



ANNUAL REPORT

2021





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.

Mission

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

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Myles Immerkar



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Sheldon Kyle President



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PRESIDENT'S *message*



The Angus breed is currently positioned as a pillar of the global beef industry. The Angus “brand” is easily recognized by consumers and is identified as a standard of excellence. Our job and role as a board of directors is to preserve and build upon these strengths. We need to pay respect to where we came from while recognizing that the future will be shaped by our actions today. How we view the role of Canadian Angus within the beef industry will indeed shape our future.

It has been an absolute honour to serve our membership as the 86th President of the Canadian Angus Association. I have enjoyed my time in this role and the opportunities to develop my leadership skills, extend my network and influence our great breed’s direction. We should be extremely proud of the quality of Canadian Angus genetics; they are successful on the global stage and are in demand. Canadian breeders continue to employ the basics of livestock breeding and production while embracing innovative technology as it fits their personal breeding philosophies. There is enough room in our sandbox for everyone to pursue their personal goals and be successful.

The Canadian Junior Angus program continues to be a beacon of light and hope for our future. Showdown in Olds last summer was a real highlight for me as our son was a first-time participant and had an absolute blast. We are excited to attend this summer’s event in Brandon, Manitoba. The leadership development, public speaking skills and animal husbandry knowledge that these youth are developing through this program will benefit our fraternity for years to come.

I need to thank my partner Ella, our son Oliver and my father Ray for their unwavering support and patience during my time on the Canadian Angus Board of Directors. They have all kept the home fires burning, juggled hectic schedules, endured early morning phone calls and been a sounding board for me. You all mean the world to me, and I look forward to redirecting my focus back to you.

My personal goal when joining the CAA Board of Directors was to leave it in a better position that it was in when I joined. I believe that I have accomplished this goal and personally look forward to the direction that our future board stewards will take us. As the Greek philosopher Heraclitus is quoted for saying, “Change is the only constant in life.”

Respectfully, Your CAA President
Sheldon Kyle

MESSAGE DU *président*

La race Angus est actuellement considérée comme un pilier de l'industrie bovine mondiale. La "marque" Angus est facilement reconnue par les consommateurs et est identifiée comme une marque d'excellence. Notre travail et notre rôle en tant que conseil d'administration consistent à préserver et à développer ces atouts. Nous devons respecter nos origines tout en reconnaissant que l'avenir sera défini par nos actions d'aujourd'hui. La façon dont nous percevons le rôle de Canadian Angus au sein de l'industrie bovine influencera en effet notre avenir.

Ce fut un honneur de servir nos membres en tant que 86^e président de la Canadian Angus Association. J'ai apprécié le temps que j'ai passé dans ce rôle et les occasions qui m'ont été données de développer mes compétences en leadership, d'étendre mon réseau et d'influencer l'orientation de notre grande race. Nous pouvons être extrêmement fiers de la qualité de la génétique canadienne Angus ; elle est performante sur la scène mondiale et est en demande. Les éleveurs canadiens continuent d'appliquer les principes de base de l'élevage et de la production de bétail tout en adoptant des technologies novatrices qui correspondent à leur philosophie d'élevage personnelle. Il y a suffisamment de place dans notre domaine pour que chacun puisse poursuivre ses objectifs personnels et réussir.

Le programme Canadian Junior Angus continue d'être un modèle lumineux et porteur d'espoir pour notre avenir. L'événement Showdown à Olds l'été dernier a été un moment inoubliable pour moi, car notre fils, qui participait pour la première fois, a vécu une expérience extraordinaire. Nous sommes enthousiastes à l'idée de participer à l'événement de cet été à Brandon, au Manitoba. Le développement du leadership, les compétences en art oratoire et les connaissances en élevage que ces jeunes acquièrent grâce à ce programme profiteront à notre confrérie pour des années à venir.

Je dois remercier ma partenaire Ella, notre fils Oliver et mon père Ray pour leur soutien inconditionnel et leur compréhension pendant mon mandat au conseil d'administration de Canadian Angus. Ils ont tous contribué à maintenir le domicile en bon ordre, à jongler avec des horaires chargés, à supporter les appels téléphoniques matinaux et à être une véritable source d'inspiration pour moi. Vous êtes tous importants pour moi, et j'ai hâte de me consacrer à nouveau à vous.

Mon objectif personnel lorsque j'ai été nommé au conseil d'administration de la CAA était de le laisser dans une meilleure position qu'il ne l'était lorsque j'ai commencé. Je pense avoir atteint cet objectif et je me réjouis personnellement de la direction que prendront les futurs administrateurs du conseil. Comme l'a dit le philosophe grec Héraclite : "Le changement est la seule constante de la vie".

Respectueusement, votre président de la CAA
Sheldon Kyle

Focusing on the Future

with Canadian Angus CEO Myles Immerkar

*As Albert Einstein
once said,
“In the middle of
every difficulty lies
opportunity.”*

Producers across Canada saw their share of continued challenges in 2021 and despite whatever challenges were faced, you found a way and a path.

At CAA, our mission continues to be to maintain breed registry, breed purity and provide services that enhance the growth and position of the Angus breed.

The role that beef plays in agriculture and the Angus position within the beef industry have never been more important than they are today. What the last 2 years of COVID-19 have shown is that our industry is essential and the product we produce plays an important role in the daily life of all consumers across Canada. The Angus breed has continued to be at the forefront of the beef industry, and we take our leadership role within the beef industry seriously.

The year 2021 on many accounts will be recognized as one of the most successful years in the 116-year history of the Canadian Angus Association. Below are just a few of the accomplishments and highlights that I would like to acknowledge from the past 12 months.



Association Finances

In joining the CAA in 2019, one of the core mandates that I was given was the financial health and profitability of the Association for our long-term future, stability and health. Over the past 3 years this has been a major priority focus as we identified opportunities for new revenue streams from non-traditional sources, we focused on the creation of efficiencies in our processes and business dealings and as we navigated the new business landscape that we were presented with that had no roadmap or template.

For the third consecutive year, as you will see in the financial report, the CAA has been able to post a positive financial position without increasing any core member fees while dealing with rapidly increasing inflationary costs. The CAA expects to complete the reserve investment allocation in 2022 that we have spent the past 8 years building. The

strong financial position will allow the CAA Board to focus on visionary projects that will help enhance the Angus breed and explore investment in a variety of projects that we haven't previously been able to.

Membership

In 2021, CAA memberships reached 2,500 which was an 11% increase over the year prior. This was the highest membership total in nearly a decade. A strong membership creates a strong future and we will continue to explore ways to enhance the membership experience.

Registrations

Annual registrations saw a 3% increase over the year prior, exceeding 57,000 registrations. Members continue to see the value of the registration paper and the assurance of breed purity in the genetics that they purchase.

Weights

In 2021, we saw the highest number of recorded weaning and yearling weights submitted in the history of CAA with more than 84,000 recorded weights submitted. This was nearly 10% more than the previous high. This new figure showcases the value that breeders are seeing in enhancing the genetic evaluation of their cattle.

New Evaluation Tools

The CAA genomic evaluation through the Angus GS tests continued to see increased use in 2021 with a 55% increase in usage. As the prediction accuracy continues to increase with a combination of the testing and phenotype submissions, the confidence in the new tools continues to increase.

New Strategic Plan

The success of 2019–2021 was a result of having a plan that helped direct our focus, priorities and direction. The development of a new strategic plan was a critical priority to begin 2022 and an enormous amount of work, discussion and collaboration took place in 2021 to identify the priorities going forward. This plan will provide us with the roadmap of future success.

Market Increases

In 2021, we saw a strong increase in the market value of Angus bulls traded across Canada. More than 10,000 Angus bulls traded for over \$60 million dollars for an average of \$5,916 which was an 8% increase in market value over the year prior when approximately 9,000 bulls traded for just shy of \$50 million and an average of \$5,498.

Member Service

Our member service team continued to look at new ways to improve service to members through training on new programs, program enhancements and setting ambitious new targets on member work turnaround times. Member service continues to be a priority and we continue to look at new ways and improvements to our processes and systems to enhance our members' experiences.

Regional Engagement

Our regional associations continue to play an important role in delivering the CAA mission and vision mandate to the grassroots level. They play an important role in regional communication and ensuring the Angus breed remains strong in each region across Canada. In 2021, to support each of the regions in

their marketing and communications, the CAA undertook a project to have all regions under a consistent website communications platform. The first of the regions were rolled out in 2021 with all regions expected to be on the platform in 2022 and allow them to focus their time, finances and energy on other initiatives. Many more highlights took place in 2021 that help support our strong overall results. The success didn't come from one specific improvement but was the result of a team effort in a large number of improvements that continued to add up throughout the year. Our focus as we move into 2022 and 2023 is to remain focused on our mission and vision and continue to keep that as our guiding light in everything that we do.

With the successes and strides that we made in 2021, I am excited about the opportunities that lay ahead for the Angus breed.



Rapport annuel - *Un regard sur l'avenir*

with Canadian Angus CEO Myles Immerkar

*Comme l'a dit
Albert Einstein, "Au
milieu de chaque
difficulté se trouve
une opportunité".*

Les producteurs à travers le Canada ont eu leur part de défis en 2021 et, malgré les difficultés, vous avez trouvé un moyen et de la progression. À la CAA, notre mission continue d'être le maintien du registre de la race, la pureté de la race et la création de services qui améliorent la croissance et la compétitivité de la race Angus.

Le rôle que joue le bœuf dans l'agriculture et la présence d'Angus dans l'industrie du bœuf n'ont jamais été aussi importants qu'aujourd'hui. Ce que les deux dernières années du COVID-19 ont montré, c'est que notre industrie est essentielle et que le produit que nous produisons joue un rôle important dans la vie quotidienne de tous les consommateurs du Canada. La race Angus a continué à être à l'avant-garde de l'industrie bovine, et nous prenons notre rôle de leader au sein de l'industrie bovine à cœur.

À bien des égards, l'année 2021 sera reconnue comme l'une des plus réussies des 116 ans d'histoire de l'Association Canadian Angus. Voici quelques-unes des réalisations et des points les plus remarquables que j'aimerais vous faire part au cours des 12 derniers mois.



