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AGENDA

CANADIAN SIMMENTAL ASSOCIATION - 54th ANNUAL MEETING

Saturday, July 23, 2022 1:00 pm

- CSA President's Welcome and Call to Order – Marlin LeBlanc, President
- Moment of Silence
- Introduction of 2021–22 CSA Directors, Past Presidents and Guests
- Approval of Agenda
- Approval of the 53rd Annual General Meeting Minutes
- President's Report – Marlin LeBlanc
- General Manager's Report – Bruce Holmquist
- 2021 Reviewed Financial Statements – Bill Biglieni
- Appointment of Auditors
- Committee Reports:
 - Advertising/Promotion and Simmental Country – Jennie Mutch
 - Breed Improvement – Bruce Holmquist, on behalf of Roger Deeg
- Young Canadian Simmental Association – Katie Elmhirst

Canadian Simmental Association AGM will suspend for the Friends of Canadian Simmental Foundation AGM

Friends of Canadian Simmental Foundation Annual General Meeting

- FCSF President's Welcome and Call to Order – Ken Lewis, FCSF President
- Introduction of 2021-22 FCSF Directors
- Approval of Agenda
- Approval of the 2021 Annual General Meeting Minutes
- President's Report – Ken Lewis
- 2021 Reviewed Financial Statements – Marlin LeBlanc
- Appointment of Auditors
- New Business
- Adjournment of Meeting

Canadian Simmental Association AGM will resume

- New Business – recommendations from the Floor
- Introduction of 2022-23 CSA Board of Directors
- Recognition of Outgoing Directors
- Invitation to 2023 Annual General Meeting
- Motion to ratify the actions and proceedings of the CSA Board of Directors and Officers for 2022
- Adjournment of Meeting



Presidents of the Canadian Simmental Association

1969 - 70	Travers Smith, Cardston, Alberta
1970 - 71	Dr. Allan Dixon, Calgary, Alberta
1971 - 72	LeRoy Barry, Carievale, Saskatchewan
1972 - 73	Ross Mitchell, Douglas, Manitoba
1973 - 74	Jack Ball, Brant, Alberta
1974 - 75	Dr. Allan Dixon, Calgary, Alberta
1975 - 75	Gerry Kaumeyer, Calgary, Alberta
1975 - 77	Stan Church, Calgary, Alberta
1977 - 78	Keith Sveinson, Calgary, Alberta
1978 - 80	Jim Shaw, Edmonton, Alberta
1980 - 82	Mel Wolfe, Douglas, Manitoba
1982 - 84	John Draper, Brandon, Manitoba
1984 - 86	Stan Church, Calgary, Alberta
1986 - 87	Dick Stoddard, Waterloo, Quebec
1987 - 88	Bill Small, Craven, Saskatchewan
1988 - 89	Ralph Whitfield, Souris, Manitoba
1989 - 91	Roger Deeg, Lyalta, Alberta
1991 - 93	Barry LaBatte, Gladmar, Saskatchewan
1993 - 94	Allan Preston, DVM, Hamiota, Manitoba
1994 - 96	Michael Burns, Maple, Ontario
1996 - 97	Miles Glasman, Russell, Manitoba
1997 - 98	Ken Lewis, Spruce Grove, Alberta
1998 - 99	Yves Gagnon, Vinoy, Quebec
1999 - 00	Tracy Graf, Edmonton, Alberta
2000 - 01	Ronald Wooddisse, Palmerston, Ontario
2001 - 02	Ian Mitchell, Barriere, British Columbia
2002 - 04	Brian McCarthy, Moosomin, Saskatchewan
2004 - 06	Bruce Holmquist, Kinistino, Saskatchewan
2006 - 08	Dr. Murray Jacobson, Shaughnessy, Alberta
2008 - 10	Dr. Everett Hall, Owen Sound, Ontario
2010 - 11	Rick McIntyre, Churchbridge, Saskatchewan
2011 - 13	Ron Nolan, Markdale, Ontario
2013 - 14	Fraser Redpath, Mather, Manitoba
2014 - 15	Kelly Ashworth, Oungre, Saskatchewan
2015 - 16	Lacey Fisher, Amherst, Nova Scotia
2016 - 18	Lee McMillen, Carievale, Saskatchewan
2018 - 20	Garth Rancier, Killam, Alberta
2020 -	Marlin LeBlanc, Estevan, Saskatchewan

