



2020 Annual Report

The Canadian Angus Association

Vision

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

Mission

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



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Belinda Wagner



Bob Toner

Canadian Angus Association Board of Directors



Shawn Birmingham
President
Manitoba



Sheldon Kyle
President Elect
Saskatchewan



Bob Hahn
Past President
Alberta



Tom deWaal
British Columbia



Brett Wildman
Alberta



Brian Geis
Alberta



Greg Pugh
Alberta



Mike Howe
Saskatchewan



Dale Easton
Saskatchewan



Graham McLean
Ontario



David Sample
Quebec



Ronnie Ford
Maritimes

My Year As President

Mon année en tant que président



Shawn Birmingham

What a year to be president. 2020 will be a year I will never forget for many good reasons and a few bad ones.

My expectations for being president were to have the ability to travel and visit with members, go to meetings, shows and conferences. Clearly, this was a very different year than the one I had imagined. But we made the best of it and my previous years on the board have given me much valuable experience. I have always enjoyed visiting with people face to face and being able to learn others' perspectives on different topics. The opportunities that I have been given by being on the Canadian Angus Board of Directors have been once in a lifetime.

We have had a lot of challenges on the Board over the past number of years and I think we are now in a great position to start looking towards the future. There are so many new and exciting things happening within our Association and the beef industry and it feels great to be a part of it. We all know how fast technology is moving and we need to be leaders in this area. We need to lead the way and have the willingness to grow and embrace the future. Consumers are constantly demanding

more accountability and looking for unique experiences and I believe this is something Canadian Angus can provide. We, as purebred producers, need to always keep in mind that the first steps in beef production start with us. We should be aware of who uses our product, from the commercial rancher to the feedlot or packer, and ultimately the consumer. It is our responsibility to try to meet the needs of all these customers.

Being president of this Association has been one of the greatest honours. I have enjoyed my time on the Board and am confident that past and present directors and presidents have always had the best interest of the Association and its membership at the forefront.

Lastly, I would like to thank my wife Teresa and my girls Jazlynn, Bella and Norah. They have offered so much support throughout my time on the board and I will be forever grateful.

"The Lord will send a blessing on your barns and on everything you put your hand to."
Deuteronomy 28:8

C'était une année assez spéciale pour être président. L'année 2020 sera une année que je n'oublierai jamais pour de nombreuses bonnes et quelques mauvaises raisons. Mes attentes en tant que président étaient d'avoir l'occasion de voyager et de rendre visite aux membres, d'assister à des réunions, des expositions et des conférences. De toute évidence, l'année a été très différente de ce que j'avais imaginé. Mais nous avons fait de notre mieux et mes années précédentes au conseil d'administration m'ont permis d'acquérir une expérience précieuse. J'ai toujours aimé rendre visite à des personnes en direct et avoir la possibilité d'entendre le point de vue des autres sur divers sujets. Les occasions qui m'ont été données en siégeant au conseil d'administration de Canadian Angus sont des occasions uniques dans une vie.

Nous avons eu beaucoup de défis à relever au sein du conseil d'administration au cours des dernières années et je pense que nous sommes maintenant en très bonne position pour commencer à regarder vers l'avenir. Il y a tellement de choses nouvelles et passionnantes qui se passent au sein de notre association et de l'industrie bovine et c'est formidable d'en faire partie. Nous savons tous à quelle vitesse la technologie évolue et nous devons être des leaders dans ce domaine. Nous devons prendre les devants et avoir la volonté de croître et d'embrasser l'avenir. Les consommateurs exigent constamment plus de responsabilité et recherchent des expériences uniques et je crois que c'est quelque chose que Canadian Angus peut offrir. En tant que producteurs de boeuf de race pure, nous devons toujours garder à l'esprit que les premières étapes de la production de boeuf commencent avec nous. Nous devons être conscients de qui utilise notre produit, de l'éleveur commercial au parc d'engraissement ou au processeur, et finalement au consommateur. Il est de notre responsabilité d'essayer de répondre aux besoins de tous ces clients.

Être président de cette association a été l'un des plus grands honneurs. J'ai apprécié le temps que j'ai passé au sein du conseil d'administration et je suis convaincu que les administrateurs et les présidents précédents et présents ont toujours eu à l'esprit les meilleurs intérêts de l'Association et de ses membres.

Je désire aussi remercier ma femme Teresa et mes filles Jazlynn, Bella et Norah. Elles m'ont apporté un soutien considérable tout au long de mon mandat au conseil d'administration et je leur en serai éternellement reconnaissant.

"L'Éternel ordonnera à la bénédiction d'être avec toi dans tes greniers et dans toutes tes entreprises. Il te bénira dans le pays que l'Éternel, ton Dieu, te donne."
Deutéronome 28:8



Grant Rolston © 5

Top 10 Highlights from 2020

Les 10 meilleurs moments de 2020

Myles Immerkar



MAINTAINED PROFITABILITY

Following up on 2019 when the focus was the financial security of the organization, maintaining that focus in 2020 leading to a \$426,000 net profit was an important success which allowed CAA to address larger investment opportunities to add value to the Angus breed. We look forward to identifying opportunities that will create this value.

LAUNCHED ANGUS LIFE

A major marketing initiative was to explore platforms to engage with our CAA members and ensure they are aware of all Angus opportunities. Launched at the beginning of 2020, Angus Life provided CAA with a platform to engage with members, commercial members and industry partners.