Les finances de l'association

Lorsque j'ai commencé à travailler à la CAA en 2019, l'un des principaux mandats qui m'a été confié était la prospérité et la rentabilité financières de l'Association pour notre avenir, notre stratégie de stabilité et notre santé à long terme. Au cours des 3 dernières années, cela a été un objectif prioritaire majeur alors que nous avons identifié des opportunités de nouvelles sources de revenus provenant de sources non traditionnelles, que nous nous sommes concentrés sur la création d'efficacité dans nos processus et nos transactions commerciales et que nous avons navigué dans le nouveau terrain commercial qui nous a été présenté et qui n'avait pas de feuille de route ou de gabarit.

Pour la troisième année consécutive, comme vous pourrez le constater dans le rapport financier, la CAA a réussi à afficher une situation financière positive sans

augmenter les cotisations des membres, tout en faisant face à des charges en hausse constante. La CAA prévoit de compléter en 2022 l'affectation de la réserve d'investissement que nous avons passé les huit dernières années à accumuler. Cette solide position financière permettra au conseil d'administration de la CAA de se concentrer sur des projets visionnaires qui contribueront à améliorer la race Angus et d'explorer l'investissement dans une variété de projets que nous n'avons pas été en mesure de faire auparavant.

Les membres

En 2021, le nombre de membres de la CAA a atteint 2 500, soit une augmentation de 11 % par rapport à l'année précédente. Il s'agit du nombre d'adhésions le plus élevé depuis près de dix ans. Une adhésion forte crée un avenir fort et nous continuerons à explorer les moyens pour améliorer l'expérience des membres.

Enregistrements

Les enregistrements annuels ont connu une augmentation de 3 % par rapport à l'année précédente, dépassant les 57 000 enregistrements. Les membres continuent de voir la valeur du certificat d'enregistrement et la certitude de la pureté de la race dans la génétique qu'ils achètent.

Les poids

En 2021, nous avons enregistré le plus grand nombre de poids de sevrage et de 1 an soumis dans l'histoire de la CAA, avec plus de 84 000 poids enregistrés. Cela représente près de 10 % de plus que le précédent record. Ce nouveau chiffre montre la valeur que les éleveurs perçoivent dans l'amélioration de l'évaluation génétique de leurs bovins.

Nouveaux outils d'évaluation

L'évaluation génomique du CAA par le biais des tests GS Angus a encore bénéficié d'une utilisation accrue en 2021, avec une augmentation de 55 %. Comme la précision des prédictions continue d'augmenter grâce à la combinaison des soumissions de tests et de phénotypes, la fiabilité des nouveaux outils continue d'augmenter.

Le nouveau plan stratégique

Notre prospérité pour la période 2019-2021 est due au fait que nous disposions de directives qui nous ont permis de nous concentrer, de définir nos priorités et de nous orienter. Le développement d'un nouveau plan stratégique était une priorité essentielle pour commencer l'année 2022 et nous avons consacré énormément de travail, de discussions et de collaboration en 2021 pour définir les priorités à venir. Cette planification nous permettra d'établir les bases de notre future réussite.

Augmentation du marché

Nous avons constaté une forte augmentation de la valeur marchande des taureaux Angus transigés au Canada

en 2021. Plus de 10 000 taureaux Angus se sont vendus pour plus de 60 millions de dollars, pour une moyenne de 5 916 \$, soit une augmentation de 8 % de la valeur marchande par rapport à l'année précédente, où environ 9 000 taureaux s'étaient vendus pour un peu moins de 50 millions de dollars, pour une moyenne de 5 498 \$.

Services aux membres

Le personnel du service aux membres continue de chercher de nouvelles façons d'améliorer le service aux membres en organisant des formations sur les nouveaux programmes, en améliorant les programmes et en déterminant de nouveaux objectifs pour les délais d'exécution du travail des membres. Le service aux membres reste une priorité et nous continuons à voir de nouvelles façons d'améliorer nos processus et nos systèmes afin d'améliorer l'expérience de tous nos membres.

L'engagement régional

Nos associations régionales continuent de jouer un rôle important dans la réalisation du mandat de la mission et de la vision de la CAA au niveau de la base. Elles jouent

un rôle important dans la communication régionale et veillent à ce que la race Angus reste forte dans chaque région du Canada. En 2021, pour soutenir chacune des régions dans leur marketing et leurs communications, la CAA a entrepris un projet visant à ce que toutes les régions disposent d'une plateforme de communication uniforme sur le Web. Les premières régions ont été mises en place en 2021 et toutes les régions devraient être sur la plateforme en 2022, ce qui leur permettra de consacrer leur temps, leurs finances et leur énergie à d'autres réalisations.

Nous avons eu de nombreux autres développements en 2021 qui ont contribué à nos résultats globaux significatifs. Ce succès n'est pas le fruit d'une amélioration spécifique, mais le résultat d'un travail d'équipe sur un grand nombre de réalisations qui se sont accumulées tout au long de l'année. À l'aube de 2022 et 2023, notre objectif est de maintenir la priorité accordée à notre mission et à notre vision et de continuer à en faire notre vision principale dans tout ce que nous faisons. Avec les succès et les progrès que nous avons réalisés en 2021, je suis très enthousiaste quant aux possibilités qui s'offrent à la race Angus.



Honourary *Presidents*

BC Honourary President, *Tom de Waal*

Tom was born in Calgary, Alberta and raised on a dairy farm near Airdrie. As a young man he showed dairy cattle in 4-H as well as across North America from Toronto's Royal Agricultural Winter Fair to Madison, Wisconsin to Richmond, Utah.

In 1980 Tom attended the Reich World Wide College of Auctioneering in Mason City, Iowa. After graduating college, he started his auctioneering career selling livestock at the Rimbey Auction Market and soon after he was hired as one of the three lead auctioneers at the Edmonton Public Stockyard where he spent eight years selling livestock four days a week. In time Tom started selling farm equipment, heavy equipment and automobiles. It was then that his career path would change and Tom would start selling automobiles at weekly auctions across western Canada, from Vancouver to Edmonton, Calgary, Saskatoon and Regina.

In the fall of 1989 Tom took the opportunity to purchase 50 percent of a car and truck auction in Prince George with the intention of being a silent partner. However, by the summer of 1990 Tom had bought out the partner and became the sole proprietor of the car auction which he still runs today. Currently the car auction re-markets more than 3,000 vehicles annually for major financial institutions, fleet leases, dealers and rental companies.

During his career as an auctioneer Tom has always maintained his rural roots and interest in cattle. In

2003 he purchased his first registered Angus cattle which has led to today's Harvest Angus herd consisting of 120 mother cows. Harvest Angus promotes their brand at local and national livestock shows.

During his chosen careers, as both an auctioneer and as a seedstock producer, Tom has held numerous volunteer positions including his 10-year presidency of the BC Auctioneers Association and fourth year as the Canadian Angus Association Director for the BC Angus Association.

Over the years Tom has been a big supporter of 'giving back' and has supported numerous organizations offering his professional auction talents. Tom is a three-time BC Auctioneering champion and also a BC Hall of Fame Auctioneer, a career that he has enjoyed for the last 37 years.

Tom is honoured to be recognized by the BCAA as their Honourary President for 2022.



Alberta Honourary President, *Laurie Hunter*

I am humbled and honoured to be selected as Honourary President by the Alberta Angus Association and I thank them for this nomination.

Along with my husband Ron, we established Lauron Red Angus in 1984 east of Didsbury, Alberta on the land originally owned by Ron's grandparents. We have since built the herd to some 200 Red Angus matrons and a few blacks. We hold an annual bull and female sale each spring and market cattle in a few select consignment sales.

I was raised on the farm west of Carstairs owned by my parents Fred and Doreen Allen where they still reside. That is where my lifelong love of livestock began. They had established a Red Angus herd of cattle in the late 1970s named Alalta Acres. Many of the cow families at Lauron such as Blackbird, Missy, Mitzy, Jill and Lassie among others descend from this herd.

After completing my education degree, I taught kindergarten and other grades for several years before beginning our family. I continued to substitute teach for many years while building our herd and tending to farming obligations. Our three sons Jared, Ryan and Travis were all keen about day-to-day operations on the farm. All three were heavily involved with 4-H, Junior Angus and youth activities, and I was 4-H leader for over 10 years. I have also been involved in the Alberta Angus Association serving two terms as a director

and volunteering on show committees and with other agricultural based organizations. We recall some highlights over the years such as participating in the 2009 World Angus Forum, being selected as Purebred Breeders of the Year in 2014, attending the World Angus Forum in Scotland in 2017, hosting the Alberta Angus Field Day in 2018, being recognized as Honoured Guests by the Alberta Junior Angus Association in 2018, donating a heifer calf to the Canadian Angus Foundation in 2019 and in 2020 receiving the 100 Year Family Farm Award. We have enjoyed campaigning some of our cattle in a few shows, love to network and visit with our cattle fraternity. I have also been privileged to implement and manage the Peewee Pursuit program since 2016 at Summer Synergy combining my passion for livestock, education and youth.

Jared, his wife Garilyn and young sons Rhett and Emmett, Ryan and Jennifer and Travis, although busy with careers and other commitments, continue to help out when they can and still own cattle within our herd. We are grateful for the friendships, fellowships and camaraderie the Angus breed has brought to us and treasure the values and people in this industry.



Saskatchewan Honourary President,

Barry Young

Getting this call saying, "Congratulations! You have been selected as our Canadian Angus Association Honourary President from Saskatchewan for 2022" took my breath away for a moment. I am very humbled and honoured for this award. My first words have to be thank you to all the great members that our Saskatchewan Angus people have developed.

Our breed is strong and growing because of all the great people we have here in this province leading the way. For all those people that know me and my family, Young Dale Angus has been a way of life for us for over 50 years. Where does the time go? Racing by enjoying doing what you love! The drought and COVID-19 pandemic have sure made life tough for all of us but raising Angus cattle is a therapy for all of us. Young Dale Angus is still the backbone of our existence. We have a 200 purebred cow operation and we have an annual bull and female sale the second Tuesday of April.

Having the opportunity to serve as your Canadian Angus Association President and being on the Canadian Angus board was an experience I cherish. I have very fond memories of the opportunities that our great breed could offer.