CSA BOARD OF DIRECTORS / 2021 - 2022

Marlin LeBlanc
President
Estevan, SK

Shane Williams
1st Vice-President
Garafraxa, ON

Byron Johnson
2nd Vice-President
Amisk, AB

Roger Deeg
Strathmore, AB

Scott Matthews
Canton De Hatley, QC

Ben Farrant
Lousana, AB

Blair McIntosh
Maymont, SK

Bill Biglieni
Douglas, MB

Jennie Mutch
Vernon, PEI

HOST PROVINCE

MANITOBA SIMMENTAL ASSOCIATION BOARD OF DIRECTORS / 2022

Melissa McRae
President
Brandon, MB

Kyle Taylor
1st Vice-President
Richelieu, QC

Angela Thorgilsson
2nd Vice-President
Lundar, MB

Laurelly Beswetherick
Secretary-Treasurer
Austin, MB

Donovan Hickson
Director
Brandon, MB

Brooke Canart
Director
McAuley, MB

Kolton McIntosh
Director
Rivers, MB

Nick Fletcher
Director
Treherne, MB

Gracie Falconer
YCSA Director
Hartney, MB

Pat Wilcox
Pemibina Triangle Rep
Trehome MB

Megan Johns
Keystone Rep
Kenton, MB

Bill Biglieni
National Director
Douglas, MB

CSA STAFF AND CONSULTANTS

Bruce Holmquist
General Manager

Barb Judd
Office Manager

Sue Giles
Programs Coordinator

Devra Leavitt
Reception & Member Services

Dallas Wise
Registry & Member Services

Perry Welygan
Registry & Member Services

Laurie Macdonald
Registry & Member Services

Rae-Lee Erickson
Administrative Assistant

Crystal Fisk
YCSA Coordinator

iSmart Consulting / Ian Yin
Network Support

Michael Brooks
CSA Registry Software Support

Absolute Business Solutions
Rita Ricioppo
Bookkeeping Services

Ranching Systems Ltd
Sean McGrath
Breed Improvement Consulting



CANADIAN SIMMENTAL ASSOCIATION
DRAFT MINUTES OF THE 53rd ANNUAL GENERAL MEETING
By ZOOM Webinar - July 24, 2021, 1 pm MST

CALL TO ORDER & WELCOME

Meeting Chairman Garth Rancier called the meeting to order at 1:00 pm

CSA AGM WELCOME – Garth Rancier

- Good afternoon, we welcome you to the 53rd Annual General Meeting of the CSA. I am Garth Rancier, past President of the CSA, and your meeting chairman. Thank you for meeting with us today.
- With the unusual circumstances in 2020 we did not approve our 2019 minutes or financials, so will do that today. Although this is a different reporting process again this year without being able to meet face to face, the CSA board decided that being able to provide an update to our membership was necessary. More importantly, Simmental is continuing to thrive and it's a great time for the breed in Canada.
- Housekeeping:
 - Send any questions or comments to the Q & A or Chat box at the bottom of the page.
 - Use Raise of Hand button to make or second a motion.
 - Vote on motions through the poll vote that will appear on your screen.
 - Notice was sent out previously that detailed minutes and financials are available on CSA website.

MOMENT OF SILENCE

- Garth asked for a moment of silence for all those CSA members who have passed in the past year.

APPROVAL OF AGENDA

MOTION: by Bill Biglieni, to approve agenda.
Second, Scott Matthews
CARRIED

APPROVAL OF THE 2019 CSA ANNUAL GENERAL MEETING MINUTES

MOTION: by Kerwin Delong, to approve the 2019 CSA AGM minutes.
Second, Roger Deeg
CARRIED

APPROVAL OF THE 2020 CSA ANNUAL GENERAL MEETING MINUTES

MOTION: by Byron Johnson, to approve the 2020 CSA AGM minutes.
Second, Jennie Mutch
CARRIED