STRATEGIES ON CONSUMER EDUCATION

With a focus on telling our Angus story and the passion and dedication that Angus breeders have for the product we produce, CAA partnered with Team Koe on a branding initiative. Team Koe has become a CAA brand ambassador to help share our story to those we are not connected with today. With their broad social media reach, well recognized brand in not only the curling world but the Canadian sports world, we are excited about the opportunities to educate consumers on all the benefits of Angus beef and telling the story of the Canadian Angus producer.

INFRASTRUCTURE UPGRADES

CAA was able to address long needed infrastructure upgrades to improve efficiency and productivity of the programs that we offer. CAA invested in those upgrades in 2020.

HIR RESEARCH

High Immune Response has been identified as an important opportunity for the Angus breed as the consumer has become increasingly focused on health traits. This is an opportunity for a point of difference for Angus genetics in the future to support industry partners in increasing profitability.

LAUNCH OF NEW TRAITS/INDEX

Ensuring that we continue to be on the same page as our global Angus partners and maintain consistency in our genetic evaluations to support CAA members with all the tools available for cattle selection and marketing, CAA was pleased to introduce new traits to ensure consistency with our industry partners.

LAUNCH OF NEW WEBSITE

CAA was happy to launch our new website in 2020 to provide CAA with a platform that brings new features to our marketing and become mobile friendly in the process.

DEVELOPMENT OF DNA PORTAL

The launch of the CAA DNA portal provides members with quick and easy access to look up their DNA test status and expected return.

INVESTMENT IN NEW TECHNOLOGY

The world is quickly changing through technology and CAA was excited to invest in a couple of platforms to develop tools through cameras and artificial intelligence to improve the way, accuracy and consistency with how data can be collected in the future. We are excited to launch and showcase these products in 2021.

LAUNCH OF RINGSIDE APP

The show ring continues to be an important part of CAA activities. Limits on travel provided the perfect opportunity to launch the new Ringside App to ensure CAA members are up to speed on activity as it happens. CAA hopes for a more normal Gold Show season in 2021.

MAINTIEN DE LA RENTABILITÉ

À la suite de 2019 où l'accent était mis sur la sécurité financière de l'organisation, le maintien de cet objectif en 2020, menant à un bénéfice net de 432 000 \$, constitue un succès important qui a permis à la CAA d'aborder des opportunités d'investissement plus importantes pour ajouter de la valeur à la race Angus. Nous attendons avec enthousiasme d'identifier les opportunités qui permettront de créer cette valeur.

LANCEMENT D'ANGUS LIFE

Une initiative marketing majeure consistait à explorer des plateformes pour s'engager avec nos membres CAA et s'assurer qu'ils sont conscients de toutes les opportunités pour Angus. Lancé au début de 2020, Angus Life a fourni à la CAA une plateforme pour s'engager avec les membres, les membres commerciaux et les partenaires de l'industrie.

STRATÉGIES CONCERNANT LA SENSIBILISATION DES CONSOMMATEURS

Dans le but de raconter l'histoire de l'Angus et la passion et le dévouement des éleveurs Angus pour le produit qu'ils produisent, la CAA s'est associée à l'équipe Team Koe pour une initiative de marque. Team Koe est devenu un ambassadeur de la marque CAA pour aider à partager notre histoire avec ceux avec qui nous ne sommes pas connectés aujourd'hui. Grâce à leur grande portée sur les médias sociaux et à leur marque reconnue non seulement dans le monde du curling, mais aussi dans le monde du sport canadien, nous sommes enthousiastes à l'idée de faire connaître aux consommateurs tous les avantages du bœuf Angus et de raconter l'histoire des producteurs canadiens de bœuf Angus.

AMÉLIORATION DES INFRASTRUCTURES

La CAA a été en mesure de procéder aux mises à niveau de l'infrastructure nécessaires depuis longtemps pour améliorer l'efficacité et la productivité des programmes que nous offrons. La CAA a investi dans ces mises à niveau en 2020.

RECHERCHE HIR (RÉPONSE IMMUNITAIRE ÉLEVÉE)

La réponse immunitaire élevée a été identifiée comme une opportunité importante pour la race Angus car le consommateur se concentre de plus en plus sur les caractéristiques de santé. Il s'agit d'une opportunité de différencier la génétique Angus à l'avenir pour aider les partenaires de l'industrie à augmenter la rentabilité.

LANCEMENT DE NOUVEAUX TRAITS/INDEX

Afin de s'assurer que nous continuons à être sur la même longueur d'onde que nos partenaires Angus mondiaux et que nous maintenons la cohérence de nos évaluations génétiques pour soutenir les membres de la CAA avec tous les outils disponibles pour la sélection et la commercialisation du bétail, la CAA a été heureuse d'introduire de nouveaux traits pour assurer la cohérence avec nos partenaires de l'industrie.

LANCEMENT DU NOUVEAU SITE WEB

La CAA a été ravie de lancer son nouveau site web en 2020 afin de lui fournir une plateforme qui apporte de nouvelles possibilités à notre marketing et qui devient conviviale pour les appareils mobiles dans le processus.

DÉVELOPPEMENT DU PORTAIL ADN

Le lancement du portail ADN de la CAA offre aux membres un accès rapide et facile pour consulter le statut de leur test ADN et le résultat attendu.