I have had the pleasure of watching our youth grow up and take on the challenges of operating the Canadian and provincial associations and they are doing an excellent job. I believe we still have the genetics within the breed that will excel in the marketplace and compete with all of our competition and for the most part I believe our breed is genetically strong enough to accomplish this goal. We have a wealth of knowledge out there to listen to, so take advantage of the script and continue to acknowledge the position our great breed is in and never quit trying to make the breed better.



Manitoba Honourary President, *Brent Stewart*

We at Stewart Cattle Co., would like to thank the Manitoba Angus Association and its membership for the nomination and the prestige of naming us Honourary President.

In 1951, Bob Stewart married Bonnie Dunn (daughter of Watson Dunn, owner of Primrose Hereford Farms) and together they had four children—Brad, Bruce, Brent and Marilyn.

Manitoba is steeped in the history of breeding and producing quality seedstock and being competitive in the show ring. Primrose Herefords were leaders in the breed and competitive in show circles under the helm of Bob Stewart. At the 1952 Royal Agricultural Winter Fair in Toronto, Primrose Hereford Farm won the premier exhibitor banner along with junior and reserve junior champion bulls, the get of sire and the pair of bulls. Primrose Farm was also judged Supreme Champion of the 1957 Winter Fair in Brandon.

Their two primary shows were the Manitoba Winter Fair and the Royal. Although Brandon was a short haul, going to the Royal was a great ordeal and every young man's dream. In those days, cattle were transported by train. The trip would usually take five to six days from Brandon to Toronto. Brent Stewart made his first trip to the Royal Winter Fair at the age of nine. Since that day, he has made 23 trips with cattle and later a few judging. Bob and Brent have exhibited many steers over their history, carloads comprised of 10 head or pens of five and single bred steers. Brent recalls, "The carloads were the most work and the most enjoyable to win. We were lucky to win it a few times."

Stewart Cattle Co. is a direct descendant of Primrose Hereford Farm. The leadership and guidance of Brent's father, Bob, and grandfather, Watson Dunn, established the backbone of how Stewart Cattle Co. was developed.

Brent owned his own breeding stock at the age of nine and had a very keen interest in following his father's love of showing registered cattle. He travelled with his father to many shows starting at a young age. In 1978, Brent registered his cattle as Stewart Cattle Co., the beginning of registering cattle with the prefix of "SCC".

In 1983, Brent and Dale were married and the couple raised a daughter, Kelsey. Together the three of them worked to build Stewart Cattle Co. In 2016, Kelsey married Tyler Thompson and they now reside in Fort Assiniboine, Alberta.

Brent, Dale and Kelsey have won champion steer banners on numerous occasions at the Calgary Stampede. Kelsey made 19 trips to the Stampede before she was 21—the apple doesn't fall far from the tree! Brent recalls, "We have made and cultivated so many great family friends from the show world. Some of the highlights of the cattle business are the great people in the show cattle world and the strong competitors which we have been fortunate to compete with."

The Stewarts ran a purebred cow/calf operation and have bred and owned registered Horned Herefords, Salers, Black Angus and Black Simmental. In 1996, we became members of the Canadian Angus Association and registered our first Black Angus. We have also run commercial cows and calved upwards of 200 over the years. Each year we implant 30 to 40 embryos and have sold bulls and females off the farm, while over the past decade we have hosted a spring bull sale. "We are proud of our record of repeat customers who have also become friends."

Stewart Cattle Co. has exhibited at every major show in Canada, Billings, Montana and the National Western Stock Show in Denver, Colorado. To list the winning accomplishments would take pages but banners line the walls at SCC.

Lots of late nights, early mornings and long drives... it has been quite a ride!

On December 20, 2020 at JP Farms sale facility at McCauley, Manitoba, the entire program sold at our dispersal sale.



Ontario Honourary President, *Dennis Bridge*

Dennis would like to take this opportunity to thank the Bluewater Angus Club board for their nomination and the Ontario Angus Association for their consideration as Honourary President. He would also like to thank his family that has stood beside him throughout his presidency and continues to work alongside him at Bridgehaven Farms. Dennis and his wife Donna have three children—Kathryn, Kevin and Michael. Kathryn is a teacher with the Bluewater school board, and lives in Lions Head with her husband Andrew and daughter Briar. Kevin works in Management at Bruce Power, and lives in Kincardine with his wife Brandy and children Riley, Ava and Sadie. Michael farms in partnership with Dennis and works as a tradesman at Bruce Power. Michael and his wife Courtney live on the farm with their children Cassandra and Corbin.

Dennis graduated from Centralia College's Agricultural Diploma Program in 1970 at the age of 17, which at the time made him the youngest person to graduate from the program. After graduation, Dennis came home to farm with his uncle, father and brother. They farmed 900 acres and had a purebred Holstein operation. As time progressed, partnerships changed and land was transferred. Today he continues to farm 260 acres and is proud to say that Michael's children are the seventh generation of Bridges to live on the home farm.

4-H has been a big part of both Dennis and Donna's lives. They were both members as youth and for many years, leaders. Donna also volunteered with the governance side of the program. She was local, provincial, and Canadian 4-H Council president. All three children were involved in 4-H programs and this spring their oldest granddaughter Cassandra joined.

Today Bridgehaven Farms includes 40 purebred females and 20 commercial cows plus their offspring. They grow pastures with rotational grazing, hay, corn silage, corn for cobmeal, oats and peas for silage, as well as soybeans and wheat for cash crop. They work hard to grow everything

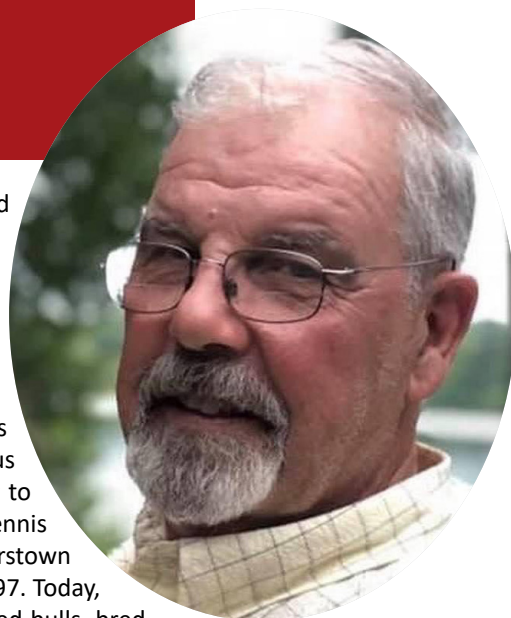
needed to feed the animals and only buy supplements, salt and minerals.

Dennis and Donna started their commercial beef herd in 1983 and bought purebred Angus bulls. One of his earliest mentors told Dennis, "If you have Angus cattle you are well on your way to success". With that in mind, Dennis and Donna bought the Riverstown herd when they dispersed in 1997. Today, Bridgehaven Farms sells purebred bulls, bred and open purebred females, bred commercial heifers and have a large freezer beef business. They have freezer orders 17 months in advance, and all fat cattle are sold as freezer beef. All cattle are hormone and steroid free.

Bridgehaven Farms cattle must combine structure and phenotype. They learned when their children were in the 4-H program and competing in local shows and carcass competitions that what is under the hide is just as important—if not more important than the physical appearance.

With that in mind, selecting an AI bull can be quite the challenge. Dennis has 13 EPD criteria that the AI sire must meet and be in the top 25% of the breed for each criterion. He feels that their breeding program is dedicated to the future of the beef business. Angus cattle for the most part are very easy to work with and handle. Dennis feels the genetic pool is still relatively broad with considerable opportunities to advance the breed and keep it in the number one position.

Dennis has had the opportunity to meet many great Angus breeders and hopes to meet many more in the years to come. No matter who he talks to there is always something to learn about the business or someone to challenge his thinking. To all Angus breeders, Dennis wishes you the very best with your breeding program and the success that will come with owning the Angus breed.



Maritime Honourary President, *Bob and Debbie Higgins*

Bob and Debbie Higgins have been fixtures of the New Brunswick, Maritime and Canadian Angus Associations. They started Model Farm Angus in 1980 with the purchase of their first Angus calf, but the farm's foundation female, Anderson Pride 68M 22R, came through a 1984 purchase from Anderson Farms in Ontario. Though the cow herd has ranged between 50 and 20, this year saw 30 calving out, 22 of which go back to that original Anderson Pride cow through maternal lineage. Bob and Debbie have been long-time consignors to the Maritime Beef Test Station, sending bulls every year as well as consigning to the Maritime Angus Field Day sales, now replaced by the Angus in Action fall sale (now known as the Atlantic Alliance sale).

In 1983, the Higgins began showing cattle and have since exhibited all over the Maritimes and even made a few appearances at the Royal Agricultural Winter Fair. They attended the 1985 World Angus Forum, and there is photographic evidence of Debbie chatting up The Queen Mother while washing a heifer in the wash rack! Bob and Debbie hosted the Maritime Angus Field Day & Junior Heifer Show in 1993 at their newly purchased summer pasture farm in Summerfield, NB. Their children Shelly, Amy, and Bobby have all grown up through 4-H and the Junior Angus program and have always been keen to loan calves to other local youth to show in junior shows. Now that they are both retired from their day jobs,

Bob and Debbie are delighted to share their love for Angus with their two grandkids, Anna and William, passing along the knowledge about the breed, genetics and trucking the kids and cattle to various 4-H, junior and open shows around the countryside.

Their involvement in the Angus industry goes beyond the farm. Bob has served as Maritime Angus Association president in 1987, 1991, 1994, and 1995 and as a New Brunswick director to the Maritime board during those years as well. He had a two-term tenure as Maritime director to the Canadian Angus Association Board from 1988–1993. While Bob began his service to the CAA Board, Debbie was back home wrangling three young children but found time to serve as the New Brunswick Angus Association's Secretary-Treasurer from 1984–1991 and then resuming the role in 2006, continuing today.

While they each would make excellent candidates on their own merits; TOGETHER, Bob and Debbie demonstrate the balanced and working together approach in order to progress as a farming family and promoting the Angus breed and its producers.



Long-term Recognition *Awards*

In 1998, the Canadian Aberdeen Angus Association instituted a long-term recognition award program 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 expanded to recognize families with 75 and 100 continuous years of membership. As of 2021, 231 families have been recognized with awards.