PRESIDENT'S REPORT – MARLIN LEBLANC

- It is a pleasure to welcome all of you to the 2021 Canadian Simmental Association Virtual AGM on behalf of the CSA and its Board of Directors. Again, for this year, this is not how we hoped to conduct this however we would like to thank everyone in Manitoba for volunteering to host this year and also to committing to postpone and hosting us in 2022.
- It has been an honor to serve the Association and its members as President over the past year. It has been my goal to have open dialogue with you throughout this term and I value your input and contributions as we all strive to better our breed and strengthen the association. A job such as this is enjoyable to do when we have a strong team working behind the scenes at the office every day.
- The CSA remains fiscally strong, and a profit will be posted this year as the Covid 19 pandemic curtailed many travel and meeting expenses. That was complemented with the popularity and strength of this great breed as our registrations continue to grow.
- In an attempt to increase the number of pages in the Simmental Country, we revised our rate cards. This has had a positive uptake and we have seen an increased number of breeders and advertisers participating.
- We have continued to subsidize the Parent Verification project. Through this we have been able to assist breeders in strong parent verification which leads to more accurate EPDS, Homo-polled and coat-colored tests. DNA lab results can now be traced with updates in real time to your personal online account and breeders now have the ability to order and search results in your own dashboard.
- Our support has remained strong towards the development of the Canadian Beef Improvement Network (CBIN). They have recently structured their Executive Committee and we are looking forward to being one of the leaders of this initiative as they continue to build and develop their network. We feel that this organization is a cohesive link to the entire industry and the information provided will provide tremendous value to the Canadian beef industry while ensuring that beef breed associations like the CSA remain relevant and viable.
- I would like to thank my Committee Chairs and Executive Committee for their dedication, and accomplishments over the past year. Also, thank you to Bruce our General Manager, Barb our Office Manager, and the rest of the team for all of their hard work and contribution to the association over the past year.
- In departure this year is Garth Rancier. He has been past president, breed improvement chair, treasurer and took the lead on many new initiatives. Thanks, Garth.
- Also, Francis Gagnon is departing the board this year. I would like to thank him for his time and dedication to the board and for being a Chairperson for the Promotion Committee. Thanks, Francis.
- I am excited to welcome Byron Johnson to his second term, as well as Ben Farrant from Alberta and Scott Matthews representing Quebec.
- I would like to thank Kelsey Manske for her years of leadership with the YCS and wish her all the best in her new venture. I look forward to working with Crystal Fisk in this position and hope that things will normalize with the pandemic and allow for the YCS to flourish.
- Ken Lewis for his leadership with the Friends of The Canadian Simmental Association. I am looking forward to working with them on a sale as last years was postponed due to the pandemic.
- I am proud of the year that we have had at the CSA. There have been many successes and challenges as we all work together to strengthen and grow our breed. I look forward to working with the CSA and the Board again. It is my hope that the pandemic will subside and allow us to complete our postponed goals and events. It has been an extreme honor to serve you all and I thank you for your confidence in me and all of the support I have received from the Management, the Board of Directors and Simmental Breeders from across Canada.

MOTION: by Marlin LeBlanc, to accept the President's report as presented.

Second, Roger Deeg
CARRIED

GENERAL MANAGER'S REPORT - BRUCE HOLMQUIST

General Manager Bruce Holmquist provided a visual presentation of CSA activities and statistics.

- In 2020 when we were forced to hold the first online Annual General Meeting (AGM) of the Canadian Simmental Association (CSA) we thought that we would be back to normal process this year. Cancelling the CSA AGM due to the Covid-19 Virus and the resulting health restrictions put in place by Government Health Agencies was something no one had envisioned, and we certainly didn't think we would be doing another virtual AGM in 2021. As we participate in this year's CSA AGM it is important to recognize the efforts and organization that was done by the Manitoba Simmental Association. This work will not be in vain as we are committed to being in Portage la Prairie next year for the 2022 Canadian Simmental Convention.
- As we report on CSA operations for the 2020 fiscal year we are once again fortunate to be able to report another very successful year for the CSA and Simmental in Canada. Simmental bull sales continued to be strong when compared to the other beef cattle breeds in Canada. This is the result of the hard work of our members and the acceptance that Simmental has in commercial cowherds across the country. Strong prices were again received for Simmental females throughout the fall sales as we saw new Simmental breeders begin their herds, as well as established breeders making purchases to strengthen their programs. A major concern for the industry is that the overall Canadian cowherd numbers continues to trend downwards however the demand for Simmental genetics continues to grow.
- CSA staff members provided representation at many early 2020 bull sales and events prior to mid-March before travel restrictions limited in person attendance and overall gathering size. Sue Giles, Rae-Lee Erickson and Randy Bollum continued to play the lead roles in our marketing efforts. Due to the Covid-19 travel restrictions the CSA board of directors made the decision to temporarily end the field service for Simmental Country. We thank Randy Bollum for his service to the CSA membership and wish him all the best in the future. The CSA office staff remains amongst the most competent and committed of all Canadian Beef Breed associations and we thank them for their dedication. Under the guidance of CSA Office Manager Barb Judd, they continue to deliver exceptional service to our members. The registry and "On Farm" software programs continue to be improved to enhance ease of use as well as convenience. We appreciate both the CSA membership and our staff for their patience as we strive to provide the best service possible. We may not always have the answer right at hand in every situation, however I know that our problem solving is thorough and it is not often that we are not able to find solutions to our member's issues in a timely fashion. The decades of knowledge and experience that your CSA staff possesses is invaluable and as strong as any breed Association in Canada.
- This past year the CSA executive Committee was comprised of President Marlin LeBlanc, 1st Vice President Roger Deeg, and 2nd Vice President Shane Williams. Past President Garth Rancier remained on the board as he completed his final year term as Director. Jennie Mutch joined the CSA board as the director from Atlantic Canada replacing Frank Robblee, and Bill Biglieni replaced Blair McRae in the Manitoba position. We thank both Blair and Frank for their service to the CSA membership. Thank you to the entire CSA board for their leadership, contributions and commitment to the CSA and its members. Your interest in all areas of CSA activities has guided and allowed us to build upon the strong foundation that past CSA boards of directors have developed. CSA directors all have their own operations to run however they take time out of their hectic schedules to volunteer and provide direction to the CSA. It is not an easy task serving as a director of a national organization and it is sometimes challenging to ensure regional interests do not overshadow the big picture.
- The CSA's financial position remains very strong as we realized an operational surplus in 2020 as a result of increased registry activity combined with a careful eye towards additional spending. This has allowed us to maintain our services without increasing fees or costs to you the member. 2020 saw the completion of our marketing partnership with New Holland Agriculture. We thank them for their support over the past several years.

