

2019 Annual Report The 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.

Alission

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

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My Lear as President Bob Hahn Mon année de présidence

Our New CEO & CAA Staff

New leadership, new directions, amazing team effort.

Notre nouveau PDG et le personnel de la CAA

Une nouvelle direction, de nouvelles orientations, un travail d'équipe extraordinaire

Junior Partners Creating leaders for the future.

Programmes Junior Créer des leaders pour l'avenir.

Financial position building a healthy organization

The CAA is not a static organization, we must adapt, we must create new revenue sources and we must provide member value.

Situation financière construire une organisation saine

L'ACA n'est pas une organisation statique, nous devons nous adapter, nous devons créer de nouvelles sources de revenus et nous devons offrir une valeur ajoutée à nos membres.

Our Challenges

COVID-19 • Ownership of data/collection of data • Alternate protein soruces—we need to tell our story

Nos défis

COVID-19 • La propriété des données/collecte des données • Les sources de protéines alternatives nous devons raconter notre histoire

Industry Partners

The Board members • Certified Angus Beef • Red Angus Association of America • September CAA board meeting held at the AAA head office

Partenaires de l'industrie

Les directeurs • Certified Angus Beef • Red Angus Association of America • Réunion du conseil d'administration de l'ACA en septembre, au siège de l'AAA





Clockwise from top left: Brett Wildman, AB | Tom deWaal, BC | Dale Easton, SK | Mike Howe, SK | Brian Geis, AB | Trevor Welch, Maritimes, Past President | Shawn Birgmingham, MB, President Elect | Graham McLean, ON | Bob Hahn, AB, President | Myles Immerkar, CEO | George Baxter, AB | Sheldon Kyle, SK (Missing: Ryan Currie, QC)



Myles Immerkar CEO





Carmen Koning Team Leader



Tina Zakowsky Joanelle Team Leader Fuellbrandt



Alan Yuen



Member Service Team

Lexi Wright Team Leader



Julia Engel



Avery



Parkinson



Kajal Devani



Makaela

Douglas

anadian ssociation <u>engus</u> \mathcal{I} taff

Administration Team

Kiani Evans Brian Good Chris Penton

Bob Toner

Belinda Wagner

2019 Highlights

with Canadian Angus CEO Myles Immerkar



Return to Profitability

The return to profitability and the long-term sustainable future of the Canadian Angus Association were a high priority in 2019. We were excited to develop a new long-term strategic plan for the CAA that will help shape, guide and provide focus for the future goals and objectives.

Industry Relationships

2019 saw increased development of our industry relationships and partnerships. The opportunity to collaborate with essential industry partners created greater leverage for the services and products we are able to provide to our members. Our

relationship with the American Angus Association has never been stronger as seen by our joining the index project to create cross-border trade opportunities, collaboration in a number of research avenues and AAA hosting the CAA Board in Saint Joseph for our September board meeting. Throughout 2019 this increased collaboration further developed our relationships with Certified Angus Beef, Red Angus Association of America and many other industry partners. We look forward to continuing to strengthen these relationships in 2020.

Development of a New Strategic Plan

A new long-term strategic plan was developed in the spring of 2019 with the purpose of re-setting our focus and vision and creating value for the CAA membership. This plan was instrumental in leading us back onto a path of profitability and growth in a number of areas.

Launch of CAA Index Project

As presented at Convention 2019, CAA contracted the services of AbacusBIO of New Zealand to aid in the development of an economic index to help provide new tools to Canadian Angus members. The index will incorporate all the research investment in new traits to allow the Angus breed to continue to be at the forefront of the beef industry through science and selection. The member survey, formula development and investment were a key component of 2019 with an anticipated launch in 2020.

Launch of Angus Life

Communication to our members was an important part of the 2019 strategic plan. Angus Life was designed to provide a platform to allow the CAA to communicate with CAA members on an array of initiatives. The annual magazine will be an integral communication piece to the CAA membership as we move forward, and the January 2020 launch was a significant marketing milestone in 2019.

Website Development Project

Further to our strategy to increase and improve the communication platforms for our members, investment and plans to redevelop the CAA website took place through the second half of 2019. A major marketing effort, the CAA is excited to launch this new site in 2020 and create more new opportunities for all CAA members.

Re-Launch of CAA Rancher Endorsed Program

Developing stronger relationships with our Angus brand partners was a key priority of the strategic plan and the re-launch of the Rancher Endorsed program provides a platform to recognize all the brands that value the work of Canadian Angus breeders.

Launch of AngusNOW

Our new online program AngusNOW went live in 2019 to provide our members with online tools that fit their operation needs and create new efficiencies in the service and support that we provide to our members.

Canadian Angus Foundation Investment in Research

The support of the Canadian Angus Foundation and their investment in research saw a number of research projects take full flight in 2019 that included feet & legs, teat & udder, global Angus evaluation, High Immune Response and the CAA Index development project. All these investments will continue to keep the Angus breed on the leading edge of science and the tools available to our breeders and commercial cattlemen in the achievement of their goals.

Canadian Angus History Book

The new Canadian Angus history book, The Breed, the Legends, the History—Canadian Angus History Book, 2019 Edition launched at the 2019 Convention. A volunteer committee spent over two-and-a-half years compiling the book which features a comprehensive summary of the history of the Angus breed, an overview of Angus in Canada, and 363 Canadian Angus member histories in the members' own words.

British Columbia

Jim Moon President

Carley Henniger Secretary

Registrations 2,254

Transfers 862

Alberta

Blake Morton President

Susanne Fankhanel

Registrations

Transfers



Saskatchewan

Trent Liebreich

Belinda Wagner General Manager

Registrations

18,437

Transfers



- The Summer Tour hosted more than 150 people in the Saskatoon area over two days
- Our 100th year anniversary was celebrated throughtout the year and was commemorated at the Century Sweepstakes event held in conjunction with the SAA-sponsored Masterpiece Sale on December 12. \$70,000 was awarded to two champions and more than \$20,000 was raised for the SAA.