INVESTISSEMENT DANS LES NOUVELLES TECHNOLOGIES

Le monde évolue rapidement grâce à la technologie et la CAA a été enthousiaste à l'idée d'investir dans quelques plateformes pour développer des outils grâce à des caméras et à l'intelligence artificielle afin d'améliorer la manière, la précision et la cohérence de la collecte des données à l'avenir. Nous sommes impatients de lancer et de présenter ces produits en 2021.

LANCEMENT DE L'APPLICATION RINGSIDE

L'arène de l'exposition continue d'être une partie importante des activités de la CAA. Les restrictions sur les déplacements ont fourni l'occasion idéale de lancer la nouvelle application Ringside App afin de s'assurer que les membres de la CAA sont au courant des activités au fur et à mesure qu'elles se déroulent. La CAA espère que la saison du Gold Show sera plus régulière en 2021.

Honourary Presidents

British Columbia

Johnny Appleby

Johnny Appleby was brought up in the small community of Armstrong, BC. His love for animals was nurtured on a small farm. The farm name of East View Farms has been used for generations by the Appleby family. Johnny's great-great-grandfather began using the farm name in Yorkshire, England.

As a young man, after working all summer, Johnny earned enough money to buy a heifer calf from Harry Hays, a local purebred Angus breeder. Johnny joined a number of 4-H clubs. His adventurous youth was spent racing cars and snowmobiles.

In 1984 Johnny and his family moved to Coldstream to settle on a small acreage; it was at this time he bought his first purebred registered Angus cow and calf (VONIE LUCY 31R and Blue Nose Mountain Lucy 9U).

In 1997 Johnny showed the Reserve Grand Champion Bull at the Provincial Bull Show in Kamloops. About 12 years later, Johnny decided to sell his herd of 43 head to Rodger and Sue Taylor in Hixon, BC. He kept a couple of calves and built up the herd over the next 15 years until another buyer came along who wanted to buy the herd, with the exception of two late calves. Johnny built up the herd again, buying top lines of bred cows and heifers and using AI.

This past year he received a fair offer from a new purebred breeder to again purchase the entire herd of bred cows and heifers. Johnny is very confident that KT Ranches will be very happy with these animals. Johnny kept the 2020 calves and four of his top young cows which he will sell this spring.

Johnny intends to spend his time promoting the Angus breed along with being a director and vice-president of the BC Angus Association. He hopes to

take some time to visit many of his past customers and friends throughout BC, and says any extra time will be spent fishing and hunting. He and his wife, Carol-Lynn also plan to spend a lot more time at their place in Costa Rica.

Alberta

Terry & Sharon Adams

We are honoured to be selected as Honourary Presidents and would like to thank the Alberta Angus Association.

We both grew up and spent our whole lives on farms, managing many different breeds of cattle and other animals. Currently we live on Terry's father Paul Adams' original homestead just south of Forestburg that he established in 1946. We raised our three kids, Rob, Shauna, and Kerri, on the farm, commonly known as Ter-Ron Farms. Now we farm alongside Rob, his wife Maureen, and our three granddaughters Halley, Keely, and Kasey who all play a critical role in everyday operations. One of our favourite things is farming alongside the girls and seeing them get increasingly more knowledgeable about the cattle and our mixed grain operations each day.

Our herd originally started as a purebred Hereford operation until 1995 when we purchased our first Red Angus cows from Ron Devolin and Jim King. Some of our foundation cows coming from them were the Aster and Goldie cow families. A while later, we purchased another small herd from the Alders which is where the Brandys and Lauryns came from. We now run approximately 200 Red Angus cows and we just recently began a straight Black Angus herd. We have purchased many heifers from prestigious sales across western Canada to bring our herd to about 20. We have our annual bull sale every year where we market around 60 Angus bulls and 20 replacement heifers.

The easy doing, well structured aspect of Angus cattle is really what made us love the breed, and now the people that are involved with the breed make us enjoy it so much more. Our kids participated in many Angus events growing up and now our granddaughters are very involved in all the Junior Angus events as well as the Gold Show events throughout the fall. We feel that this breed has opened up so many opportunities for us as well as the younger generations before us, and we are grateful we got to take part in it and make so many amazing friendships along the way!

Saskatchewan

Keith Kaufmann

Keith Kaufmann resides in the rolling hills of southern Saskatchewan. He has been involved in the agriculture industry, mainly the cattle sector, his entire life. Upon graduation in 1971, he took over the family farm and after marrying Linda in 1973, together they expanded the farm to what today is known as South View Ranch. They were blessed with two children Shane and Stacey.

The Angus cow was their breed of choice with positive attributes in all aspects from the pasture to the plate. In 1990 Keith and Shane purchased 10 purebred Red Angus, one that Shane used as a 4-H project. Thus began the Red Angus division. A few years later Black Angus females were added. Today more than 500 Red and Black Angus females roam the hills of South View Ranch. An annual bull sale is held the second Friday in April. Keith is especially proud to have Shane, his wife Alexis and their four children Keaton, Kamrie, Kohen and Korbyn as part of the operation. With the fourth generation showing a keen interest and taking on day-to-day tasks, the future looks bright for South View Ranch.

Keith was a director on the Saskatchewan Angus Association board from 1998 to 2009 as well as a director on the



Johnny & Carol-Lynn Appleby



Terry & Sharon Adams



Keith & Linda Kaufmann



Howard McRae



Richard & Mary Tanner



John & Isabel MacKinnon

Canadian Angus Association board from 2002 to 2005 and 2006 to 2009. He also served as the Angus representative on the Saskatchewan Stock Growers Association for a number of years.

