of the Angus breed.

Tribute to Outgoing President Gary Latimer

Written by Gary's wife Jacci Latimer

It has truly been an honour for Gary to be President of the Canadian Angus Association. This has been a very important year with lots of exciting events happening, especially the new Angus Central office building in progress for all Canadian Angus members to enjoy and be proud of for many years to come. I have especially enjoyed this year seeing how Gary and our family are so very enthused and proud to be part of the Angus breed. Promoting the breed around the world has been easy for Gary because of his passion and vision for the breed and for its members. Many people have made Gary's term run smoothly, especially the Board of Directors, Canadian Angus membership, CEO Rob Smith and all his staff with the Canadian Angus Association. With the help of these people, Gary has had a tremendous year. Being married to Gary for 40 years and counting, I have never known him to be anything but honest and fair to everyone he has come in touch with.

I would like to end with a quote from the famous Martin Luther King Jr. that I think is both inspiring and true of Gary: "The ultimate measure of a man is not where he stands in moments of comfort and convenience, but where he stands at times of challenge and controversy."



Visiting at a bull sale



Kazakhstan trip to increase purebred export market



Official Angus Central ground breaking

Canadian Angus Association Vision

The Canadian Angus Association exists to preserve and expand the Angus breed for Canadian cattle producers and beef consumers, providing the best opportunities for profitability today and for future generations.



Annual Report 2012 • Canadian Angus Association