50 years



Saskatchewan
Valleyhills Angus



Alberta
Red Eagle Acres — The Conway Family

Alberta
Lee & Laura Brown, Trish & Tim
Henderson, Jackie & Kerry Freeman

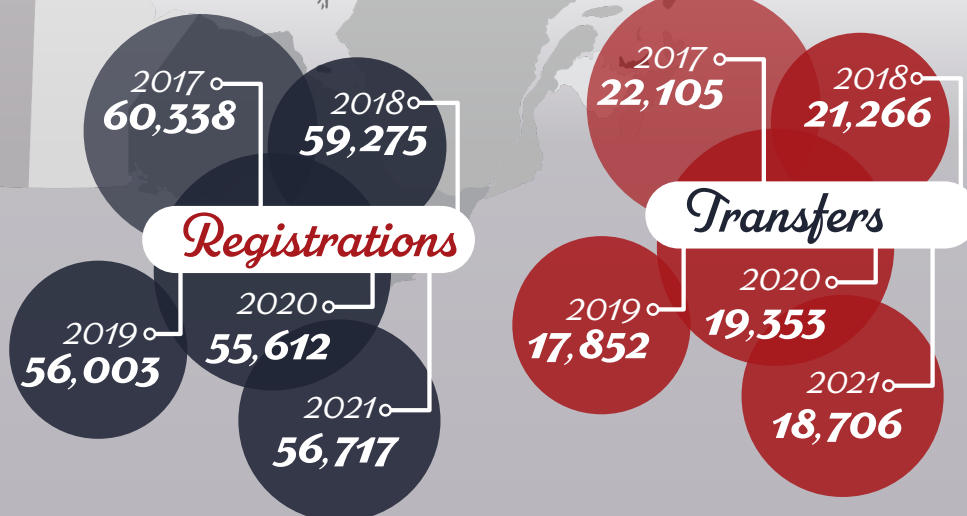
Ontario
Glen & Caroline Smith & Family

*Canadian
Red Angus
Promotion
Society*

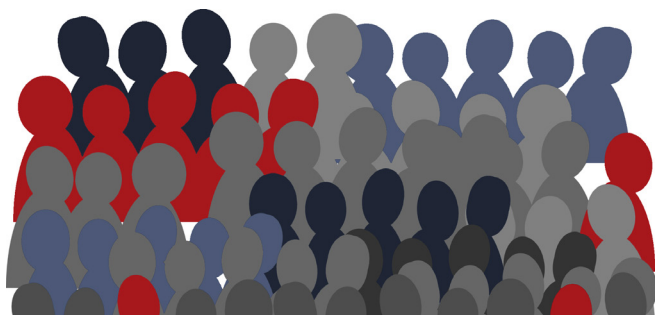
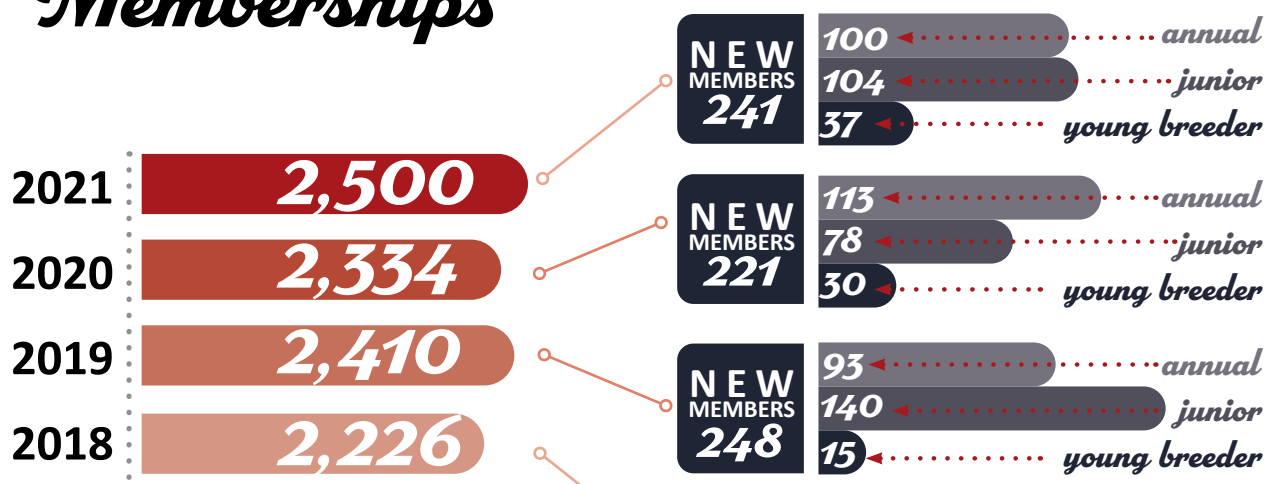




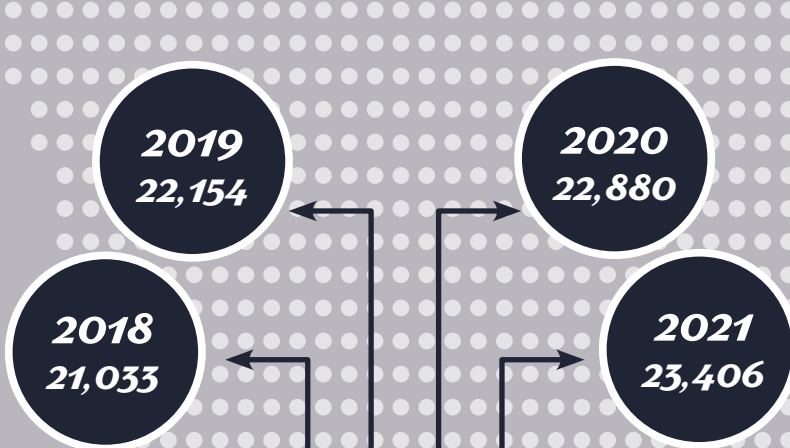
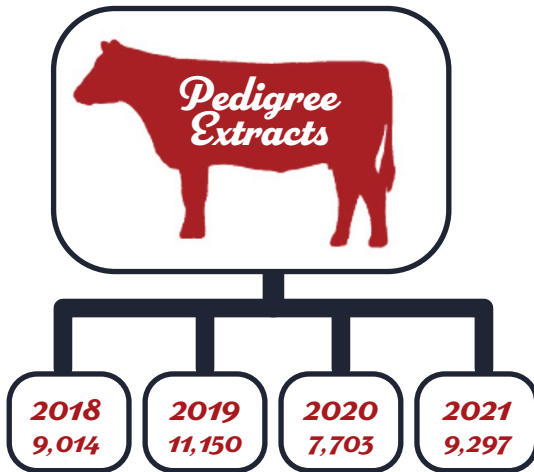
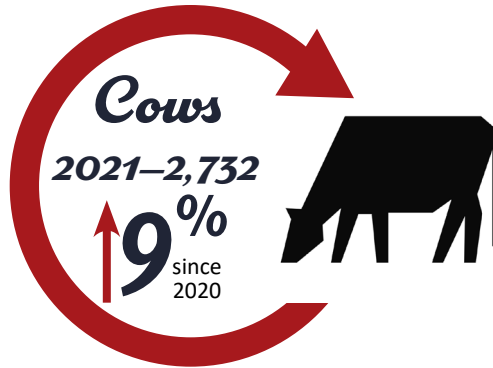
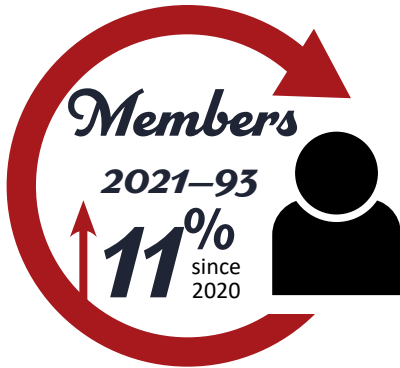
2021 Stats



Memberships



ACE Enrollment



ANGUS^{GS}
Powered by Neogen Canada
TESTS



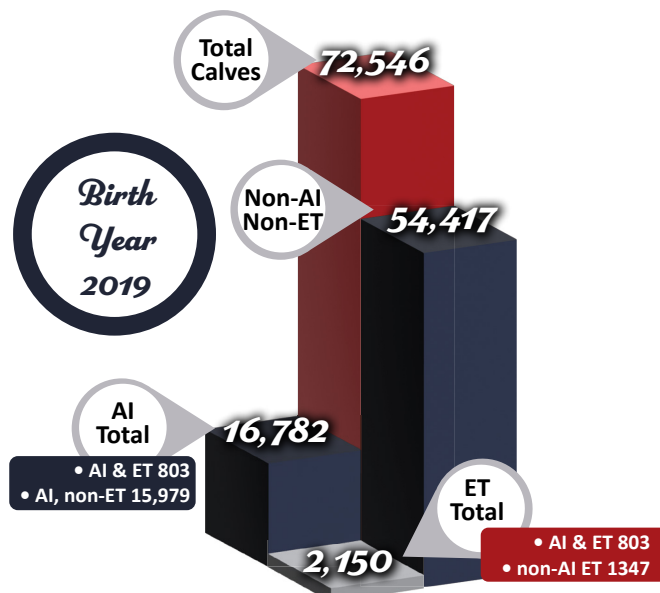
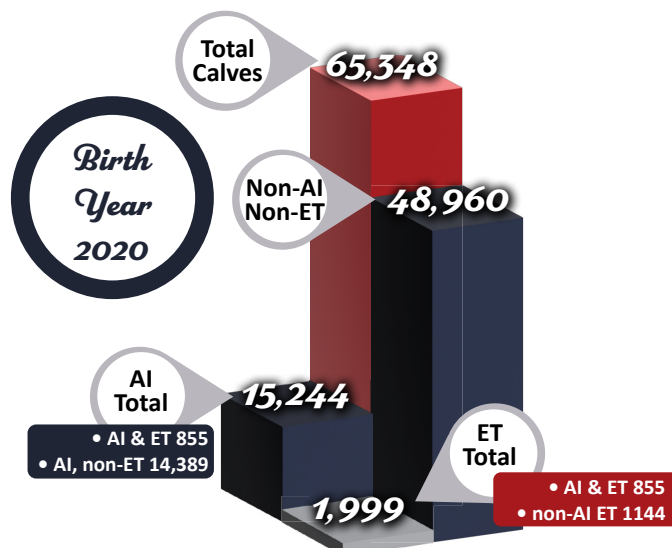
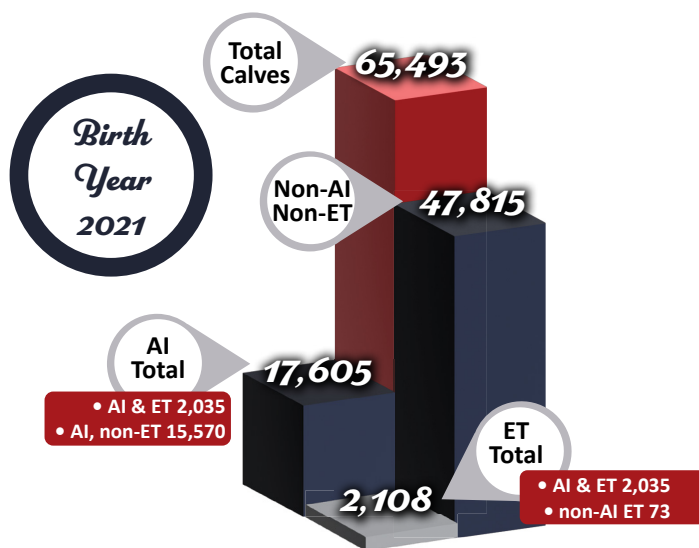
Herd Reports