- CSA programming focuses primarily into three categories; breed improvement, promotion, and youth. Through these committees, non-board members join CSA directors to provide direction and input to CSA staff. The dedication from all who are involved is very much appreciated. Full reports from these committees will be given by the respective committee chairs. On your behalf, the CSA also supports numerous relationships within the entire beef industry. As a result of this mandate, we have been part of several industry committees and working groups which deal with topics such as animal health, livestock traceability, trade, as well as many other industry issues. It is important that the seed-stock sector has a voice at these tables and CSA has taken a leadership role in covering many bases on your behalf. The CSA is also an active part of the Canadian Beef Industry Conference, Canadian Beef Breeds Council meetings, Beef Improvement Federation and Livestock Markets Association of Canada convention.
- Over the past several years we have also worked hard on growing the Friends of Canadian Simmental Foundation. As a result of those efforts from both the CSA and FCSF boards, we have realized the original vision that the CSA had in establishing a charitable Foundation that benefits the Beef industry and society through the Simmental breed.
- The CSA continues to work on new initiatives and as a result is among the leaders of beef breed associations in Canada. Simmental has become the second most widely used breed in Canada and is slowly gaining ground towards being number one. Change does not come without its critics, however it is hard to deny the inroads that the Canadian Simmental Association and its members have made over the past decade, and the successes that have been achieved on many fronts because of that change. This progress will continue as long as the CSA and its members focus on programming that is relative to improving the economics and sustainability of the Canadian Beef industry.

MOTION: by Ben Farrant, to accept the General Manager's report as presented.

Second, Byron Johnson

CARRIED

2019 AUDITOR REVIEWED FINANCIAL STATEMENTS

BRUCE HOLMQUIST

Full AGM book is available on CSA website, with complete reviewed financial statement report from BDO audit firm.

- Consolidated statement of financial position (balance sheet)
- We are in a strong and stable position. In the early 2000's, the CSA board of directors passed a motion to maintain one year of operating costs in restricted funds going forth, and we now have close to \$2 million in funds. Our actual condo value is not stated in our books, per auditor accounting practice.
- Consolidated statement of operations (profit and loss)
- net excess of revenue over expenses of \$166,642.
- Consolidated statement of changes in net assets – unrestricted net assets of \$2,169,454

MOTION: by Lorne Kwasnicki, to approve the CSA 2019 financial statements.

Second, Roger Deeg

CARRIED

2020 AUDITOR REVIEWED FINANCIAL STATEMENTS

BRUCE HOLMQUIST

- Consolidated statement of financial position (balance sheet) – changes in market investments with a net asset of \$2,669,477
- Consolidated statement of operations (profit and loss) – revenue highlights is an increase in lab services which means an increase in work that you as members are doing. This is an in and out, you will see a similar increase in lab expenses. New Holland sponsorship was discontinued for 2020 with the expiration of our contract. We thank them for the past seven years during which time they contributed close to \$350,000.
- Excess of revenue over expenses was \$314,984, an increase from 2019 due to Covid travel restrictions resulting in the cancellation of the 2020 AGM and not renewing the Simmental Country sales rep contract in the spring.

MOTION: by Ben Farrant, to approve the CSA 2020 financial statements.

Second, Bill Biglieni

CARRIED

APPOINTMENT OF AUDITORS

MOTION: by Deanne Young, to appoint BDO as CSA auditor for the upcoming year-end.