Keith has met and worked with many outstanding cattlemen and women. He has thoroughly enjoyed his many years promoting the Angus breed. In 2009 South View Ranch was awarded Saskatchewan Angus Purebred Breeder of the Year, in 2010 Keith received the Golden Sheaf Award and in 2019 Keith and Linda were one of three recipients for the Saskatchewan Livestock Association Honour Scroll.

Manitoba

Howard McRae

Howard McRae served as President of the Manitoba Angus Association in 1957 and as vice president in 1956. He also founded the South Brandon 4-H Beef Club in 1952, an organization that was active for 60 years.

Howard and his family operation Angus Valley exhibited the Grand Champion Bull, Estons Pride of Angus Valley and the Grand Champion Female, Pride of AV of Canada at the 1957 Brandon Winter Fair.

In summer 1957, the McRae family hosted the Manitoba Angus Association Tour, a very successful event attended by 650 people from across the province. The family organized workshops, demonstrations and provided a barbecue beef supper.

Howard was a tireless supporter and promoter of the Angus breed and showed steers and breeding cattle across Canada. He had an idea to select

Angus show cattle from breeders and take a show string on the western show run to Calgary, Edmonton, Saskatoon and Regina. What a great undertaking for Howard to organize these events and a great promotion for the Manitoba Angus breeders.

Unfortunately Howard and two of his sons were killed in a car accident in 1970. Two sons, Doug and Bruce, survived. After many years, Howard's youngest son Bruce has restarted the Angus Valley herd name with a small herd of Angus in the Manitou area.

Howard McRae was a well-respected leader and loved Angus cattle.

Ontario

Richard & Mary Tanner

Thank you for naming Mary and me as honorary presidents. We enjoyed our involvement with the Ontario Angus Association over the years and have many good memories of the things we worked on. High on my list would be the constitution updates that needed to be done. It was a job that was overdue and was satisfying to see the finished product.

The futurity show and sale is another interest we had over the years. We have purchased and sold many calves in the futurity. We show very little but always enjoyed seeing someone else showing our cattle and having some success.

In 2009 we drove to Calgary for the World Angus Forum, taking out the Ontario booth and helping man it. In 2013 we were part of the organizing committee for the National Convention in Guelph.

We have many fond memories of the time spent, but the best memories are not of the time spent but of the people we have met along the way.

At our place we farm with two sons. We purchased our first Angus in 1995 and with four granddaughters coming along we hope we are involved in 4-H and the Angus business for years to come.

Maritimes

John MacKinnon

John MacKinnon was born in Kinross, PEI and lived on the homestead until marrying Isabel in 1958. They bought the farm next door and together they raised four daughters. The family established a herd of Hereford cattle as part of a mixed, self-sufficient farm. Over the years, the herd was transitioned to Angus-influenced cattle which were fed for the Atlantic Beef Products plant in Albany, PEI.

John purchased his first purebred Angus heifer from JEM Farms in 2008 for his grandson, Patrick Holland, to show at the Canadian Junior Angus Showdown the following summer. That purchase led to the establishment of the MacKinnon Homestead purebred Angus herd. Over the years, John and his family have exhibited Angus cattle throughout the Maritimes and at the Royal Agricultural Winter Fair.

John was a strong proponent of youth involvement in agriculture and was a 4-H leader for more than 20 years. He dedicated the vast majority of his 91 years to his family and the community he lived in. John passed away this past winter and will be greatly missed by the Angus family.

75 Years

Saskatchewan
Switzer Family



Ontario
Colin G Trivers
Len Mar Farms



Long-Term Recognition Awards

50 Years

Saskatchewan

Anchor R Farm Inc.

Alberta

Gary Conrad Family

Alberta

**Fischer Angus Quarter
Horses**

Saskatchewan

Ian L Gross

Wiwa Creek Angus

Ontario

Gary Harron

Alberta

Andrew Hart

Willabar Ranch

Alberta

Doug Munton

Alberta

Rodgers Red Angus

Alberta

**Georgina Smith
Bar Heart Angus**

Alberta

Towaw Cattle Co.



In 1998, the Canadian Aberdeen Angus Association instituted a long-term recognition award to recognize those individuals and families that have demonstrated a long-time commitment to the Angus breed in Canada by maintaining a continuous membership in the Association for at least 50 years. In 2011, the award program expanded to recognize families with 75 and 100 continuous years of membership. As of 2020, 214 families have been recognized with awards.



Financial Statements of the Canadian Aberdeen Angus Association

Year ended December 31, 2020

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, 2020, 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, 2020, 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.

Other Matter

The non-consolidated financial statements of the Association for the year ended December 31, 2019 were audited by another accounting firm of Chartered Professional Accountants who expressed an unmodified opinion on those statements on April 30, 2020.