Manitoba

Dallas Johnston

Mandi Fewings Secretary

Registrations Transfers 4,067 1,246

- 95 Angus enthusiasts attended the Manitoba Angus Summer Tour hosted by Mar Mac Farms & McRae Land & Livestock
- Summer Gold Show saw over 35 entries with exhibitors from both Manitoba and Saskatchewan
- Fall Gold Show saw over 80 entries with exhibitors from both Manitoba and Saskatchewan
- Manitoba Angus sponsorship throughout the year included:
 - Manitoba Beef Producers AGM
 - Canadian Junior Ang
 - GOAL attendees
 - Manitoba Beef Youth Roundup - Angus influence sales across the
 - Manitoba Beef & Forage Week
- The Keystone Klassic Fundraiser raised more than \$5,000 from generous breeders across the country
- Keystone Klassic Sale was another great success with over 70 lots on offer and averages of:
 - Bred Cows: \$7,000
 - Bred Heifers: \$5,155
 - Heifers: \$3,443



Ontario

Paula Cornish President

Julie Townsend Secretary

Registrations 2,513

Transfers



Quebec

Frederic Gouin President Cynthia Jackson Secretary

Registrations

Transfers







Maritimes

Amy Higgins

Registrations



Transfers

- Three pasture tours occured in 2019 in New Brunswick, Nova Scotia and PEI. Great representation was seen from purebred and commercial breeders alike
- The Maritime Angus Field Day was held in Pictou Co, Nova Scotia, with 16 heifers shown by 14 exhibitors
- Ernie Mutch was presented with his 50-year award at PEI Old Home Week by Maritime Angus Association Vice President Tim Dixon

Dave Durie

Alberta Honourary President



Dave and Pat Durie

Dave is the son of Scottish immigrant Alex Durie and is the youngest of six children. He started farming at age 17 with his brothers Bud and Jim. Early on he realized a need to grow grain and raise cattle to offset the fluctuations in markets and prices for either commodity.

Dave, his wife Pat and brother Bud farmed together. In mid-1960 Dave purchased his first Angus from area cattle breeder Lawrence McDermide and Bud purchased from Peter Sokoluk.

Dave and Pat have four sons, David, Dwight, Dwayne, Douglas. When Bud stepped back from farming, David and his wife Denise along with sons Dalton and Dane took over Bud's Angus. In 2008, Dave, David and Dwayne combined assets and Duralta Farms was incorporated. David managed the cattle and Dwayne the grain division allowing Dave Senior to gradually step back.

The family has embraced the changes made over the 57 years Dave Senior and Pat have been together. A thirdgeneration farm, we are proud as a family to have kept this farm active, viable and moving forward. In 2020 the Durie farm will have the status of a century farm. With this accomplishment, we will now be farming three family farms, each with a century status.





John Sauder

Saskatchewan Honourary President

Collin, Hillary and Michelle Sauder

Collin grew up on a mixed grain farm in Southwest Saskatchewan. He had a love and passion for the cattle industry and in particular Angus cattle. At the age of 14, he purchased his first registered purebred Angus female from Ron and Ruth Perry at the 1969 Saskatchewan Angus Fall Female Sale.

Upon obtaining his degree in Animal Science from the University of Saskatchewan and after some assistant teaching at the University, Collin returned to the family farm in 1979, eventually taking it over in 1986. Collin became a Junior member of the Canadian Angus Association in 1969 and later a life member. In November 2018, at Canadian Western Agribition, Collin received an award for 50 years of continuous Canadian Angus Association membership, an award that he was honoured and humbled to receive. He was quite surprised that 50 years could go by so quickly when your life's work is doing something you love.

Collin served on the Saskatchewan and Canadian Angus Association boards and as president of the Saskatchewan board in 1985. One of his proudest moments as a director with the Canadian Association was as Chair of the Breed Development Committee where he negotiated the first contract with ABRI to move the Canadian herdbook from CLRC to our own in-house registry. He would be very pleased that the Association went live with AngusNOW in 2020.

Collin passed away suddenly and unexpectedly on Thanksgiving 2019. We know he would be extremely overwhelmed and honoured with this nomination. On behalf of Collin's memory, Hillary and I would like to thank the Saskatchewan Angus Association for the very humbling nomination.



Manitoba Honourary President



Tim Baker, left

I take great honour in this nomination as I am the third generation in my family to have received it: my grandpa Bob, my dad Barrie and now me.

The Angus business has been part of me since I could walk. My first animal was gifted to me by my grandpa and she was also my first 4-H project. I built my herd with purchases over the years from my dad, Mountain View Farms, Eastondale Angus and from a gentleman that would become a close family friend, Jack Hart, Brookmore Angus.

Jack started me down the road of helping the Manitoba Angus Association. I started as the junior ambassador. At those first meetings I was surrounded by great people of our breed: Ruby Simpson, Grant Wilson, Lois McRae, to name a few. I served many years as a director with MAA and two years as president. Serving on the board with great people made going to the meetings enjoyable. If it wasn't for MAA and serving as president I wouldn't have met my wife Wendy at an annual meeting in Calgary.

I have taken a step back from the Angus business and downsized to a small herd of 20 cows. Cora and Carson have the Angus bug as well and have been actively showing at 4-H and Manitoba Youth Beef Roundup for years now so it seems Greenbush Angus will be in good hands.



. Kon & Linda

Bryan Ontario Honourary Presidents

Ron & Linda Bryant

It is with great pleasure that we accept the honour of being named 2019 OAA Honourary Presidents. We would like to thank both the Eastern Ontario Club and the Ontario Angus Association for the nomination.

We purchased our first purebred Angus in 1972 from Ellanvanin, Glen Islay and a few local breeders. One of our daughters began showing in 4-H in approximately 1982. We didn't start showing competitively until 1995 and we were ecstatic to be awarded Premier Breeder in 1997.

Breeding and showing Angus cattle has given us a great deal of satisfaction.

We have enjoyed working with several young Juniors over the years and following their accomplishments.

Ron has been a director for the EOA for about 30 years and spent one term on the OAA board.

Things are winding down a little now but we have a lot of great memories of the cattle and the friends that we have met along the way.

Peter Estabrooks

Maritime Honourary President



Peter Estabrooks

Peter was born in Midgic, New Brunswick on a mixed farm. In the late 1960s he went to Toronto to work in the factories. He returned to New Brunswick in the early 1970s when he met his future wife Debbie. He went to trade school and became a licensed carpenter, working several places before hiring on at Mount Allison University's facilities management where he remained until his retirement in 2012.

Peter and Debbie say that they were hooked the moment they "saw those Black Angus cattle in the green valley with the light just so—it was perfect." They purchased their first Black Angus cow in 1986 at the Maritime Angus Field Day and officially started their operations. The farm name comes from the number of ponds behind the Estabrooks' farm—hence, Pondsview Angus. Peter's operation has always been a family affair—even the herd tattoo letters (DPC) stand for the family's initials: Debbie, Peter and Candice.