Second, Blair Williamson

CARRIED

ADVERTISING/PROMOTION AND SIMMENTAL COUNTRY

FRANCIS GAGNON

Committee members; Francis Gagnon (chairman), Jennie Mutch, Blair McIntosh, Bill Biglieni and Marlin Leblanc.

- In 2020 the CSA promotion and advertising committee had another strong year with its own challenges, we are very fortunate to work with a great professional office staff who make it easy for us every day. Even with the Covid-19 situation we were able to meet twice in Calgary at the CSA office in 2020 and I would like to thank everyone for their dedication and time to attend those meetings. Any recommendations passed by this committee are voted on by all the board of directors for further approval.
- Our marketing partnership with New Holland ended in 2020 but we would like to thank them for their tremendous support that they gave us over the past several years.
- We launched the new CSA website redesign in November, which has been well received by members and is said to be very user friendly.
- The CCIA Simmental RFID blue back button sales continue to be very successful and is a great program for the CSA in promoting Simmental cattle across the country.
- We provided members with new promotional items and merchandise in 2020 that were also well accepted and up to date with what members and youth want.
- We are now offering a bigger format of the calving books, call the CSA to order yours!
- With times being so unpredictable, the CSA board of directors decided to not continue the SC Field Representative position. We will review again in the future.

- We are working on a member recognition program for CSA members who have been consistently active in the breed for 50 years.
- Since the CSA did not have a field person, we used that money saved to provide a 25% reduction towards the advertising price for the Simmental Country and Commercial Country advertisements. It was well received, and we sold more ads because of it. Both magazines still are our strongest promotion and advertising items, however the postage cost is still one of our biggest expenses. We continued with our spring sale Thank you ad special to report the bull sale results and thank the buyers.
- The promotion and advertising of the Simmental breed is a great success mainly because the members who dedicate their time and market top quality Simmental or influence Simmental cattle through your bull sales, female sales or feeder sales.

MOTION: by Bill Biglieni, to accept the Advertising/Promotion and Simmental Country committee report.

Second, Jennie Mutch

CARRIED

BREED IMPROVEMENT

BRUCE HOLMQUIST FOR ROGER DEEG

Committee members, Troy Drake, Byron Johnson, Marlin LeBlanc, Ken Lewis, Scott Matthews, Jennie Mutch, Kevin Porter, Garth Rancier, Rob Voice and Shane Williams.

- My thanks to the BIC committee members, your input and ideas are very much appreciated. Also, thanks to Sean McGrath for closing the waters on a lot of issues of the technical nature.
- Development of the Canadian Beef Improvement Network (CBIN) continues to move forward through the efforts and support from the Canadian Beef Breeds Council (CBBC) and Canadian Cattlemen's Association. Ontario based AgSights is also involved in collaborative efforts with CBIN. A CBIN Executive committee has been formed and is working on the details of structure with all final decision-making being vetted by the CBBC Board of Directors. The CSA has played a lead role in this initiative that will provide value-based information tools to Canadian beef producers. Seed-stock producers need to take a leadership role in providing genetics that allows beef to be produced more efficiently and consistently in order to compete in an increasingly competitive protein market.
- The BIC Committee made several additions and improvements to the online registry system and International Genetic Solutions (IGS) has been working on adding a heifer pregnancy calculation as we have formatted our data to be included in the weekly IGS evaluation and working on an EPD from exposure of heifer to a sire. A scrotal EPD is still ongoing at IGS, and a foot and leg score is also in the draft stages. No set standards have been selected yet, but we need to be aware of what other breeds are doing. All potential EPDs that are being tested by IGS are discussed at length by our committee even if the EPD has not been released. New EPDs released by IGS are provided on the CSA online system through member accounts. No EPD will be made available to the public CSA search site unless approved by the BIC Board.
- Our committee is always looking at ways to improve the CSA's Total Herd Enrollment (THE) program. Prior to THE being implemented in 2000, calving and weaning information was required to receive a registration paper. While the program requires Total Herd Enrollment it does not require mandatory reporting of all weights on all animals within the herd. The breed improvement committee is discussing if this should be mandatory. Our committee will be adding gestation dates and lengths to online member's accounts. There was much discussion as to what the commercial industry is looking for from us – more traits with EPDs, ultrasound data- real carcass data- RFI data- heifer pregnancy.

- This committee spends countless hours discussing the needs and wants of our breed and how those relate to the commercial industry which is the driver of the success of the Simmental breed in Canada. No decision here is made frivolously or for personal gain but for the betterment of our breed. This being said I would like to say the result of the vote on the bylaw change pains me in that 38% of the members that voted against are in fact holding back the 62% that voted in favor. How can a bylaw written over 50 years ago keep pace with the breed and an ever-changing beef industry and not be revised? Going forward we need to be more responsive to what the majority of breeders and producers are asking for.