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 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 11, 2021

MNP LLP

Chartered Professional Accountants

Canadian Aberdeen Angus Association Non-Consolidated Statement of Financial Position

As at December 31, 2020

	<i>Canadian Angus Association</i>	<i>Canadian Junior Angus Association</i>	<i>2020</i>	<i>2019</i>
Assets				
Current				
Cash	621,851	9,472	631,323	368,699
Accounts receivable	116,716	25,027	141,743	130,123
Prepaid expenses and deposits	14,536	9,302	23,838	55,249
	753,103	43,801	796,904	554,071
Investments (Note 3)	507,228	-	507,228	402,631
Capital assets (Note 4)	4,527,218	-	4,527,218	4,591,143
	5,787,549	43,801	5,831,350	5,547,845
Liabilities				
Current				
Accounts payable and accruals (Note 6)	379,886	1,000	380,886	254,078
Deferred revenue (Note 7)	91,852	21,370	113,222	228,742
Member accounts	58,449	-	58,449	60,768
Current portion of long-term debt (Note 8)	159,079	-	159,079	152,170
	689,266	22,370	711,636	695,758
Long-term debt (Note 8)	2,600,679	-	2,600,679	2,759,805
	3,289,945	22,370	3,312,315	3,455,563
Net Assets				
Unrestricted	281,470	21,431	302,901	44,440
Internally restricted	448,673	-	448,673	368,673
Capital	1,767,461	-	1,767,461	1,679,169
	2,497,604	21,431	2,519,035	2,092,282
	5,787,549	43,801	5,831,350	5,547,845

Approved on behalf of the Board of Directors

E-SIGNED by Myles Immerkar
Director

E-SIGNED by Bob Hanh
Director

The accompanying notes are an integral part of these non-consolidated financial statements

Canadian Aberdeen Angus Association Non-Consolidated Statement of Operations

For the year ended December 31, 2020

	2020	2019
Revenue		
Registrations	1,875,183	1,851,662
DNA	464,308	336,676
Memberships	416,412	410,620
Grant revenue	362,411	262,168
Transfers	355,329	327,872
Magazine	238,926	350
Performance weights	158,250	169,147
CACP tag program	155,516	726,739
Miscellaneous revenue	19,683	25,898
Investment income	11,766	5,859
Canadian Junior Angus Association (Schedule 1)	49,705	104,841
Total revenue	4,107,489	4,221,832
Expenses		
Salaries and benefits	1,242,641	1,205,974
Office, rent and other expenses	361,123	388,974
Research and development	308,362	134,111
DNA	297,420	238,530
Provincial activity grants	260,222	272,937
Magazine	223,305	-
Genetic evaluations	164,624	181,394
Advertising	128,777	79,005
Interest on long-term debt	126,998	131,321
Bank charges and interest	91,502	105,647
CACP tag program	83,812	668,646
Amortization	81,178	76,889
Directors and committees	66,368	95,478
Registry	62,377	67,043
Professional fees	33,586	33,247
Field service	32,553	87,148
Membership fees	28,539	33,916
Travel	23,830	82,503
Junior activity	13,373	26,569
Bad debts	12,128	-
Canadian Junior Angus Association (Schedule 1)	51,930	107,522
Total expenses	3,694,648	4,016,854
Excess (deficiency) of revenue over expenses before other items	412,841	204,978
Other items		
Unrealized gain on investments	13,912	16,292
Excess of revenue over expenses	426,753	221,270

The accompanying notes are an integral part of these non-consolidated financial statements

Canadian Aberdeen Angus Association
Non-Consolidated Statement of Changes in Net Assets
For the year ended December 31, 2020

	<i>Capital Fund</i>	<i>Internally restricted fund</i>	<i>Unrestricted fund</i>	<i>2020</i>	<i>2019</i>
Net assets, beginning of year	1,679,169	368,673	44,440	2,092,282	1,871,012
Payment of long-term debt	152,217	-	(152,217)	-	-
Purchase of capital assets	17,253	-	(17,253)	-	-
Transfers (note 3)	-	80,000	(80,000)	-	-
Excess of revenue over expenses	(81,178)	-	507,931	426,753	221,270
Net assets, end of year	1,767,461	448,673	302,901	2,519,035	2,092,282

Canadian Aberdeen Angus Association
Non-Consolidated Statement of Cash Flows
For the year ended December 31, 2020

	<i>2020</i>	<i>2019</i>
Cash provided by (used for) the following activities		
Operating		
Excess of revenue over expenses	426,753	221,270
Amortization	81,178	76,889
Unrealized gain on investment	(13,912)	(16,292)
	494,019	281,867
Changes in working capital accounts		
Accounts receivable	(11,620)	69,537
Prepaid expenses and deposits	31,411	(35,070)
Accounts payable and accruals	126,813	4,741
Member accounts	7,292	15,987
Deferred revenue	(125,136)	82,601
	522,779	419,663
Financing		
Repayment of long-term debt	(152,217)	(146,269)
Investing		
Purchase of capital assets	(17,253)	(11,924)
Increase of investments	(90,685)	(73,252)
	(107,938)	(85,176)
Increase in cash resources	262,624	188,218
Cash resources, beginning of year	368,699	180,481
Cash resources, end of year	631,323	368,699

The accompanying notes are an integral part of these non-consolidated financial statements

Canadian Aberdeen Angus Association

Notes to the Non-Consolidated Financial Statements

For the year ended December 31, 2020

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 declining balance method at rates intended to amortize the cost of assets over their estimated useful lives.

	Method	Rate
Buildings	declining balance	2 %
Automotive	straight-line	5 years
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, 2020

3. Investments

	2020	2019
Measured at cost:		
GIC, earning interest rate of 0.85%, maturing on May 25, 2023	79,014	75,000
Measured at fair value:		
Marketable securities	428,214	327,631

Marketable securities include an internally restricted balance of \$448,673 (2019 - \$368,673). 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 (2019 - \$80,000) to the internally restricted fund.