HERD SIZE	NO. OF HERDS	2021 INVENTORY	2020 INVENTORY
500+	28	24,098	22,076
400-499	12	5,056	5,802
300-399	22	7,435	11,820
200-299	97	23,584	24,549
150-199	77	13,308	14,737
100-149	170	20,754	20,009
50-99	358	25,555	28,190
25-49	388	13,739	15,010
10-24	513	8,190	8,469
<10	769	3,098	3,395
	2,434	144,817	154,057

HERD SIZE	NO. OF HERDS	2020 INVENTORY	2019 INVENTORY
500+	26	22,664	24,351
400-499	12	5,397	5,700
300-399	34	11,820	11,045
200-299	99	24,279	24,010
150-199	84	14,585	14,237
100-149	168	20,393	18,286
50-99	394	27,998	26,869
25-49	426	15,067	13,890
10-24	527	8,353	7,909
<10	832	3,359	3,358
	2602	153,915	149,655

HERD SIZE	NO. OF HERDS	2019 INVENTORY	2018 INVENTORY
500+	29	23,809	24,656
400-499	14	6,147	6,145
300-399	29	11,339	9,714
200-299	99	23,925	24,155
150-199	80	14,071	13,964
100-149	149	18,289	18,193
50-99	374	26,781	26,840
25-49	426	13,865	15,067
10-24	514	7,914	8,210
<10	791	3,319	3,137
	2,505	149,459	150,081

AI / ET Animal Counts by Year of Birth





*Non-Consolidated
Financial Statements of the*



Year ended December 31, 2021

To the Members of Canadian Aberdeen Angus Association:

Opinion

We have audited the financial statements of Canadian Aberdeen Angus Association (the "Association"), which comprise the non-consolidated statement of financial position as at December 31, 2021, and the statements of operations, changes in net assets, cash flows and the related schedules for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2021, 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Association 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 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 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 non-consolidated financial statements, management is responsible for assessing the Association'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 Association or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Non-Consolidated 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 Association'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 Association'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 Association 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.

Lethbridge, Alberta

April 13, 2022

MNP LLP

Chartered Professional Accountants

Canadian Aberdeen Angus Association

Non-Consolidated Statement of Financial Position

As at December 31, 2021

	Canadian Angus Association	Canadian Junior Angus Association	2021	2020
Assets				
Current				
Cash	945,618	31,312	976,930	631,323
Accounts receivable	122,720	22,296	145,016	141,749
Prepaid expenses and deposits	31,170	9,371	40,541	23,838
	1,099,508	62,979	1,162,487	796,910
Investments (Note 3)	667,919	-	667,919	507,228
Capital assets (Note 4)	4,470,738	-	4,470,738	4,527,218
	6,238,165	62,979	6,301,144	5,831,356
Liabilities				
Current				
Accounts payable and accruals (Note 6)	258,820	15,258	274,078	380,892
Deferred revenue (Note 7)	102,673	23,470	126,143	113,222
Member accounts	45,656	-	45,656	58,449
Current portion of long-term debt (Note 8)	166,300	-	166,300	159,079
	573,449	38,728	612,177	711,642
Long-term debt (Note 8)	2,434,376	-	2,434,376	2,600,679
	3,007,825	38,728	3,046,553	3,312,321
Net Assets				
Unrestricted	831,605	24,251	855,856	302,901
Internally restricted	528,673	-	528,673	448,673
Capital	1,870,062	-	1,870,062	1,767,461
	3,230,340	24,251	3,254,591	2,519,035
	6,238,165	62,979	6,301,144	5,831,356

Approved on behalf of the Board of Directors



CEO



Director

Canadian Aberdeen Angus Association

Non-Consolidated Statement of Operations

For the year ended December 31, 2021

	2021	2020
Revenue		
Registrations	1,903,382	1,875,183
Memberships	437,786	416,412
DNA	388,738	316,784
Transfers	343,767	355,329
AngusGS	228,821	147,524
Grant revenue	167,898	362,411
Magazine	160,623	238,926
Performance weights	155,281	158,250
CACP tag program	144,484	155,516
Miscellaneous revenue	11,000	19,683
Investment income	10,415	11,766
Canadian Junior Angus Association (Schedule 1)	56,409	49,705
Total revenue	4,008,604	4,107,489
Expenses		
Salaries, benefits and contracted services	1,263,596	1,242,641
Office, rent and other expenses	332,811	361,123
DNA	324,521	297,420
Genetic evaluations	224,451	164,624
Provincial activity grants	221,969	260,222
Magazine	142,666	223,305
Interest on long-term debt	119,542	126,998
Bank charges and interest	100,273	91,502
Directors and committees	88,074	66,368
CACP tag program	88,064	83,812
Advertising	86,603	128,777
Registry	63,751	62,377
Membership fees	48,677	28,539
Professional fees	30,732	33,586
Research and development	25,084	308,362
Field service	21,768	32,553
Junior activity	16,077	13,373
Travel	9,490	23,830
Bad debts	2,763	12,128
Amortization	83,636	81,178
Canadian Junior Angus Association (Schedule 1)	53,589	51,930
Total expenses	3,348,137	3,694,648
Excess of revenue over expenses before other items	660,467	412,841
Other items		
Unrealized gain on change in fair value of investments	60,890	13,912
Gain on disposal of investments	14,199	-
	75,089	13,912
Excess of revenue over expenses	735,556	426,753

The accompanying notes are an integral part of these financial statements

Canadian Aberdeen Angus Association
Non-Consolidated Statement of Changes in Net Assets
For the year ended December 31, 2021

	<i>Capital Fund</i>	<i>Internally restricted fund</i>	<i>Unrestricted fund</i>	2021	2020
Net assets, beginning of year	1,767,461	448,673	302,901	2,519,035	2,092,282
Payment of long-term debt	159,082	-	(159,082)	-	-
Purchase of capital assets	27,155	-	(27,155)	-	-
Transfers (note 3)	-	80,000	(80,000)	-	-
Excess of revenue over expenses	(83,636)	-	819,191	735,556	426,753
Net assets, end of year	1,870,062	528,673	855,855	3,254,591	2,519,035

Canadian Aberdeen Angus Association

Non-Consolidated Statement of Cash Flows

For the year ended December 31, 2021

	2021	2020
Cash provided by (used for) the following activities		
Operating		
Excess of revenue over expenses	735,556	426,753
Amortization	83,636	81,178
Unrealized gain on investment	(60,890)	(13,912)
	758,302	494,019
Changes in working capital accounts		
Accounts receivable	(3,269)	(11,620)
Prepaid expenses and deposits	(16,703)	31,411
Accounts payable and accruals	(106,813)	126,813
Deferred revenue	12,921	(125,136)
Member accounts	(12,793)	7,292
	631,645	522,779
Financing		
Repayment of long-term debt	(159,082)	(152,217)
Investing		
Purchase of capital assets	(27,155)	(17,253)
Increase of investments	(99,801)	(90,685)
	(126,956)	(107,938)
Increase in cash resources	345,607	262,624
Cash resources, beginning of year	631,323	368,699
Cash resources, end of year	976,930	631,323

The accompanying notes are an integral part of these financial statements

Canadian Aberdeen Angus Association

Notes to the Non-Consolidated Financial Statements

For the year ended December 31, 2021

1. Incorporation and nature of the organization

Canadian Aberdeen Angus Association (the "Association") was incorporated under the Animal Pedigree Act and is registered as a not-for-profit organization and thus is exempt from income taxes.

The Association's purpose 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.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

Basis of presentation

These financial statements have been prepared on a non-consolidated basis. Financial details regarding the Canadian Angus Foundation Inc. are disclosed in note 10.

Cash

Cash consists of balances with banks. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution plus all costs directly attributable to the acquisition.

Amortization is provided using the below described methods at rates intended to amortize the cost of assets over their estimated useful lives.

	Method	Rate
Buildings	declining balance	2 %
Computer equipment	straight-line	5 years
Computer software	straight-line	5 years
Office equipment	straight-line	5 years
Signs	straight-line	5 years

Long-lived assets

Long-lived assets consist of capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Association writes down long-lived assets held for use when conditions indicate that the group of assets no longer contribute to the Association's ability to provide goods and services. The assets are also written-down when the value of future economic benefits or service potential associated with the group of assets is less than its net carrying amount. When the Association determines that a long-lived asset is impaired, its carrying amount is written down to the asset's fair value.

Revenue recognition

The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. 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. Magazine revenue is recognized at the time of magazine publishing and shipping. Grant revenue is recognized at the time it is received and when the related expenses are incurred.

Investment income is recognized as revenue is earned.

2. Significant accounting policies *(Continued from previous page)*

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.

Financial instruments

The Association recognizes its financial instruments when the Association becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with Section 3840 *Related Party Transactions* (refer to Note 9).

At initial recognition, the Association may irrevocably elect to subsequently measure any financial instrument at fair value. The Association has not made such an election during the year.