MOTION: by Blair McRae, to accept the Breed Improvement committee report.

Second, Shane Williams

CARRIED

YOUNG CANADIAN SIMMENTAL ASSOCIATION

GRACIE FALCONER

I hope this report finds everyone in good spirits, some rain and growing grass.

For our 2020 Young Canadian Simmental Association's year it was another year of Covid-19 throwing curveballs in every which direction! Our year proceeded as follows...

- Due to Covid-19 we were faced with the issue of how to proceed with our bi-annual T.E.A.M conference that was to be held in February; we came to the conclusion to cancel it for the 2020 year.
- Fast forward to about April/May and Covid-19 was heavier than ever. We had to cancel the in person National Jr. Show that was to be held in Portage La Prairie, MB but with the help of the great people at DLMS, Mark Shologan and Kelsey Manske, we were able to pull off a virtual Jr National Show with great success. This took place the last week of June!
- AGM – The AGM was held on July 18, 2020 via zoom. We covered the new and the old business happening in the YCSA, we elected our new board and a director at large.
- Our election proceeded as follows:
 - President – Gracie Falconer, Vice President - Mackenzie Skeels, Second Vice President - Katie Elmhirst, and new Director at Large – Brodyn Labatte.
- Face Book Fundraiser – this annual event was our best one yet, it ran December 1st to December 4th 2020. With the generosity of our donators and our buyers we raised \$6,795.00.
- Our 2020 year was quiet compared to a regular year but still brought some great success with it. Here's hoping we can all get together soon and hold these exciting, wonderful events in person once the world returns to normal!

MOTION: by Jennie Mutch, to accept the Young Canadian Simmental Association report.

Second, Grace Oesch

CARRIED

SUSPENSION OF THE CSA ANNUAL GENERAL MEETING FOR THE FCSF ANNUAL GENERAL MEETING @ 2:05

RESUMPTION OF THE CSA ANNUAL GENERAL MEETING @ 2:22

INTRODUCTION OF 2021 – 22 CSA BOARD OF DIRECTORS

Appointment of Directors

- Byron Johnson, AB, second term
- Ben Farrant, AB, first term
- Scott Matthews, QC, first term

Recognition of outgoing Directors

- Garth Rancier, AB
- Francis Gagnon, QC

CSA Board of Directors 2021 – 22

- Jennie Mutch, Shane Williams, Bill Biglieni, Blair MacIntosh, Marlin LeBlanc, Roger Deeg, Byron Johnson, Ben Farrant, Scott Matthews

NEW BUSINESS

- Recommendations from the floor – none were brought forward

- Questions/Comments from the Floor:

Maureen Smith: after the upgrade table gender equality was brought up, what is being done to include women on the board and breed improvement committee?

- There is no bias towards genders on our board.
- We have Jennie Mutch on the board today, and numerous female directors in the past, including a President and several chairs of committees.
- It is up to the provinces to bring forward director nominations. We encourage them to promote the best person.

Deanne Young: how many votes were received for the proposed bylaw?

- We counted 291 votes of which 61% were in favor. We did have some spoiled votes but even had those been counted it would only make an increase of 1%.

- Invitation to 2022 Canadian Simmental Convention – the Manitoba Simmental Association looks forward to hosting next year's AGM convention in Portage Le Prairie, July 21 – 24, 2024. We thank Manitoba for their perseverance after the necessity to postpone the AGM for the past two years.

MOTION: by Blair McRae, to ratify the action and proceedings of the CSA Board of Directors for the year 2020.

Second, Maureen Smith

CARRIED

- Closing Remarks - Chairman Garth Rancier
On behalf of CSA, thank you all for participating, and we hope to see you all next year in Portage La Prairie, MB.

MOTION: by Roger Deeg to adjourn the meeting at 2:33 pm

CANADIAN SIMMENTAL ASSOCIATION PRESIDENT'S REPORT

Marlin LeBlanc

On behalf of the Canadian Simmental Association, The Board of Directors, and Staff I would like to welcome everyone to the Annual General Meeting and accompanying festivities. It is nice to finally be able to meet in person for what is sure to be a weekend of networking, professional development, and socializing.

This is a bitter sweet moment for me as this is the last report that I will be making as my tenure as President comes to a close. It has been a true honour to represent the producers, the breed and work with the board to advance the Simmental name in our country and work on a variety of topics which have direct influence on the breed. Throughout my term it has been my goal to have open dialogue with you and I value your input and contributions as we all strive to better our breed and strengthen the association. A job such as this is enjoyable to do when we have a strong team working behind the scenes at the office every day.