Peter has regular involvement in New Brunswick and Maritime Angus activities. He was president of the New Brunswick Angus Association from 2001 through 2005 and was president of the Maritime Angus Association in 1996 and 1998. He currently sits as the Angus representative to the Maritime Beef Testing Society and continues to be a regular contributor at Angus meetings and events. "Since retiring from work, we raise Angus cattle only, and we love it!" The Canadian Angus Association does an astounding job promoting the Canadian Angus breed and its producers. Whenever we reach out to the Association for information or assistance they are more than helpful. As purebred Angus producers, we are proud to be members of the Canadian Angus Association.

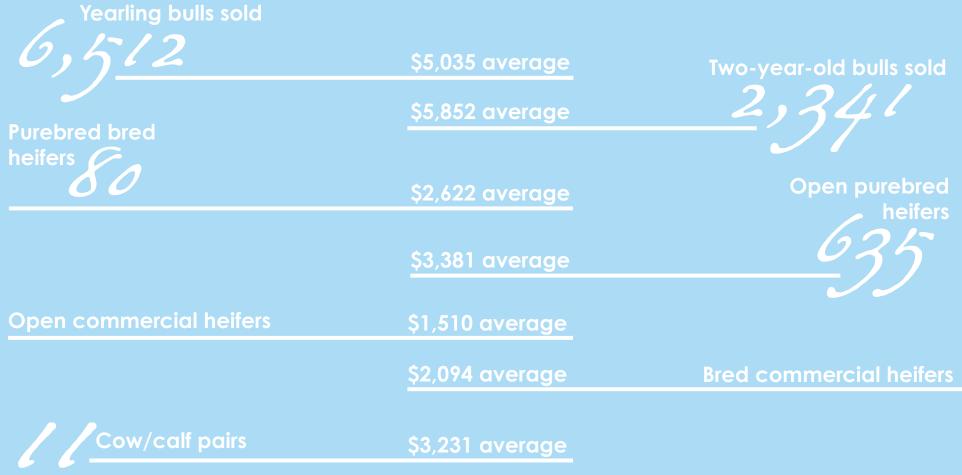
> Rod and Tracy Jordan Jordan Livestock Rimbey, AB

Photos of Jordan Livestock Angus calves taken by Shanna Jordan (sJs Cattle Co).



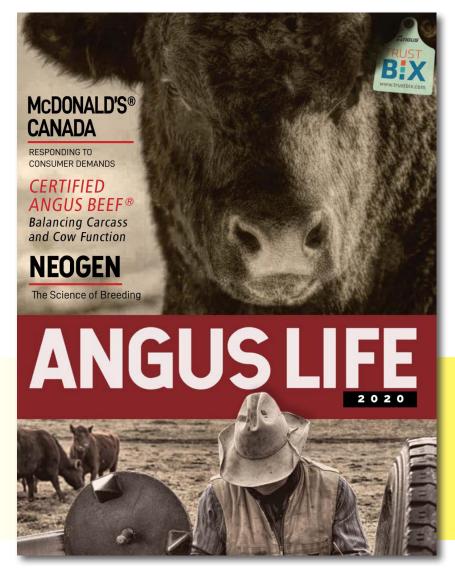
Total number of sales 226

Total animals sold 24,445 Member & non-memb



CCIA reported selling 75,000 Angus tags in 2019. CAA sold 196,237 Angus tags between January 1 & May 31, 2019. ATQ sold 7,650 Angus tags in 2019. Equalling over 278,000 Angus tags sold nationally.





It was heartening to witness how well-received the inaugural issue of Angus Life was... [It] just goes to show how influential Angus have become across all aspects of the industry. I'd like to believe that our efforts have helped elevate the breed, but in all honesty I think the cattle do that well enough on their own.

We're just helping spread the word.

– Kiani Evans Angus Life Creative Director

2019 The Canadian Angus Association starts work on the first edition of Angus Life magazine.

17,500 copies





Canadian Angus 2079 National Gold Show Winners



Black Show Bull of the Year

DMM Crank 13E Miller Wilson Angus & Nelson Hirsche Purebreds



Black Show Female of the Year





Red Show Bull of the Year

Red DKF Racer 8E DKF Angus & Shiloh Cattle Co.

Red Six Mile Fanny 149D Six Mile Red Angus & Sunberry Valley Ranch

Red Show Female of the Year



Top 5 Sires by Progeny

5

Red

Black Ζ

- MUSGRAVE 316 STUNNER
 - S A V RESOURCE 1441
 - S A V PRESIDENT 6847

ELLINGSON ROUGHRIDER 4202

S A V RENOWN 3439

- RED COCKBURN ASSASSIN 624D
- **2** RED MRLA RESOURCE 137E
- 3 RED DKF RAZOR 55C
- **4** RED SIX MILE CUSTOM MADE 505C
 - RED U-2 FOREIGNER 413B

Ultrasound Resutts

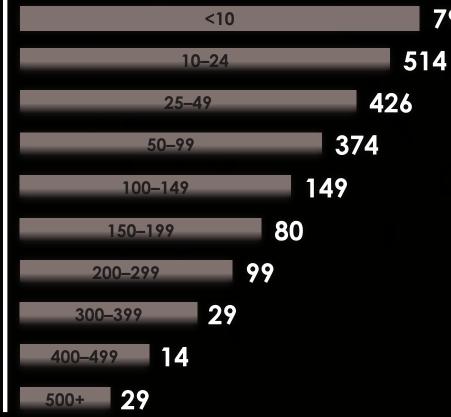
	Male	Female
Red	575	161
Black	1,288	1,023
Total	1,863	1,184

New Members

Annual

140 Junior

Herd Size Report



Canadian Angus Performance Program Participants

791

912 Annual 233 Junior 153 Young Breeder



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Trait	Number Mimals Tested
High Immune Response	825
eet (Claw Set & Hoof Angle)	1,673
Docility	672
Teat & Udder	1,897



Angus GS Tests 1,779

Genetic 94 Condition Tests

Coat Colour Tests 8



Province	Number Using	Total Number مراجع Members	Percent Members Using
Alberta	454	774	59%
British Columbia	63	209	30%
Manitoba	96	154	62%
New Brunswick	13	27	48%
Nova Scotia	11	43	26%
Ontario	168	368	46%
PEI	10	27	37%
Quebec	34	64	53%
Saskatchewan	360	619	58%
Totals	1,209	2,285	53%



	Black	Red
Males	22,574	10,105
Females	22,928	10,296
Steers	2,024	1,015
Subtotal	47,526	21,416
	Total	68,942

Weaning Weights

	Black	Red
Males	15,072	6,573
Females	14,890	6,569
Steers	1,486	675
Subtotal	31,448	13,817
	Total	45,265