4. Capital assets

	<i>Cost</i>	<i>Accumulated amortization</i>	<i>2020 Net book value</i>	<i>2019 Net book value</i>
Land	1,263,276	-	1,263,276	1,263,276
Buildings	3,745,711	507,440	3,238,271	3,304,358
Computer equipment	319,069	306,766	12,303	9,313
Office equipment	350,080	341,661	8,419	8,747
Computer software	206,609	201,660	4,949	5,449
Signs	44,435	44,435	-	-
Automotive	43,235	43,235	-	-
	5,972,415	1,445,197	4,527,218	4,591,143

5. Bank indebtedness

As of December 31, 2020, the Association has an undrawn operating loan for \$75,000 (2019 - \$75,000) bearing interest at prime plus 1.5% (2019 – prime plus 1.5%), secured by GICs with a carrying amount of \$79,014 (2019 – \$75,000). The prime rate at December 31, 2020 was 2.45% (2020 - 3.95%).

6. Accounts payable and accruals

Included in accounts payable and accruals are goods and services tax remittances payable of \$29,543 (2019 - \$24,496).

Canadian Aberdeen Angus Association Notes to the Non-Consolidated Financial Statements

For the year ended December 31, 2020

7. Deferred revenue

Deferred revenue consists of unspent grants restricted for specified projects and services provided on behalf of the Canadian Angus Foundation. Recognition of these amounts as revenue is deferred to periods when the specified expenditures are made.

	2020	2019
ACE program		
deferred revenue, beginning of year	86,744	141,087
funds received	176,365	69,548
amounts recognized as membership revenue	(171,257)	(123,891)
deferred revenue, end of year	91,852	86,744
Canadian Junior Angus Association		
funds received	21,370	-
deferred revenue, end of year	21,370	-
Angus Life		
deferred revenue, beginning of year	110,683	-
funds received	-	110,683
amounts recognized as magazine revenue	(110,683)	-
deferred revenue, end of year	-	110,683
Research and development grants		
deferred revenue, beginning of year	31,315	9,557
funds received from the Foundation	34,275	68,697
funds received from unrelated sources	233,161	81,118
amounts recognized as grant revenue	(298,751)	(128,057)
deferred revenue, end of year	-	31,315
	113,222	228,742

Canadian Aberdeen Angus Association
Notes to the Non-Consolidated Financial Statements
For the year ended December 31, 2020

8. Long-term debt

	<i>2020</i>	<i>2019</i>
AFSC mortgage, repayable in monthly instalments of \$23,219 including interest of 4.54%, due January 1, 2024	2,759,758	2,911,975
Less: Current portion	159,079	152,170
	2,600,679	2,759,805

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:

2021	159,079
2022	166,301
2023	173,851
2024	179,085
2025	187,387

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 \$39,275 (2019 - \$68,697) 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, 2020

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, 2020 are summarized as follows:

	2020	2019
Statement of Financial Position		
Total assets	775,029	809,145
Total liabilities	391,949	368,205
Total net assets	383,080	440,940
Total liabilities and net assets	775,029	809,145

Statement of Operations

Revenues from operations	27,494	226,450
Other revenue	9,957	19,669
Total revenue	37,451	246,119
Total expenditures	95,311	219,915
Excess (deficiency) of revenue over expenditures	(57,860)	26,204

Statement of Cash flows

Cash from (for) operating activities	(35,528)	2,655
Cash from investing activities	26,883	1,455
Increase (decrease) in cash	(8,645)	4,110
Cash - beginning of year	19,108	14,998
Cash - end of year	10,463	19,108

In accordance with donor imposed restrictions, \$377,275 (2019 - \$383,868) 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, 2020

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.

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 price risk with respect to its GICs held at CIBC and ScotiaBank Wealth Management, which are subject to floating interest rates ranging from 0.5% to 2% (2019 – 1% to 4%). The Association is exposed to interest rate cash flow risk on its bank indebtedness that would be based on a floating interest 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.

13. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.

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

For the year ended December 31, 2020

	2020	2019
Revenue		
Advertising, fundraising, scholarships and sponsorships	26,000	63,464
Internal grants	12,000	15,800
Registrations and memberships	11,705	21,207
Auctions	-	4,370
	49,705	104,841
Expenses		
Events	29,253	72,245
Fundraising, newsletter and calendar	14,887	17,044
Scholarships	4,500	4,500
Board expenses	2,343	13,136
Insurance	572	572
Bad debts	350	-
Interest and bank charges	25	25
	51,930	107,522
Deficiency of revenue over expenses	(2,225)	(2,681)

Canadian Angus Foundation



Scholarship, Bursary & Award Recipients

Outstanding Young Angus Breeder

.....
Matthew Fleury, Aberdeen, SK

Junior Angus Stockman

.....
Jill McLerie, Red Deer County, AB

Robert C. McHaffie Junior Ambassador

.....
Lexi Hicks, Mortlach, SK

Dick Turner Memorial Scholarship

.....
Sarah MacDonald, Rock Creek, BC

Canadian Angus Foundation Legacy Scholarship

.....
Morgan Davey, Saskatoon, SK - \$5,000
Alana Higgins, Knutsford, BC - \$3,000
Halley Adams, Forestburg, AB - \$2,000
Beverly Booth, Jolicure, NB - \$500
Sarah MacDonald, Rock Creek, BC - \$500

Canadian Junior Angus Scholarship

.....
Tyra Fox, Lloydminster, SK - \$2,000
Riley Leeson, Vauxhall, AB - \$1,500
Julie Sharp, Lacombe, AB - \$1,000