The CSA remains fiscally strong as we realized many savings through the Covid-19 pandemic. While the pandemic was stressful, it has also allowed us to streamline and find efficiencies within the organization which has led to significant cost savings. The staff, board and myself have worked extremely hard over the past while to continue to promote the breed and with that our popularity and strength continues to grow as it is reflected in the increased membership and registration numbers. Our breed's publication "Simmental Country" saw a major overhaul throughout my tenure. The rate cards were reviewed which led to a positive uptake from breeders and advertisers alike. This helped to balance the magazines bottom line and also increased the number of pages in the publications.

In terms of work for the breed we continued to subsidize the Parent Verification DNA project which allowed for breeders to have stronger verification and lead to more accurate EPD's, Homo-pollled and coat colored tests. We have made advancements in our communication of DNA results with breeders by implementing an online network which allows them to access information in real time through their own personal dashboard. We continue to be heavily involved in the Canadian Beef Improvement Network as members of the executive committee. We maintain our position that this is a vital link to the entire Canadian Beed Industry while ensuring beef breed association like the CSA remain relevant and viable.

The YCS program remains strong and viable under the new leadership of Crystal Fisk. You will see this weekend in Portage that the breed has a strong future ahead of it, thanks to the work of these Young Canadian Simmentalers.

The Friends of the Canadian Simmental Association is in an excellent position thanks to the leadership of Ken Lewis and the committee. The foundation continues to support many individuals as they continue in the business of agriculture and Simmental cattle.

I would like to thank the Committee Chairs and Executive Committee for their dedication, and accomplishments over the past year. Also, thank you to Bruce our Manager, Barb our office manager and the rest of the team for all of their hard work and contributions to the association over the past year.

As many of you know, Lucille and I have made the decision to move on to the next phase of our lives and retire from the purebred industry. As I reflect on my 30 years in this breed, I am extremely proud of the advancements and role the CSA has played in the development and promotion of the breed and Beef industry overall. Technology and advancements happen fast in this society and we have been able to adapt, pivot and change to remain a relevant and strong voice in the industry. We have tackled many obstacles including BSE, a defining moment for most producers, but through it all our breed remained strong and determined to promote the Canadian Simmental Beed as a progressive and strong choice. It has been an absolute honour to be involved with so many wonderful breeders and producers throughout my time in the industry and an even bigger honour to have represented you over the past six years. I can leave knowing that our breed is in one of the strongest positions possible thanks to the hard work and dedication of our staff, board members, executives and committees. Thank you to all of you for making this a memorable and enjoyable experience and all the best to you in the future.

GENERAL MANAGER'S REPORT

Bruce Holmquist

What a great feeling to be writing a report for our first face to face Canadian Simmental Association (CSA) Annual General Meeting in three years. In 2020 and 2021 the CSA was forced to hold our AGM virtually due to health restrictions put in place by Government Health Agencies. Yes that is important to mention as it has not been an easy time for anyone. As we participate in this year's CSA AGM, we acknowledge the efforts and organization that was done and put on hold by the Manitoba Simmental Association. As we gather in Portage la Prairie this year let us be thankful and recognize the rebuilding we are all doing in getting back to normal activities.

As we review CSA operations for fiscal 2021, we are again reporting another very successful year for both the CSA and Simmental in Canada. Simmental bull sales continued to be strong when compared to the other beef cattle breeds in Canada, and are a direct result of the hard work of our members and the acceptance that Simmental currently has in commercial cow-herds across the country. Strong prices were again received for Simmental females throughout the fall sales as we saw new Simmental breeders begin their herds, and with established breeders making purchases to strengthen their programs. We do also need to be mindful that the overall Canadian cowherd numbers continue to shrink which makes this success even more remarkable.

Sue Giles, Rae-Lee Erickson and I continued to play the lead roles in our marketing efforts. Due to the Covid-19 travel restrictions that began in 2020, the CSA board of directors made the decision to temporarily end the field service for the Simmental Country and instead offer reduced pricing to our CSA member advertisers. This has provided some of the least expensive and most effective advertising opportunity of any breed magazine in Canada. Please make use of this opportunity and the CSA giving back to its members.