The Association subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship at fair value. Fair value is determined by published price quotations. Investments in equity instruments not quoted in an active market are subsequently measured at cost less impairment. All other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the excess of revenues over expenses for the current year. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Financial asset impairment

The Association assesses impairment of all of its financial assets measured at cost or amortized cost. The Association groups assets for impairment testing when there are numerous assets affected by the same factors. Management considers whether the issuer is having significant financial difficulty; whether there has been a breach in contract, such as a default or delinquency in interest or principal payments; in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Association determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, the Association reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in current year excess of revenues over expenses.

The Association reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in the excess of excess in the year the reversal occurs.

Measurement uncertainty

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 disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future years could be material. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the years in which they become known.

Canadian Aberdeen Angus Association
Notes to the Non-Consolidated Financial Statements
For the year ended December 31, 2021

3. Investments

	2021	2020
Measured at cost:		
GIC, earning interest rate of 0.85%, maturing on May 25, 2023	79,014	79,014
Measured at fair value:		
Marketable securities	588,905	428,214

Marketable securities include an internally restricted balance of \$528,673 (2020 - \$448,673). The GIC is pledged as security for the Association's demand revolving credit facility (note 5). Internally restricted investments are held for the purpose of providing sufficient funds to, at a minimum, cover the internally restricted reserves.

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 (2020 - \$80,000) to the internally restricted fund.

4. Capital assets

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Land	1,263,276	-	1,263,276	1,263,276
Buildings	3,745,711	572,205	3,173,506	3,238,271
Computer equipment	319,069	311,485	7,584	12,303
Office equipment	364,203	351,944	12,259	8,419
Computer software	219,641	205,528	14,113	4,949
Leasehold improvements	79,743	79,743	-	-
Signs	44,435	44,435	-	-
	6,036,078	1,565,340	4,470,738	4,527,218

5. Bank indebtedness

As of December 31, 2021, the Association has an undrawn operating loan for \$75,000 (2020 - \$75,000) bearing interest at prime plus 1.5% (2020 – prime plus 1.5%), secured by GICs with a carrying amount of \$79,014 (2020 – \$79,014). The prime rate at December 31, 2021 was 2.45% (2020 - 2.45%).

6. Accounts payable and accruals

Included in accounts payable and accruals are goods and services tax remittances payable of \$24,614 (2020 - \$29,543).

Canadian Aberdeen Angus Association
Notes to the Non-Consolidated Financial Statements
For the year ended December 31, 2021

7. Deferred revenue

Deferred revenue consists of unspent grants restricted for specified projects and services provided on behalf of the Canadian Angus Foundation and other funding sources. It also includes amounts received from members and clients for services yet to be provided. Recognition of these amounts as revenue is deferred to periods when the specified expenditures are made or when service delivery is completed per the terms of the contract.

	2021	2020
ACE program		
deferred revenue, beginning of year	91,852	86,744
funds received	194,972	176,365
amounts recognized as membership revenue	(184,151)	(171,257)
deferred revenue, end of year	102,673	91,852
Canadian Junior Angus Association		
deferred revenue, beginning of year	21,370	-
Funds received	2,100	21,370
deferred revenue, end of year	23,470	21,370
Angus Life		
deferred revenue, beginning of year	-	110,683
amounts recognized as magazine revenue	-	(110,683)
deferred revenue, end of year	-	-
Research and development grants		
deferred revenue, beginning of year	-	31,315
funds received from the Foundation	-	34,275
funds received from unrelated sources	154,148	233,161
amounts recognized as grant revenue	(154,148)	(298,751)
deferred revenue, end of year	-	-
	126,143	113,222

Canadian Aberdeen Angus Association
Notes to the Non-Consolidated Financial Statements
For the year ended December 31, 2021

8. Long-term debt

	2021	2020
AFSC mortgage, repayable in monthly instalments of \$23,219 including interest of 4.54%, due January 1, 2024	2,600,676	2,759,758
Less: Current portion	166,300	159,079
	2,434,376	2,600,679

Principal repayments on long-term debt in each of the next five years, assuming long-term debt subject to refinancing is renewed are estimated as follows:

2022	166,300
2023	173,900
2024	179,100
2025	187,400
2026	196,100

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

9. Related party transactions

During the year revenue of \$1,275 (2020 - \$39,275) was received from the Canadian Angus Foundation Inc. (the "Foundation") for projects and services provided on behalf of the Foundation.

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.

Canadian Aberdeen Angus Association
Notes to the Non-Consolidated Financial Statements
For the year ended December 31, 2021

10. 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, research and education 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, 2021 are summarized as follows:

	2021	2020
Statement of Financial Position		
Total assets	983,208	775,029
Total liabilities	469,873	391,949
Total net assets	513,335	383,080
Total liabilities and net assets	983,208	775,029

Statement of Operations

Revenues from operations	136,497	27,494
Other revenue	56,452	9,957
Total revenue	192,949	37,451
Total expenditures	62,694	95,311
Excess (deficiency) of revenue over expenditures	130,255	(57,860)

Statement of Cash flows

Cash from (for) operating activities	125,043	(35,528)
Cash from (for) investing activities	(101,106)	26,883
Increase (decrease) in cash	23,937	(8,645)
Cash - beginning of year	10,463	19,108
Cash - end of year	34,400	10,463

In accordance with donor imposed restrictions, \$464,288 (2020 - \$377,275) 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.

Canadian Aberdeen Angus Association

Notes to the Non-Consolidated Financial Statements

For the year ended December 31, 2021

11. Financial instruments

The Association, as part of its operations, carries a number of financial instruments. It is management's opinion that the Association is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Credit concentration

Financial instruments that potentially subject the Association to concentrations of credit risk consist primarily of trade accounts receivable. Association sales are concentrated in the agricultural sector; however, credit exposure is limited due to the Association's large customer base. Additionally, the Association has implemented policies on overdue accounts to mitigate this risk.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk.

The Association is exposed to interest rate cash flow risk on its bank indebtedness that would be based on a floating interest rate. The Association is exposed to interest rate price risk on its long term debt, which is at a fixed rate.

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.

12. Significant Event

During the year, the COVID-19 pandemic has caused significant financial market and social distress. The situation is dynamic and ongoing, with various cities and countries around the world responding in different ways to address the outbreak. The Association continues to monitor and assess the impact of COVID-19 will have on its business activities. Management expects operations to continue into the future and has recognized and responded to greater need for social distancing, masks, sanitizers, and increased workplace cleaning protocols. The extent of the impact the COVID-19 pandemic will have on the Association is uncertain as the situation is ongoing.

Canadian Aberdeen Angus Association

Schedule 1 - Non-Consolidated Canadian Junior Angus Association Statement of Operations

For the year ended December 31, 2021

	2021	2020
Revenue		
Advertising, fundraising, scholarships and sponsorships	24,450	26,000
Internal grants	21,019	12,000
Registrations and memberships	10,940	11,705
	56,409	49,705
Expenses		
Events	26,527	29,253
Fundraising, newsletter and calendar	16,694	14,887
Scholarships	4,500	4,500
Board expenses	5,082	2,343
Insurance	686	572
Bad debts	100	350
Interest and bank charges	-	25
	53,589	51,930
Excess (deficiency) of revenue over expenses	2,820	(2,225)

2021 Awards



Outstanding Young Angus Breeder

Jesse Emery
Camp Creek, AB



Junior Angus Stockman

Kodie Doetzel
Lipton, SK



Robert C. McHaffie Ambassador Winner

Riley Leeson
Hays, AB

Ambassador Finalists

Keely Adams, Forestburg, AB
Morgan Davey, Saskatoon, SK

Beverly Booth, Jolicure, NB
Hillary Sauder, Hodgeville, SK

Scholarships

Dick Turner

Hillary Sauder, Hodgeville, SK

Angus Roots

Kasey Adams, Forestburg, AB
Wynton Brandl, Jarvie, AB
Lexi Dietrich, Forestburg, AB
Callie Steen, Dundurn, SK
Kylie Willms, Dundurn, SK
Reese Wildman, Sangudo, AB

Legacy

Baxter Blair, McLean, SK—\$5,000
Thomas Wildman, Sangudo, AB—\$3,000
Jessica Davey, Saskatoon, SK—\$2,000
Keely Adams, Forestburg, AB—\$500
Cayley Dorval, Glaslyn, SK—\$500

CJA

Keely Adams, Forestburg, AB—\$2,000
Sarah MacDonald, Vanderhoof, BC—\$1,500
Beverly Booth, Jolicure, NB—\$1,000

Heifer Voucher Winners

Showdown

Hiller Gardner, Olds, AB \$3,000
Dylan Frey, Oxbow, SK \$2,000
Will Rosso, Moose Jaw, SK \$2,000

Memberships—\$2,000

Layne Chantler, Egbert, ON
Grace Glover, Boissevain, MB
Karson Van Sickle, Red Deer County, AB

Canadian Angus Foundation

Donor Recognition

Over \$10,000

Canadian Angus Association

\$5,000–\$10,000

Allandale Angus
Bar-E-L Angus
Hamilton Farms

\$2,000–\$4,999

Alta Genetics
Andrew McElroy
Benchmark Angus
Blairs.Ag Cattle Co.
C & L Beasley Cattle Co.
Crescent Creek Angus
Cublobe Angus
Eastondale Angus
Ellsmere Farms Ltd.
Geis Angus
HR Hahn Cattle Co.
Keystone Angus
Merit Cattle Co.
Miller Wilson Angus
Morgan A.I. Services
MWC Investments
Reverse GC Angus
Scott Kelder
Shiloh Cattle Company
Team Koe

\$1,000–\$1,999

66 Ranch Ltd.
Airam Farms
Allison Farms
Bar Heart Angus
Canadian Sires
Cudlobe Angus West
Devin Harlick
DLMS/CattleVids
Elliott Bros.
Fleury Cattle Co.
Flying K Ranch
Freyburn Angus Farms
Glacier FarmMedia
Glasman Farms
KCH Cattle Co.
Mar Mac Farms
MJT Cattle Co.
OBI Livestock Ltd.
Pinegrove Angus
Proven Seed
Red Eagle Acres
SE Saskatchewan Angus Tour
Six Mile Ranch Ltd.
SK Ranch
Story Brokers
Towaw Cattle Co.