INDEPEDANT AUDITORS' REPORT

To the Members of Canadian Aberdeen Angus Association

Opinion

We have audited the accompanying financial statements of Canadian Aberdeen Angus Association (the Entity), which comprise:

- the statement of financial position as at December 31, 2019;
- the statement of operations for the year then ended;
- the statement of changes in net assets for the year then ended; ٠
- the statement cash flows for the year then ended; •
- and notes to the financial statements, including a summary of significant accounting
- policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2019, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of the Financial Statements" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other responsibilities in accordance with these requirements.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit

Angus 2019 31, Year ended December

Aberdeen

Canadian

Association

Statements

Financial

organizations, and for such internal control as management determines is necessary to enable the preparation of non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of





expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis
 of accounting and, based on the audit evidence obtained, whether a material
 uncertainty exists related to events or conditions that may cast significant doubt on
 the Entity's ability to continue as a going concern. If we conclude that a material
 uncertainty exists, we are required to draw attention in our auditors' report to the
 related disclosures in the financial statements or, if such disclosures are inadequate, to
 modify our opinion. Our conclusions are based on the audit evidence obtained up to
 the date of our auditors' report. However, future events or conditions may cause the
 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our
- audit.

KPMGLIP

Chartered Professional Accountants

Calgary Alberta

April 30, 2020



CANADIAN ABERDEEN ANGUS ASSOCIATION

Statement of Financial Position

December 31, 2019, with comparative information for 2018

	Canadia	n Aberdeen Angus	Canadian Junior		
		Association	Angus	2019	2018
Assets					
Current:					
Cash	\$	365,463	\$ 3,236	\$ 368,699	\$ 180,48
Accounts receivable		112,788	17,333	130,121	199,65
Prepaid expenses and deposits		49,263	5,986	55,249	20,17
		527,514	26,555	554,069	400,31
Investments (note 2):					
Internally restricted		366,044	-	366,044	288,67
Unrestricted		36,587	-	36,587	24,41
Property and equipment (note 3)		4,591,144	-	4,591,144	4,656,10
Liabilities and Net Assets	\$	5,521,289	\$ 26,555	\$ 5,547,844	\$ 5,369,51
Liabilities and Net Assets Current liabilities: Accounts payable and accrued liabilities (notes 4 and 10)	\$	251,555	\$ 26,555	\$ 254,077	\$ 249,33
Liabilities and Net Assets Current liabilities: Accounts payable and accrued liabilities (notes 4 and 10) Member accounts		251,555 60,768	 2,522	 254,077 60,768	 249,338 44,78
Liabilities and Net Assets Current liabilities: Accounts payable and accrued liabilities (notes 4 and 10) Member accounts Deferred revenue		251,555	 ,	 254,077	 249,338 44,78
Liabilities and Net Assets Current liabilities: Accounts payable and accrued liabilities (notes 4 and 10) Member accounts Deferred revenue Current portion of mortgage		251,555 60,768 228,367	 2,522	 254,077 60,768 228,742	 249,33 44,78 146,14
Liabilities and Net Assets Current liabilities: Accounts payable and accrued liabilities (notes 4 and 10) Member accounts Deferred revenue		251,555 60,768	 2,522	 254,077 60,768	 249,339 44,78 146,14 153,215
Liabilities and Net Assets Current liabilities: Accounts payable and accrued liabilities (notes 4 and 10) Member accounts Deferred revenue Current portion of mortgage payable (note 6)		251,555 60,768 228,367 152,170	 2,522 	 254,077 60,768 228,742 152,170	 249,33 44,78 146,14 153,21 593,47
Liabilities and Net Assets Current liabilities: Accounts payable and accrued liabilities (notes 4 and 10) Member accounts Deferred revenue Current portion of mortgage payable (note 6)		251,555 60,768 228,367 152,170 692,860	 2,522 	 254,077 60,768 228,742 152,170 695,757	 249,33 44,78 146,14 153,21 593,47 2,905,02
Liabilities and Net Assets Current liabilities: Accounts payable and accrued liabilities (notes 4 and 10) Member accounts Deferred revenue Current portion of mortgage payable (note 6) Mortgage payable (note 6)	\$	251,555 60,768 228,367 152,170 692,860 2,759,805 3,452,665	 2,522 375 2,897 	 254,077 60,768 228,742 152,170 695,757 2,759,805 3,455,562	 249,33 44,78 146,14 153,21 593,47 2,905,02 3,498,50
Liabilities and Net Assets Current liabilities: Accounts payable and accrued liabilities (notes 4 and 10) Member accounts Deferred revenue Current portion of mortgage payable (note 6) Mortgage payable (note 6) Net assets: Invested in property and equipme	\$	251,555 60,768 228,367 152,170 692,860 2,759,805 3,452,665 1,679,169	 2,522 375 2,897 	 254,077 60,768 228,742 152,170 695,757 2,759,805 3,455,562 1,679,169	 5,369,514 249,338 44,78 146,14 153,218 593,472 2,905,028 3,498,50 1,597,868
Liabilities and Net Assets Current liabilities: Accounts payable and accrued liabilities (notes 4 and 10) Member accounts Deferred revenue Current portion of mortgage payable (note 6) Mortgage payable (note 6) Net assets: Invested in property and equipme Internally restricted (note 2)	\$	251,555 60,768 228,367 152,170 692,860 2,759,805 3,452,665 1,679,169 368,673	 2,522 375 2,897 2,897 	 254,077 60,768 228,742 152,170 695,757 2,759,805 3,455,562 1,679,169 368,673	 249,33 44,78 146,14 153,21 593,47 2,905,02 3,498,50 1,597,86 288,67
Liabilities and Net Assets Current liabilities: Accounts payable and accrued liabilities (notes 4 and 10) Member accounts Deferred revenue Current portion of mortgage payable (note 6) Mortgage payable (note 6) Net assets: Invested in property and equipme	\$	251,555 60,768 228,367 152,170 692,860 2,759,805 3,452,665 1,679,169	 2,522 375 2,897 	 254,077 60,768 228,742 152,170 695,757 2,759,805 3,455,562 1,679,169	 249,33 44,78 146,14 153,21 593,47 2,905,02 3,498,50 1,597,86

\$ 5,521,289	\$ 26,555	\$ 5,547,844	\$

5,369,514

See accompanying notes to financial statements.