Canadian Angus Foundation GOAL Bursary

.....
Kathryn Ashworth, Hampton, NB
Jordan Bapty, Coldstream, BC
Emma Harms, Mather, MB
Aubree & Emalee Higgins, Knutsford, BC
Lucia Johnston, 150 Mile House, BC
Wade MacDonald, Rock Creek, BC
Morgan MacIntyre, Russell, ON
Madison Pirch, Vernon, PE

Canadian Junior Angus GOAL Bursary

.....
Alexa Augustine, Horsefly, BC
Anna Best, Chetwynd, BC
Cooper Clemitson, Kamloops, BC
Rylonn & Savanna Elliot, Rock Creek, BC

Heifer Voucher Winners

.....
Ethan Gaboury, Spiritwood, SK
Mariah Mitchell, Delisle, SK
Hayes Howe, Cypress County, AB
Austin Richard, Salt Springs, NB
Shawna Williams, Fraser Lake, BC

Certified Angus Beef Youth Workshop Participants

.....
Lexi Hicks, Mortlach, SK
Naomi Best, Harding, MB

Donor Recognition

Over \$5,000

Canadian Angus Association

\$2,000 – \$5,000

Cudlobe Farms
Karen Prichard

\$1,000 – \$1,999

Female Focus Sale:
Hollinger Land & Cattle and J Square S Angus

\$500 – \$999

Atlasta Angus
Benchmark Angus
Crescent Creek Angus

Up to \$499

Dale Schutz
Harvest Angus
JPD Angus
Maritime Angus Association
Shawn Birmingham
Shirley Turner

The impacts of COVID-19 and the ensuing health regulations made it impossible to provide regular Canadian Angus Foundation programming in 2020. Most fundraising opportunities and events were cancelled.





CA

Financial Statements of the Canadian Angus Foundation

Year ended December 31, 2020

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, 2020, 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, 2020, 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)

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
April 9, 2021



Dudley & Company LLP
Chartered Professional Accountants

CANADIAN ANGUS FOUNDATION
Statement of Financial Position
December 31, 2020

	2020	2019
ASSETS		
CURRENT		
Cash	\$ 10,463	\$ 19,108
Investments (Note 4)	-	45,000
Accounts receivable	6,359	18,231
Inventory	19,628	22,001
Goods and services tax recoverable	-	136
Prepaid expenses	350	-
	<u>36,800</u>	104,476
LONG TERM INVESTMENTS (Note 4)	<u>738,229</u>	704,669
	<u>\$ 775,029</u>	<u>\$ 809,145</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 14,660	\$ 6,373
Goods and services tax payable	14	-
	<u>14,674</u>	6,373
Deferred Contributions (Note 6)	23,636	22,036
Junior Scholarship Fund (Note 7)	170,955	165,353
Junior Fund (Note 8)	182,684	174,443
	<u>391,949</u>	368,205
NET ASSETS		
Unrestricted net assets	<u>383,080</u>	440,940
	<u>\$ 775,029</u>	<u>\$ 809,145</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, 2020

	2020	2019
REVENUE		
Building the Legacy	\$ -	\$ 122,575
Enduring property donations	-	27,950
Fundraising and donations	3,406	4,147
History book	3,987	49,607
Investment income	13,327	20,326
National Angus Cookbook sales	524	381
15 for 50 fundraiser	5,950	-
Promotional items sales	300	1,464
	<u>27,494</u>	<u>226,450</u>
EXPENSES		
Administration	5,600	3,825
Archives and Angus Central display	100	1,456
Bank charges	25	103
Building the Legacy	-	14,609
Connecting Food & Farm Bursary	-	1,371
Donor recognition and fundraising expenses	-	828
Foundation Legacy Scholarship	11,000	11,000
GOAL	15,349	15,967
GST expense	256	1,320
Heifer draw vouchers	10,500	16,000
History book	2,333	29,755
Investment account fees	3,322	3,349
Junior Ambassador Program	-	14,185
Junior Angus Stockman of the Year	4,639	4,365
Meeting and travel	900	15,237
National Angus Cookbook	190	261
Outstanding Young Angus Breeder	4,000	4,370
Professional fees	2,662	2,695
Promotional items	160	1,687
Research projects	34,275	63,275
Self-directed travel	-	1,461
Showdown	-	12,796
	<u>95,311</u>	<u>219,915</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FROM OPERATIONS	<u>(67,817)</u>	<u>6,535</u>
OTHER REVENUE		
Other revenue	-	1,447
Unrealized gain (loss) on investments	9,957	18,222
	<u>9,957</u>	<u>19,669</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>\$ (57,860)</u>	<u>\$ 26,204</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, 2020

	2020	2019
NET ASSETS - BEGINNING OF YEAR	\$ 440,940	\$ 414,736
Excess (deficiency) of revenue over expenses	<u>(57,860)</u>	<u>26,204</u>
NET ASSETS - END OF YEAR	<u>\$ 383,080</u>	<u>\$ 440,940</u>