Triple L Angus
Viper Technology Group
Wilbar Cattle Co.
Young Dale Angus

\$500–\$999

Anderson Cattle Company
Arda Farms
Bandura Ranches
Bar Double M Angus
Bar Over AJ Cattle
BeefSmart Consulting Inc.
Belinda Wagner
Bircham Ranch Ltd.
Black Ridge Angus
Boehringer Ingelheim Animal Health
Canada Inc.
Bouchard Livestock
Bova-Tech
Bow Valley Genetics
Brookside Angus
Burnett Angus
Coul Angus—James Arnott
Count Ridge Stock Farms
Davis—Rairdan
Dwajo Angus
Fleming Stock Farm
Harvest Angus
Harvie Crest Cattle Co.
HBH Farms Inc.
Heart of the Valley Farms
Howe Red Angus
Ivanhoe Angus
Jenna Loveridge Photography
JPM Farms Ltd.
Kenray Ranch
Lamb's Quarters Angus
Livestock Plus
Lock Farms
Manitoba Angus Association
NCJ Cattle Co.
Nordal Angus
North Coulee Cattle
Northern Alberta Angus Club
Northline Angus
Nu-Horizon Angus
Nutrien Ag Solutions
Ole Farms Ltd.
Park Mazda
Peak Dot Ranch
Pedersen Livestock
Petersa Exports
Rainbow Hills Ranch
Rainbow Red Angus
Ranchland Veterinary Services
Redrich Farms
Robert Geis

S Box Holdings
Saskatchewan Angus Association
Semex
South View Ranch
Tambri Farms
Ter-Ron Farms
Triple A Bull Sale
Tyler Harris Photography
Windy Willows Farms
Worth-A-Bit Angus
Y Coulee Land & Cattle

Up to \$499

Bannockburn Valley Angus
Bill Smyth
Dennis & Shelly Ericson
Family Ties Angus
Flat Top Cattle Co.
Gail Wildman
Gary Harron
Gavin Cattle Co.
Graham & Karen McLean
Home Grown Photography & Design
Jessica Davey Photography
JPD Angus
Justin Carvey Fitting
Kary Family Farm
KBJ Round Farms
Kiani Evans
Larissa Rutten
M & J Farms
MacKinnon Homestead
Maple Leaf Sports & Entertainment
Martin Deerline
McEwen's Fuels & Fertilizer
Moose Creek Red Angus
New Life Mills
New Rosedale Feeds
Norheim Ranching
Plum River Cattle
Pugh Farms
Quick Dick McDick
Ramblin' Rose Creative
Ranch Revival
Resby Coutts
RJ Livestock
Roxanne Miller
Rustic Lily Angus
Southern Alberta Angus Club
Thomas Copeland
Thomas Wildman
Tina Zakowsky
Ward's Red Angus
Wheatley River Angus Farm
Windy Ridge Ultrasound



*Financial
Statements of the*



Year ended December 31, 2021

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, 2021, 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, 2021, 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.

(continues)

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.


Regina, Saskatchewan
March 29, 2022

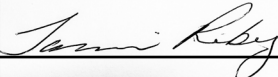

Dudley & Company LLP
Chartered Professional Accountants

CANADIAN ANGUS FOUNDATION
Statement of Financial Position
December 31, 2021

	2021	2020
ASSETS		
CURRENT		
Cash	\$ 34,400	\$ 10,463
Accounts receivable	7,299	6,359
Inventory	14,737	19,628
Goods and services tax recoverable	74	-
Prepaid expenses	350	350
	<u>56,860</u>	<u>36,800</u>
LONG TERM INVESTMENTS (Note 4)	926,348	738,229
	<u>\$ 983,208</u>	<u>\$ 775,029</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 5,585	\$ 14,660
Goods and services tax payable	-	14
	<u>5,585</u>	<u>14,674</u>
Deferred Contributions (Note 6)	24,236	23,636
Junior Scholarship Fund (Note 7)	224,975	170,955
Junior Fund (Note 8)	215,077	182,684
	<u>469,873</u>	<u>391,949</u>
NET ASSETS		
Unrestricted net assets	513,335	383,080
	<u>\$ 983,208</u>	<u>\$ 775,029</u>

ON BEHALF OF THE BOARD

 Director

 Director

The accompanying notes form an integral part of these financial statements

CANADIAN ANGUS FOUNDATION
Statement of Operations
Year Ended December 31, 2021

	2021	2020
REVENUE		
Building the Legacy	\$ 71,020	\$ -
Fundraising and donations	632	3,406
History book	3,672	3,987
Investment income	20,532	13,327
National Angus Cookbook sales	363	524
15 for 50 fundraiser	39,988	5,950
Promotional items sales	290	300
	<u>136,497</u>	<u>27,494</u>
EXPENSES		
Administration	742	5,600
Archives and Angus Central display	825	100
Bank charges	-	24
Building the Legacy	2,743	-
Donor recognition and fundraising expenses	847	-
Foundation Legacy Scholarship	11,000	11,000
GOAL	-	15,349
GST expense	150	256
Heifer draw vouchers	13,000	10,500
History book	-	2,333
Investment account fees	3,763	3,323
Junior Ambassador Program	6,619	-
Junior Angus Stockman of the Year	5,350	4,639
Meeting and travel	523	900
National Angus Cookbook	-	190
Outstanding Young Angus Breeder	3,500	4,000
Professional fees	2,740	2,662
Promotional items	4,892	160
Research projects	-	34,275
Showdown	6,000	-
	<u>62,694</u>	<u>95,311</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FROM OPERATIONS	<u>73,803</u>	<u>(67,817)</u>
OTHER REVENUE		
Other revenue	1,467	-
Unrealized gain (loss) on investments	54,985	9,957
	<u>56,452</u>	<u>9,957</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>\$ 130,255</u>	<u>\$ (57,860)</u>

The accompanying notes form an integral part of these financial statements

CANADIAN ANGUS FOUNDATION
Statement of Changes in Net Assets
Year Ended December 31, 2021

	2021	2020
NET ASSETS - BEGINNING OF YEAR	\$ 383,080	\$ 440,940
Excess (deficiency) of revenue over expenses	<u>130,255</u>	<u>(57,860)</u>
NET ASSETS - END OF YEAR	<u>\$ 513,335</u>	<u>\$ 383,080</u>

CANADIAN ANGUS FOUNDATION
Statement of Cash Flows
Year Ended December 31, 2021

	2021	2020
CASH FLOWS FROM (FOR) OPERATING ACTIVITIES		
Cash receipts from grants, members, and other	\$ 171,477	\$ 35,996
Cash paid to suppliers	(66,966)	(84,851)
Interest received	<u>20,532</u>	<u>13,327</u>
Cash Flows From (For) Operating Activities	<u>125,043</u>	<u>(35,528)</u>
CASH FLOWS FROM (FOR) INVESTING ACTIVITIES		
Disposal (purchase) of investments	(188,119)	11,440
Deferred contributions	600	1,600
Junior Investment Fund	32,393	8,241
Junior Association Scholarship Fund	<u>54,020</u>	<u>5,602</u>
Cash Flows From (For) Investing Activities	<u>(101,106)</u>	<u>26,883</u>
Increase (decrease) in cash	23,937	(8,645)
CASH - BEGINNING OF YEAR	<u>10,463</u>	<u>19,108</u>
CASH - END OF YEAR	<u>\$ 34,400</u>	<u>\$ 10,463</u>

The accompanying notes form an integral part of these financial statements

CANADIAN ANGUS FOUNDATION
Notes to Financial Statements
Year Ended December 31, 2021

1. BASIS OF PRESENTATION

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

2. NATURE OF OPERATIONS

Canadian Angus Foundation (the Foundation) is a national organization constituted in Canada. It functions to receive donations to preserve and expand the Angus breed for future generations through education, youth development, scientific and market research, and historical preservation and restoration.

The Foundation is a not-for-profit organization, as described in section 149 of the *Income Tax Act*, and therefore is not subject to either federal or provincial income taxes.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

- a) Grants and donations - Revenues from grants and other sources that relate to specific projects are recognized as revenue when the related expenses are incurred. Other grants and donations are recorded as revenue in the fiscal period to which they apply.
- b) Sales - Revenue from sales is recognized as revenue in the fiscal year to which they relate.
- c) Other - Revenue is recognized as received.
- d) Interest - Revenue is recognized on an accrual basis. Interest on fixed income investments is recognized over the terms of these investments using the effective interest method.

Canadian Angus Foundation follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Fund accounting

Canadian Angus Foundation follows the deferral method of accounting for contributions. Amounts received in advance are recorded as deferred revenue.

(continues)

CANADIAN ANGUS FOUNDATION
Notes to Financial Statements
Year Ended December 31, 2021

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments

- a) Measurement of financial instruments - The Foundation initially measures its financial assets and financial liabilities at fair value and subsequently measures them at amortized cost. Financial assets measured at amortized cost include cash, accounts receivable and investments. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.
- b) Impairment - At the end of each reporting period, the Foundation assesses whether there are any indications that a financial asset measured at amortized cost may be impaired. Objective evidence of impairment includes observable data that comes to the attention of the Foundation, including but not limited to the following events: significant financial difficulty of the issuer; delinquency in payments; or bankruptcy. When there is an indication of impairment, the Foundation determines whether a significant adverse change has occurred during the period in the the expected timing or amount of future cash flows from the financial asset. If identified, the Foundation reduces the carrying amount of the asset to the present value of cash flows expected to be received. The carrying amount of the asset is reduced directly or through the use of an allowance account. The amount of the reduction is recognized as a bad debt in the statement of operations. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent of the improvement, directly or by adjusting the allowance account. The amount of the reversal is recognized in the statement of operations in the period the reversal occurs.

Investments

Short term investments, which consist primarily of Guaranteed Investment Certificates with original maturities at date of purchase beyond three months and less than twelve month, are carried at amortized cost.

Long term investments, which consist primarily of mutual funds are carried at fair value.

Management estimates

The preparation of these 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, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the current period. Significant estimates include those used when accounting for the impairment of financial assets. All estimates are reviewed periodically and adjustments are made to the statement of operations as appropriate in the year they become known.

Inventory

Inventory is valued at the lower of cost and net realizable value.