Approved on behalf of the Board:

4D

President

Chief Executive Officer

Statement of Operations

Year ended December 31, 2019, with comparative information for 2018

	2019	2018
Revenue:		
Registrations	\$ 1,865,362	\$ 2,021,888
CACP tag program	726,739	1,187,060
Transfers	327,872	404,120
Memberships	410,620	336,465
Performance weights	169,497	228,282
DNA	336,658	272,297
Grants	128,057	107,048
Other	42,565	117,138
	4,007,370	4,674,298
Expenses:		
Wages and employee benefits	1,205,974	1,354,658
CAČP tag program	668,646	1,127,036
Office, rent and other expenses	388,974	547,936
Provincial activity grants	272,937	393,793
Interest on long term debt	131,321	118,526
Genetic evaluations	211,743	131,929
Advertising and promotion	79,005	172,168
DNA	238,530	234,211
Professional fees	33,247	117,176
Field service	87,148	116,646
Travel	82,503	103,831
Directors and committees	95,478	132,108
Bank charges	105,649	99,803
Registry	67,041	87,919
Subscriptions and memberships	33,916	35,756
Junior activity	26,569	31,804
Depreciation	76,889	88,091
	3,805,570	4,893,391
Excess of revenue over expenses before the undernoted	201,800	(219,093)
Other income (loss):		
Canadian Junior Angus activity (note 11)	(2,682)	(291)
Unrealized gain (loss) on investments	16,292	(8,997)
Investment income	5,859	6,006
	19,469	(3,282)
Excess (deficiency) of revenue over expenses	\$ 221,269	\$ (222,375)

See accompanying notes to financial statements.

Statement of Changes in Net Assets

Year ended December 31, 2019, with comparative information for 2018

2019	Ρ	Invested in roperty and equipment	Internally restricted	U	Inrestricted	Total
Balance, beginning of year	\$	1,597,865	\$ 288,673	\$	(15,525)	\$ 1,871,013
Excess (deficiency) of revenue over expenses		(76,889)	-		298,158	221,269
Repayment of mortgage		146,269	-		(146,269)	-
Investment in property and equipment		11,924	_		(11,924)	_
Transfers (note 2)		-	80,000		(80,000)	-
	\$	1,679,169	\$ 368,673	\$	44,440	\$ 2,092,282

2018	þ	Invested in property and equipment	Internally- restricted	ι	Inrestricted	Total
Balance, beginning of year	\$	1,531,907	\$ 288,673	\$	272,808	\$ 2,093,388
Deficiency of revenue over expenses		(88,091)	_		(134,284)	(222,375)
Repayment of mortgage		147,697	_		(147,697)	-
Investment in property and equipment		6,352	-		(6,352)	-
	\$	1,597,865	\$ 288,673	\$	(15,525)	\$ 1,871,013

See accompanying notes to financial statements.





Statement of Cash Flows

Year ended December 31, 2019, with comparative information for 2018

	2019	2018
Cash provided by (used in):		
Operations:		
Excess (deficiency) of revenue over expenses	\$ 221,269	\$ (222,375)
Items not involving cash:		
Depreciation	76,889	88,091
Unrealized (gain) loss on investment	(16,292)	8,997
	281,866	(125,287)
Changes in non-cash operating working capital:		
Increase (decrease) in accounts receivable	69,537	(11,179)
Increase in prepaid expenses and deposits	(35,070)	(4,738)
Increase in accounts payable and accrued liabilities	4,742	75,179
Increase (decrease) in member accounts	15,987	(19,541)
Increase in deferred revenue	82,601	122,839
	419,663	37,273
Financing:		
Repayment of mortgage	(146,269)	(147,697)
Investing:		
Additions to investments	(73,252)	(3,351)
Purchase of property and equipment	(11,924)	(6,352)
	(85,176)	(9,703)
Decrease in cash	188,218	 (120,127)
Cash beginning of year	180,481	300,608
Cash, end of year	\$ 368,699	\$ 180,481

See accompanying notes to financial statements.

Notes to Financial Statements

Year ended December 31, 2019, with comparative information for 2018

Descriptions of business:

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.

1. Significant accounting policies:

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The Association's significant accounting policies are as follows:

(a) Basis of presentation:

These financial statements have been prepared on a nonconsolidated basis. Financial details regarding the Canadian Angus Foundation Inc. are disclosed in note 7 to these nonconsolidated financial statements.

(b) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortization cost, unless management has elected to carry the instruments at fair value. The Association has not elected to carry any such financial instruments at fair value.

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.

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 year, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(c) Investments:

Investments are stated at fair value measured on a portfolio basis. 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.

(d) Property and equipment:

Property and equipment is stated at cost and depreciation is provided for over the estimated useful lives of the assets. The building is depreciated using declining balance method at a rate of 2% annually and the remaining property and equipment is depreciated on a straight-line basis over five years.

(e) 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.

(f) Deferred revenue:

Deferred revenue represents amounts received in advance for services that will be performed in the future.

(g) 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 and when related expenses are incurred. Other services revenues are recognized at the time the service is performed.

(h) 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 collectability 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.

2. Investments:

Investments consist of a guaranteed investment certificate ("GIC") of \$75,000 (2018 – \$75,000), which is earning interest at a rate of 1.75% per year, is set to mature on May 25, 2020, and marketable securities of \$327,631 (2018 – \$238,087), of which \$366,044 (2018 - \$288,673) is internally restricted. The GIC is pledged as security for the Association's demand revolving credit facility (note 5).

The contribution requirement to the internally restricted fund set by the Board of Directors is 3% of registration, membership and transfer revenues. During the year, the Board of Directors approved a contribution of \$80,000 (2018 - \$nil) to the internally restricted fund. A resolution was passed by the Board of Directors to waive a contribution to the internally restricted fund for year ended December 31, 2018.

3. Property and equipment:

	Cost	ccumulated	2019 Net book value	2018 Net book value
Land	\$ 1.263.276	\$ _	\$ 1,263,276	\$ 1,263,276
Building	3,745,711	(441,352)	3,304,359	3,371,794
Furniture and equipment	344,267	(335,521)	8,746	8,954
Computer software	204,996	(199,546)	5,450	7,241
Computer hardware	309,795	(300,482)	9,313	4,844
	\$ 5,868,045	\$ (1,276,901)	\$ 4,591,144	\$ 4,656,109

Included in accounts payable and accrued liabilities are government remittances payable of \$24,496 (2018 – \$17,890), which includes amounts payable for goods and services tax.

5. Bank Indebtedness:

At December 31, 2019, the Association had an uncommitted demand revolving credit facility in the amount of \$75,000 (2018 - \$75,000) with a Canadian financial institution. The interest rate charged on the bank facility is the bank's prime rate plus 15%. This facility is secured by the \$75,000 GIC. No amount was drawn as at December 31, 2019 (2018 - \$nil).