CANADIAN ANGUS FOUNDATION
Statement of Cash Flows
Year Ended December 31, 2020

	2020	2019
CASH FLOWS FROM (FOR) OPERATING ACTIVITIES		
Cash receipts from grants, members, and other	\$ 35,996	\$ 215,945
Cash paid to suppliers	(84,851)	(233,616)
Interest received	<u>13,327</u>	<u>20,326</u>
Cash Flows From (For) Operating Activities	<u>(35,528)</u>	<u>2,655</u>
CASH FLOWS FROM (FOR) INVESTING ACTIVITIES		
Disposal (purchase) of investments	11,440	(5,701)
Deferred contributions	1,600	(28,342)
Junior Investment Fund	8,241	13,683
Junior Association Scholarship Fund	<u>5,602</u>	<u>21,815</u>
Cash Flows From (For) Investing Activities	<u>26,883</u>	<u>1,455</u>
Increase (decrease) in cash	(8,645)	4,110
CASH - BEGINNING OF YEAR	<u>19,108</u>	<u>14,998</u>
CASH - END OF YEAR	<u>\$ 10,463</u>	<u>\$ 19,108</u>

The accompanying notes form an integral part of these financial statements

CANADIAN ANGUS FOUNDATION
Notes to Financial Statements
Year Ended December 31, 2020

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.

	2020	2019
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	6,811
Scholarship granted	-	(1,000)
	5,811	5,811

The Enduring Property Investment Fund was established by the Foundation in 2009 as a way for donors to contribute funds dedicated for the long-term vision of the Foundation. Contributions are to be held by the Foundation for the duration of not less than ten years, after which time the funds are to be used towards meeting the goals and objectives of the Foundation as established under its constitution, including support for junior members, archiving of records and memorabilia for posterity and education and research. Investment income earned on the funds can be used at any time, at the discretion of the Foundation. In 2019 the ten years elapsed and the money has been taken into revenue as per agreements made in 2009.

Enduring Property Investment Fund		
Balance	-	30,442
Recognized as revenue	-	(30,442)
	-	-

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	3,925	3,825
Contributions received	600	1,100
Scholarship granted	(1,000)	(1,000)
	3,525	3,925

(continues)

CANADIAN ANGUS FOUNDATION
Notes to Financial Statements
Year Ended December 31, 2020

6. DEFERRED CONTRIBUTIONS *(continued)*

2020 2019

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	6,000	3,000
Contributions received	-	3,000
Scholarship granted	(500)	-
	5,500	6,000

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

Contributions received	2,500	-
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Grand Total	\$ 23,636	\$ 22,036
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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.

2020 2019

Balance, beginning of year	\$ 165,353	\$ 143,538
Contributed	-	6,870
Withdrawals	(4,500)	-
Interest earned	5,405	6,413
Gain (loss) investment	4,697	8,532
	\$ 170,955	\$ 165,353

CANADIAN ANGUS FOUNDATION
Notes to Financial Statements
Year Ended December 31, 2020

8. JUNIOR FUND

The Junior Fund was included in the Foundation in 2015. During the year, Canadian Junior Angus (CJA) expenditures in excess of revenues of \$2,226 (2019- deficit \$2,681) as a result of the loss no allocation to the Foundation was made. The process for dispersing the funds is at the request of CJA, pending the approval of the Foundation's management.

	2020	2019
Balance, beginning of the year	\$ 174,443	\$ 160,760
Interest earned	6,053	7,049
Gain (loss on investment)	5,260	9,690
Investment fees	(3,072)	(3,056)
Balance, end of the year	\$ 182,684	\$ 174,443

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 2020 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

SHAWN BIRMINGHAM

Written by Shawn's wife Teresa

Those who know him understand that there isn't much that my husband wouldn't do for both his people and for his cattle; character traits that have certainly given him many opportunities throughout his life, including the great honour of serving as the President of the Canadian Angus Association this past year. To say I am proud of Shawn would be an understatement, although every farm wife knows that with this great privilege also comes great sacrifice, especially when you are the youngest President to ever serve and you have a house full of babies and young children to raise while also trying to calve cows and be on time for your Zoom conference call! Shawn has served on a Manitoba or Canadian Angus Association board for 15 consecutive years and despite the chaos, we feel so grateful that our kids know their daddy is highly involved in ensuring a bright future for them in the Angus industry.

Shawn and I live on the farmyard that his grandparents originally lived and farmed on, a legacy that we are very proud of. Although we have been very involved in the family grain operation in the past, we have recently chosen to focus 100 percent of our time and energy on our greatest passion: our cattle. And as we chose to break away from the grain farm, we also intentionally decided to preserve a little bit of history by renaming ourselves 5B Farms Ltd., Grandpa and Grandma Birmingham's original brand used on the cows they owned. Currently, we calve about 75 purebred Angus cows and 300 commercial cows with our three little girls right beside us.



One of the things Shawn often tells people about being a cattleman is that the best part about it is the ability for us to do it together.

Although this year did not go as planned and some very exciting trips that I am sure every president looks forward to experiencing were cancelled, Shawn's presidential year was certainly not a disappointment. Connecting with his board online all year has not been ideal, but I know that he has enjoyed all of his time getting to know every board member he has ever served with, both past and present. Shawn has always been highly invested in the future of the Angus breed and he has expressed a lot of enthusiasm this year about plans and ideas the board has been developing. Now he is just ready to get back to normal life so that he can see some of those things become reality and thankfully, another year on the executive will keep him involved.

In closing, I'm sure that Shawn would want me to thank all of you for your faithfulness to the Canadian Angus Association and to the Angus breed. There is a reason that Angus cattle are superior all across the world and I wouldn't hesitate to say that part of that reason is because of people like you, dedicated cattlemen and women who work with the extreme motivation and pride of one who knows that the quality of their product is exceptional and are invested in working every day to take Angus cattle to the next level.





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