(continues)

CANADIAN ANGUS FOUNDATION
Notes to Financial Statements
Year Ended December 31, 2021

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Related party transactions

During the year, \$1,275 was paid to the Canadian Angus Association (CAA) for various projects and other expenses. In 2015, the CAA Board resolved that all transaction fees collected from the Junior members of the Canadian Aberdeen Angus Association for services performed would be donated to the Foundation. In 2019 the transaction fee was discontinued going forward.

During the year, Canadian Junior Angus (CJA) had revenues in excess of expenses of \$2,820 (2020 - deficit \$2,226). See notes 7 and 8 for more information surrounding these transactions.

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.

4. INVESTMENTS

	<u>2021</u>	<u>2020</u>
CURRENT		
LONG TERM		
Scotia McLeod mutual funds	\$ 926,348	\$ 738,229
	<u>\$ 926,348</u>	<u>\$ 738,229</u>

5. FINANCIAL INSTRUMENTS

The Foundation is exposed to various risks through its financial instruments and has a risk management framework to monitor, evaluate and manage these risks on an annual basis. The following analysis provides information about the Foundation's risk exposure and concentration as of December 31, 2021.

Credit risk

Credit risk arises from the possibility that parties may default on their financial obligations, or if there is a concentration of transactions carried out with the same party, or if there is a concentration of financial obligations which have similar economic characteristics that could be similarly affected by changes in economic conditions, such that the Foundation could incur a financial loss. The Foundation is exposed to credit risk from its customers. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Foundation has a significant number of customers which minimizes concentration of credit risk.

The maximum exposure of the Foundation to credit risk is represented by the balance as shown on the balance sheet for cash, investments and accounts receivable.

(continues)

CANADIAN ANGUS FOUNDATION
Notes to Financial Statements
Year Ended December 31, 2021

5. FINANCIAL INSTRUMENTS *(continued)*

Cash and investments: Credit risk associated with cash and fixed income investments is minimized substantially by ensuring that these assets are invested in major financial institutions.

Accounts receivable: Credit risk associated with trade accounts receivable is minimized by the foundation's diverse customer base. The foundation monitors the amount of credit extended when deemed necessary. Management assesses annually whether potential credit losses should be recognized based on existing factors. COVID-19 has not affected the organization's credit risk as all customers continue meet obligations and there has been no bad debt or old receivables in 2021.

Liquidity risk

Liquidity risk is the risk that the association will not be able to meet a demand for cash or fund its obligations as they come due. The Foundation is exposed to this risk on accounts payable and accrued liabilities.

The Foundation meets its liquidity requirements by monitoring cash flows from operations and holding assets that can be readily converted into cash.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk and other price risk.

The Foundation is exposed to market risk on its cash and investments. COVID-19 affected the market risk of the organization as the investments had significant losses when the pandemic began, but the investment portfolio has seen increases as the pandemic continues and ended up with growth in the year.

Currency risk

Currency risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates.

The Foundation does not transact in foreign currencies and therefore is not exposed to this risk.

Interest rate risk

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates. In seeking to minimize the risks from interest rate fluctuations, the Foundation manages exposure through its normal operating and financing activities.

The exposure of the Foundation to interest rate risk arises from its interest bearing assets. The organization does not hold any interest bearing assets and is not exposed to this risk in 2021.

CANADIAN ANGUS FOUNDATION
Notes to Financial Statements
Year Ended December 31, 2021

6. DEFERRED CONTRIBUTIONS

The Cody Sibbald Memorial Fund was created in memory and is comprised of donations made to the fund. The fund pays out a bursary and there is a motion to continue the scholarship in perpetuity when the fund is depleted.

	<u>2021</u>	<u>2020</u>
Cody Sibbald Memorial Fund		
Balance, beginning of year	\$ 6,300	\$ 6,300

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 scholarship using contributions received explicitly for this purpose.

Dorothy Banks Scholarship Fund		
Balance, beginning of year	5,811	5,811
Scholarship granted	(500)	-
	<u>5,311</u>	<u>5,811</u>

The Dick Turner Scholarship Fund was created in memory and is comprised of donations made to the fund. The fund pays out a scholarship and there is a motion to continue the scholarship in perpetuity when the fund is depleted.

Dick Turner Scholarship Fund		
Balance, beginning of year	3,525	3,925
Contributions received	2,600	600
Scholarship granted	(1,000)	(1,000)
	<u>5,125</u>	<u>3,525</u>

The Showdown intermediate scholarship fund was created to involve a younger demographic in the awards that are provided. These funds are held in reserve for the Showdown aggregate winners until they are enrolled in post secondary education.

Showdown Intermediate Scholarship		
Balance, beginning of year	5,500	6,000
Scholarships awarded	3,000	-
Scholarship granted	(1,000)	(500)
	<u>7,500</u>	<u>5,500</u>

(continues)

CANADIAN ANGUS FOUNDATION
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6. DEFERRED CONTRIBUTIONS *(continued)*

	<u>2021</u>	<u>2020</u>
The Prichard Scholarship fund was created in memory and is comprised of donations made to the fund. The scholarship is set to pay out two scholarships in 2021 that will deplete the entire fund.		
Prichard Scholarship		
Balance, beginning of year	2,500	-
Contributions received	-	2,500
Scholarship granted	<u>(2,500)</u>	<u>-</u>
	-	2,500
Grand Total	<u>\$ 24,236</u>	<u>\$ 23,636</u>

7. JUNIOR SCHOLARSHIP FUND

The Junior Scholarship Fund was included in the Foundation beginning in 2010. This was done in an effort to maximize the return on investment through consolidation. Canadian Junior Angus fundraises scholarship money annually and allocates the funds to the Foundation. The process for dispersing funds will remain unchanged unless directed by Canadian Junior Angus.

	<u>2021</u>	<u>2020</u>
Balance, beginning of year	\$ 170,955	\$ 165,353
Contributed	24,920	-
Withdrawals	(4,500)	(4,500)
Interest earned	9,036	5,405
Gain (loss) investment	<u>24,564</u>	<u>4,697</u>
Balance, end of the year	<u>\$ 224,975</u>	<u>\$ 170,955</u>

8. JUNIOR FUND

The Junior Fund was included in the Foundation in 2015. During the year, Canadian Junior Angus (CJA) revenues in excess of expenses of \$2,820 (2020- deficit \$2,226). The process for dispersing the funds is at the request of CJA, pending the approval of the Foundation's management.

	<u>2021</u>	<u>2020</u>
Balance, beginning of the year	\$ 182,684	\$ 174,443
Interest earned	9,657	6,053
Gain (loss on investment)	26,207	5,260
Investment fees	<u>(3,471)</u>	<u>(3,072)</u>
Balance, end of the year	<u>\$ 215,077</u>	<u>\$ 182,684</u>

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9. SIGNIFICANT EVENTS

On March 11, 2020, the World Health Organization declared a global pandemic for the COVID-19 virus. The overall financial impact on the organization's overall operations has not yet been determined. The organization was forced to cancel several events in 2021 and as a result the revenues are significantly down; however, the majority of the expenses were scholarships paid out with reserve funds.

Tribute to Outgoing *President*



© Ella Wright

Three generations at
Kenray Ranch:
Sheldon, Oliver and Ray



They say choose a job you love, and you will never have to work a day in your life! I think this is true for Sheldon Kyle, your outgoing Canadian Angus President. Sheldon is a proud fifth-generation farmer on land his great-great-grandfather, John Edward Kyle, homesteaded in 1902.

During the 1970s Kenray Ranch was involved in breeding quality Simmental genetics and actively imported new genetics from Germany. In 1981 when Sheldon's parents Ray and Donelda took over complete operation of the ranch, they started to breed their replacement Simmental females to calving ease Red Angus sires. The results of this cross impressed Ray and Donelda so much that it led to the transition into Red Angus. In the fall of 1986, a group of registered Red Angus females were purchased. The registered Red Angus herd has grown to a current cow base of 200.

Farming alongside his dad, Sheldon shares the day-to-day workload with his dad and our employee Nolan Vandersluis. Sheldon's passion for Angus cattle and agriculture began at a young age when he was involved in 4-H. He has always had a keen interest in cows and pedigrees. With Kenray selling purebred Angus bulls since 1988, Sheldon handles most of marketing and sales for both the bull sale and our annual fall female sale. He enjoys talking to customers and helping them select genetics and bulls for their operations, taking pride in selling animals that will work in any program or environment.

Spending a lot of time researching pedigrees, bulls and cow families, Sheldon is interested in the betterment of the Angus breed both in terms of the structure of the breed and breeding a well-balanced animal that will work for the end producers. He understands that ultimately the consumer is driving the demand for our product and that we need to continue to educate the consumer and foster those relationships.

Two recognitions the Kyles are extremely proud of are in 2002, the provincial government of Saskatchewan presented the Century Farm Award

to the Kyle family. This marked five generations calling the property home with our son Oliver making it the sixth generation, should he choose to farm. Kenray Ranch was also honoured as the 2021 Saskatchewan Angus Purebred Breeder of the Year Award, presented in conjunction with their Fall Female Pride of the Prairies sale held in December each year.

Sheldon enjoys meeting up with like-minded people in the industry and has missed the socializing and the camaraderie of engaging with the membership the last couple of years. He believes that at the end of the day the industry and the business is about the people and the relationships you form. This year Sheldon looks forward to an in-person Convention and meetings in Moncton where he can connect with the members of the Angus community from across the country.

Sheldon sees the value in having great industry mentors but also realizes the importance of providing mentorship and as a result has been able to mentor some younger people within the industry. He also continues to support youth and their activities and had the opportunity to attend the Goal conference as well as the 2021 Angus Showdown in Olds, Alberta.

When it comes to international connections, Sheldon recognizes the value in fostering these relationships and had the opportunity to attend the Red Angus Association of America meetings last fall as well as attend a new event in Mexico this past spring that the Canadian Angus Association supported.

Sheldon appreciates the time and effort of the CAA Board members and has enjoyed serving with them the past year in his role as president. He has enjoyed working with the CAA CEO Myles, getting to know him over the course of his time on the Board and appreciates his forward thinking that has furthered the interests of CAA. He believes the combined efforts of the Board and CEO will continue to keep Canadian Angus at the forefront of the industry.

written by Ella Wright