6. Mortgage payable:

	\$ 2,759,805	\$ 2,905,029
AFSC fixed rate mortgage, bearing interest at 4.54% repayable in monthly blended payments of \$23,219 commencing February 1, 2019, maturing January 1, 2024 Current portion of mortgage payable	\$ 2,911,975 152.170	\$ 3,058,244 153,215
	2019	2018

Principal repayments are as follows:

2020	\$ 152,170
2021	159,079
2022	166,301
2023	173,851
2024	2,260,575

The mortgage is secured by a registered first mortgage on the land and building, all present and after acquired personal property, including proceeds and an assignment of rent and lease revenues, and a promissory note.

7. 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 status as the 'single member' of the Foundation. As such, the Association's Board of Directors annually approves the elected Foundation 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, 2019 are summarized as follows:

	2019	2018
Total assets	\$ 809,145	\$ 789,409
Total liabilities	368,205	365,673
Total net assets	440,940	414,736
	\$ 890,145	\$ 780,409

In accordance with donor imposed restrictions, \$361,832 (2018 – \$324,234) of the Foundation's assets are to be used to provide scholarships to junior candidates and other junior programming. These externally restricted contributions have been deferred and will be 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.

\$30,442 of the Foundation's assets were subjected 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 the following objectives:

(a) To promote education, research and development concerning specific agricultural topics that will benefit the entire beef industry;

(b) To provide scholarships, bursaries and prizes to advance education in the field of breed production;

(c) To provide funding for the advancement and benefit of youth agricultural activities;

(d) To provide and promote education and research in the field

of beef production; and

(e) Ensure respect, preservation and restoration for the rich and long history of the Angus breed in Canada, of those Canadians developing the Angus breed, and the Canadian Angus Association who are the national organization supporting both the producers and their Angus cattle.

In 2019, the ten years elapsed and the money has been taken into revenue of the Foundation as per gareement made in 2009.

	2019	2018
Total revenues	\$ 226,450	\$ 194,970
Total expenditures	219,915	226,067
Excess (deficiency) of revenue over expenditures	\$ 6,535	\$ (31,097)
	2019	2018
Increase in cash	\$ 4,110	\$ 1,153

8. Commitments:

The Association is committed under certain leases for equipment and a software licensing and maintenance agreement. The aggregate amounts of these commitments over the next three years are as follows:

9. Risk management:

2020

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

(a) Interest rate risk:

The Association is exposed to interest rate risk on its fixed rate borrowings. The Association does not actively manage this risk.

(b) Credit risk:

The Association is exposed to credit risk from counterparties being unable to fulfil their obligations. The Association manages

1.045

\$

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, 2019.

(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.

(d) Liquidity risk:

Liquidity risk is the risk that the Association will encounter difficulties in meeting its financial liabilities when they come due. The Association manages liquidity risk by monitoring activity levels which affect cash flow while maintaining adequate cash balances to cover daily operating expenses and investing surplus cash balances in such a manner to provide longer terms liquidity.

There is no change in the Association's risk exposure from 2018 for any of the above risks, however, such risks may be impacted by the subsequent event disclosed in note 13.

10. Related party transactions:

Revenue includes \$nil (2018 – \$11,325) generated from a company owned by a member of the Association acting in an oversight role with \$nil (2018 – \$nil) remaining in accounts receivable at year end relating to this revenue.

During the year, revenue of \$68,697 (2018 – \$102,277) was received from the Foundation for projects and services provided on behalf of the Foundation. In 2018, the Board resolved that all transaction fees collected from members of the Canadian Junior Angus ("CJA") for services performed by the Association would be donated to the Foundation. Accordingly, there is \$nil (2018 – \$2,460) in accounts payable and accrued liabilities at year end relating to this donation.

During the year, CJA had a deficiency of \$2,682 (2018 – \$291) as a result there was no allocation to the Foundation. The process for dispersing the funds is at the request of the CJA, pending the approval of the Foundation's management.

The above transactions are in the normal course of operations and

are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

11. Canadian Junior Angus ("CJA"):

For the current year, results of operations for CJA were as follows:

	2019	2018
Revenue:		
Juniors Revenue	\$ 94,080	\$ 96,985
Expenses:		
Juniors Expenses	107,522	108,766
Deficiency of revenue over expenses	(13,442)	(11,781)
Received from Canadian Aberdeen Angus Association	10,760	11,490
Allocation to the Foundation (note 10)	-	-
Net deficiency of revenue over expenses	\$ (2,682)	\$ (291)

In March 2018, the Accounting Standards Board issued "Basis for Conclusions - Accounting Standards Improvements for Not-for-Profit Organizations" resulting in the introduction of the following new handbook section which is applicable to the Association:

Section 4433, Tangible Capital Assets Held by Not-for-Profit Organizations, which directs organizations to apply the accounting guidance of Section 3061, Property Plant and Equipment in Part II of the Handbook. In so doing, the new section requires that organizations annually assess for partial impairment of tangible capital assets, to be recorded where applicable, as a nonreversible impairment expense. In addition, where practical, to componentize capital assets when estimates can be made of the useful lives of the separate components.

This section is applied on a prospective basis with the exception of the transitional provision to recognize an adjustment to opening net assets for partial impairments of tangible assets that existed as at January 1, 2019.

The amendment is effective for financial statements for fiscal years beginning on or after January 1, 2019.

The implementation of this change had no impact on the financial statements.

13. Subsequent event:

Subsequent to December 31, 2019, the COVID-19 outbreak was declared a pandemic by the World Health Organization. The situation is dynamic and the ultimate duration and magnitude

of the impact on the economy and the financial effect on the Association's operations is not known at this time. These impacts could include potential future decreases in revenue and the requirement to reduce costs associated with ongoing operations.

14. Comparative information:

Certain comparative information has been reclassified to conform with the financial statements presentation adopted in the current year.



Canadian Angus Foundation

Canadian Junior Angus



The Canadian Angus Foundation functions to preserve and expand the Angus breed for future generations through education, youth development, scientific and market research, and historical preservation and restoration.







Award Recipients

OUTSTANDING YOUNG ANGUS BREEDER

Chad Hollinger, Neudorf, SK

JUNIOR ANGUS STOCKMAN Colt Kornfeld, Val Marie, SK

Scholarship Recipients

DICK TURNER

Charlene Elliott, Meaford, ON

ANGUS ROOTS

Baxter Blair, McLean, SK Jessica Davey, Saskatoon, SK Kailey Brandl, Jarvie, AB Keely Adams, Forestburg, AB Kylie Willms, Dundurn, SK Lexi Dietrich, Forestburg, AB

LEGACY SCHOLARSHIP

\$5,000: Matthew McGillivray, Kamloops, BC \$3,000: Jarrett Hargrave, Proton Station, ON \$2,000: Naomi Best, Harding, MB \$500: Tyra Fox, Lloydminster, SK \$500: Charlene Elliott, Meaford, ON

CJA SCHOLARSHIP

\$2,000: Kodie Doetzel, Lipton, SK \$1,500: Naomi Best, Harding, MB \$1,000: Charlene Elliott, Meaford, ON

Robert C. McHaffie Junior Ambassador Competition

Winner

Lexi Hicks, Mortlach, SK

Finallists: \$1,000 scholarships

Charlene Elliott, Meaford, ON Morgan Davey, Saskatoon, SK Robert Geis, Barrhead, AB

Bursary Recipients

INTERNATIONAL SELF-DIRECTED Macy Liebreich, Radville, SK

NATIONAL SELF-DIRECTED Naomi Best, Hardina, MB

CAF GOAL

Austin Richard, Salt Springs, NB Bobbi Jo Foster, Dropmore, MB Bryce Raymond, Brome, QC Chloe Loane, Montague, PE Kathrynn Ashworth, Hampton, NB Madison Pirch, Vernon Bridge, PE Morgan MacIntrye, Russell, ON Rylonn Elliot, Rock Creek, BC

CJA GOAL

Jakob Sherwood, Kamloops, BC Terrence Jarvis, Hastings, ON Tyler Jarvis, Hastings, ON Sarah MacDonald, Rock Creek, BC

SHOWDOWN

Arielle Aubrey, Carp, ON Kathrynn Ashworth, Hampton, NB Chloe Loane, Montague, PE Kaitlin Cavanaugh, Kinburn, ON Madison Pirch, Vernon Bridge, PE Shawna Williams, Fraser Lake, BC

SHOWDOWN TRUCKING

Fox/McConnell/Robertson/Shologan group

CONNECTING FARM & FOOD

Showdown: Mary-Laure New, London, ON with Meghan McGillivray, Kamloops, BC GOAL: Alana Davies, Qualicum Beach, BC with Macy Liebreich, Radville, SK



Heifer Voucher Winners

SHOWDOWN

\$3,000: Garret Klein, Rock Creek, BC \$2,000: Amy Nesjan, Kamloops, BC \$2,000: Riley Bapty, Coldstream, BC

GOAL

\$3,000: Jasmine Broeder, Assiniboia, SK

MEMBERSHIP

\$2,000: Kyler Kamp, Redvers, SK \$2,000: Melanie Delong, Malvern Square, NS \$2,000: Ty Nykolation, Crandall, MB

Certified Angus Beef Youth Workshop Participants

Matthew McGillivray, Kamloops, BC

United States Exchange Participants

NATIONAL JUNIOR ANGUS ASSOCIATION Lexi Hicks, Mortlach, SK Naomi Best, Harding, MB

JUNIOR RED ANGUS ASSOCIATION OF AMERICA Wade Olynyk, Goodeve, SK Chris Hambly, Bradford, ON



I really enjoy the atmosphere of the show. It's really positive and everyone is open to talking. Thomas Wildman

I gained contacts and a network of friends, customers and coaches that have impacted my career and life every year since my involvement as a Junior.





I've been able to see how, as young adults, we can really have an impact. Morgan Davey

Canadian Angus Foundation Donors Recogni

Over \$10,000

Canadian Angus Association

\$5,000-\$9,999

Alta Genetics Arda Farms Ltd. Bar-E-L Angus **Belvin Anaus Bohrson Marketing Services** Crescent Creek Angus Cudlobe Angus Dwajo Angus EBY & T-Down Trailers Ltd. Geis Angus Hamilton Farms Heart of the Valley Farms Lauron Red Angus Moose Creek Red Angus Pahl Livestock Ltd. Shiloh Cattle Co.

\$1,000-\$4,999

Allandale Angus Allflex/Kane Veterinary Supplies Artisan Farms Direct Ltd. Atlasta Angus Bandura Ranches Bar 5 Stock Farms Ltd. Bayshore Angus Benchmark Farms Ltd. Blue Mountains Angus Farm Boehringer Ingelheim Bow Valley Genetics Ltd. Cattlevids Ventures Ltd. CCIA Chance Folkman Chittick Farms Coul Angus CSI Anaus DLMS Dr. Dale Aylward, Gumbo Gulch Cattle Co. Everblack Anaus Eye Hill Stock Farm & Holtby Farms First Class Cattle Marketing Ltd. Fleming Stock Farms Flying U Cattle Co. Glacier FarmMedia Glen Gabel Angus Golden Thread Livestock Images Hahn Cattle Co. Harvest Angus Howe Family Farm Ivanhoe Angus Lewis Farms Madison Cattle Co. Ltd. Maritime Angus Association Miller Wilson Angus MWC Investments Inc. Myles Immerkar Ole Farms Ltd. Paradise Hill Community Center Premier Livestock Rebecca Shuttleworth Remitall Farms Inc. **Rio Grande Angus** Showchampions Six Mile Ranch Ltd. Tambri Farms Thistle Ridge Ranch Today's Angus Advantage Towaw Cattle Co. **TSN** Livestock **Tullamore Anaus**

\$500-\$999

American Angus Hall of Fame Brent Brewin Farms Ltd. Brooking Angus Ranch Canadian Sires Cavanbrook Farms Chapman Cattle Co. Eastondale Angus Ellsmere Farms Ltd. James Epp Labatte Farms MJT Cattle Co. **Oberle Farms** Poplar Meadows Angus Rainbow Red Angus **Redrich Farms** Reich Angus & K3 Ranch **Robertson Cattle Company** Rust Mountain View Ranch South View Ranch Stauffer Ranches Ter-Ron Farms Triple L Angus Westcan Cattle Co. Wilbar Cattle Co. Wright Livestock

Up to \$499

Bluestone Stock Farms First Line Angus Lynn Combest



This ambassadorship has opened so many different opportunities for me that I would not have been able to pursue on my own.

I have met so many incredible contacts through this position that I'm sure will be instrumental for my future endeavours

Robert C. McHaffie Junior Ambassador

\$200,000

generated in donations and the sale of promotional items

\$63,000+ invested in research

B31,000+ in historical restoration and

preservation including the archives

\$82,000+

in member education, awards, bursaries and youth scholarships

physical scholarships given to

Canadian Junior Angus recipients



In June 2019 the third edition of the Canadian Angus History Book was launched. It has since been read by members all across Canada, in addition to the United States, Scotland, Ireland, Australia and Uruguay.

The book features stories from over 300 members, over 600 photographs and 100+ years of Canadian Aberdeen-Angus history.





2016

31,

December

ended

Year

INDEPENDENT AUDITORS' REPORT

To the Members of Canadian Angus Foundation

Opinion

We have audited the financial statements of Canadian Angus Foundation (the Foundation), which comprise the statement of financial position as at December 31, 2019, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

Independent Auditors' Report to the Members of Canadian Angus Foundation (continued)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to
 fraud or error, design and perform audit procedures responsive to those risks, and obtain audit
 evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting
 a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may
 involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal
 control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Indley + (

Regina, Saskatchewan April 7, 2020

Dudley & Company LLP Chartered Professional Accountants





Foundation Statements of the ngus nancia anadia ĠŢ

2019 31, ended December Year

CANADIAN ANGUS FOUNDATION Statement of Financial Position December 31, 2019

	 2019	 2018
ASSETS		
CURRENT Cash Investments (Note 4) Accounts receivable Inventory Goods and services tax recoverable	\$ 19,108 45,000 18,231 22,001 136	\$ 14,998 106,145 15,733 5,530 181
	104,476	142,587
LONG TERM INVESTMENTS (Note 4)	 704,669	 637,821
	\$ 809,145	\$ 780,408
LIABILITIES AND NET ASSETS CURRENT Accounts payable and accrued liabilities Deferred income	\$ 6,373 - 6,373	\$ 3,646 7,350 10,996
Deferred Contributions (Note 6)	22,036	50,378
Junior Scholarship Fund (Note 7)	165,353	143,538
Junior Fund (Note 8)	174,443	160,760
	 368,205	365,672
NET ASSETS Unrestricted net assets	 440,940	414,736
	\$ 809,145	\$ 780,408

ON BEHALF OF THE BOARD Kit Wilde Director

Peuli St lening Director

CANADIAN ANGUS FOUNDATION Statement of Operations

Year Ended December 31, 2019

	2019	2018
DEVENUE		
REVENUE	A 400 575	A 100 050
Building the Legacy	\$ 122,575	\$ 168,250
Enduring property donations	27,950	-
Fundraising and donations	4,147	24,059
History book	49,607	-
Investment income	20,326	887
National Angus Cookbook sales	381	324
Promotional items sales	1,464	1,450
	226,450	194,970
EXPENSES		
Administration	3,825	1,201
Archives and Angus Central display	1,456	11,625
Bank charges	103	107
Building the Legacy	14,609	18,317
Connecting Food & Farm Bursary	1,371	-
Donor recognition and fundraising expenses	828	922
Foundation Legacy Scholarship	11,000	11,000
GOAL	15,967	14,956
GST expense	1,320	797
Heifer draw vouchers	16,000	10,000
History book	29,755	2,171
Investment account fees	3,349	3,372
Junior Ambassador Program	14,185	19,254
Junior Angus Stockman of the Year	4,365	4,175
Meeting and travel	15,237	11,706
Member Education	10,207	2,000
National Angus Cookbook	261	155
Outstanding Young Angus Breeder	4,370	4,180
Professional fees	2,695	2,536
Promotional items	,	1,314
	1,687	
Research projects Self-directed travel	63,275	81,775
Showdown	1,461 12,796	4,394 20,110
	219,915	226,067
		220,007
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	0 505	(01 007)
FROM OPERATIONS	6,535	(31,097)
OTHER REVENUE		
Other revenue	1,447	2,051
Unrealized gain (loss) on investments	18,222	(6,917)
	19,669	(4,866)
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 26,204	\$ (35,963)

CANADIAN ANGUS FOUNDATION

Statement of Changes in Net Assets

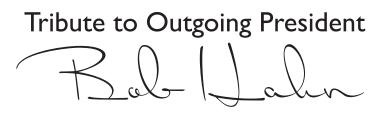
Year Ended December 31, 2019

	 2019		2018	
NET ASSETS - BEGINNING OF YEAR	\$ 414,736	\$	450,699	
Excess (deficiency) of revenue over expenses	 26,204		(35,963)	
NET ASSETS - END OF YEAR	\$ 440,940	\$	414,736	

CANADIAN ANGUS FOUNDATION Statement of Cash Flows

Year Ended December 31, 2019

215,945 233,616) 20,326	\$	184,036
20,520		(230,014) 887
 2,655		(45,091)
 (5,701) (28,342) 13,683 21,815		44,535 2,100 (9,441) 9,050
 1,455		46,244
4,110		1,153
 14,998		13,845
\$ 19,108	\$	14,998
	(5,701) (28,342) 13,683 21,815 1,455 4,110 14,998	(5,701) (28,342) 13,683 21,815 1,455 4,110 14,998



Written by Jane Halford

Living and working on the land that his mom and dad homesteaded is the foundation of Bob's life as an Angus breeder, businessman and friend. When he was a boy, the Hahn farm was a dairy operation. Being the youngest child, Bob spent much of his farming time helping his parents. After the dairy cows were sold and his parents moved to town, Bob had the opportunity to buy the family farm. He always wanted to make his parents proud of how he honoured what they had started.

Bob's first cattle purchases were commercial cattle and soon he started to become more interested in genetics. That's when he made a complete switch to Red and Black Angus. He's never looked back.

Bob is incredibly grateful to the breeders who supported him since those early days. He was always willing to learn more about developing a small, high-quality herd. It was through those breeders that Bob became involved in and served on the Alberta Angus Association and then the Canadian Angus Association boards of directors. Bob is a driven, visionary leader who wants to make a difference through his work. After understanding the opportunities the CAA had to elevate the future of the breed, Bob was excited to serve on the board especially with his financial expertise. When he became president elect, he was honoured to expand his support of the future strategic direction of the Association.

Some of Bob's highlights from his term as the CAA President were meetings with Certified Angus Beef, the Red Angus Association of America, and the American Angus Association. He was also inspired by meeting many of the rising stars of our industry at Showdown and the Guiding Outstanding Angus Leaders (GOAL) conference.

Bob has deeply appreciated the dedicated efforts and industry knowledge of CAA board members over the years. He has enjoyed his partnership with Myles and the opportunity to connect in new ways with the CAA team. Through the collective efforts of the board, team and members, the future of the breed has been further strengthened during the past year.