The CSA office staff remains amongst the most competent and committed of all Canadian Beef Breed associations and we thank them for their dedication. Under the guidance of Office Manager, Barb Judd they continue to deliver exceptional service to our members. The registry and "On Farm" software programs continue to be improved to enhance ease of use as well as convenience. Nothing is perfect and we appreciate both the CSA membership and our staff for their patience as we strive to work through the changes that provide the best service possible. While we experienced some delays on turnaround time for results due to Covid related issues within the labs, the CSA staff did do its utmost to meet our member's needs and expectations. The decades of knowledge and experience that your CSA staff possesses is invaluable and as strong as any breed Association in Canada. We should all recognize and be proud of that.

This past year the CSA executive Committee was comprised of President Marlin LeBlanc, 1st Vice President Shane Williams, and 2nd Vice President Byron Johnson. Jennie Mutch led the Promotion and Advertising committee, and Roger Deeg was Chairman of the Breed Improvement Committee. Ben Farrant and Scott Matthews became new CSA directors while Past President Garth Rancier and Francis Gagnon completed their second terms. We thank both Garth and Francis for their service to the CSA membership. Thank you to the entire CSA board for their leadership, contributions and commitment to the CSA and its members. Your interest in all areas of CSA activities has guided and allowed us to build upon the strong foundation that past CSA boards of directors have established. CSA directors all have their own operations to run however they take time out of their hectic schedules to volunteer and provide direction to the CSA. It is not an easy task serving as a director of a national organization and it is sometimes challenging to ensure regional interests don't overshadow the big picture. I can confidently say that this board has accomplished just that!

The CSA's financial position remains very strong as we again realized an operational surplus in 2021 as a result of increased registry activity combined with a careful eye towards additional spending. This has allowed us to maintain our services without increasing fees or costs to you the member. At times we are asked the question of

giving back to the membership and we are doing just that through our CSA member DNA rebate programs.

CSA programming focuses primarily on three objectives; breed improvement, promotion, and youth. Through these committees, non-board members from the beef industry join CSA directors to provide direction and input to CSA staff. The dedication from all who volunteer their time is very much appreciated. Full reports from these committees will be given by the respective committee chairs.

The CSA also supports numerous relationships within the entire beef industry. As a result of this mandate, we have been part of several industry committees and working groups which deal with topics such as animal health, livestock traceability, trade, as well as many other industry issues. It is important that the seed-stock sector has a voice at these tables and the CSA has taken a leadership role in covering many bases on your behalf. The CSA is also an active part of the Canadian Beef Industry Conference, Canadian Beef Breeds Council, Beef Improvement Federation and Livestock Markets Association of Canada convention and most importantly. The Canadian Beef Improvement Network (CBIN) continues to move forward in its development and has the CSA's full support and our total commitment.

Over the past several years we have also worked hard on growing the Friends of Canadian Simmental Foundation. As a result of those efforts from both the CSA and FCSF boards, we have realized the original vision that the CSA had in establishing a charitable Foundation that benefits the Beef industry and society through the Simmental breed.

The CSA continues to work on new initiatives and as a result is among the leaders of beef breed associations in Canada. Simmental has become the second most widely used beef cattle breed in Canada and is slowly gaining ground towards being number one. Change does not come without its critics; however it is hard to deny the inroads that the Canadian Simmental Association and its members have made over the past decade, and the successes that have been achieved on many fronts because of that change. This progress will continue as long as the CSA and its members focus on programming that is relevant to improving the economics and sustainability of the Canadian Beef industry.





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Canada

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of the Canadian Simmental Association:

We have reviewed the accompanying consolidated financial statements of the Canadian Simmental Association which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated statements of operations, changes in net assets, cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Practitioner's Responsibility

A review does not constitute an audit and, consequently, we do not express an audit opinion on these financial statements.

Our responsibility is to express a conclusion on the accompanying consolidated financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the consolidated financial position of Canadian Simmental Association as at December 31, 2021, and the results of its consolidated operations and its consolidated cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

BDO Canada LLP

Chartered Professional Accountants
Calgary, Alberta
June 10, 2022

CANADIAN SIMMENTAL ASSOCIATION
Consolidated Statement of Financial Position
As at December 31, 2021
(Unaudited)

	2021	2020
Assets		
Current		
Cash and cash equivalents	\$ 663,565	\$ 863,549
Marketable securities (Note 3)	2,239,422	1,726,107
Accounts receivable	18,361	31,398
Prepaid expenses	3,835	4,226
	<u>2,925,183</u>	<u>2,625,280</u>
Property and equipment (Note 4)	<u>31,875</u>	<u>44,197</u>
	<u>\$ 2,957,058</u>	<u>\$ 2,669,477</u>
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 33,460	\$ 80,988
Goods and services tax payable	22,384	23,599
Deferred revenue (Note 5)	23,279	21,993
	<u>79,123</u>	<u>126,580</u>
Net assets		
Unrestricted net assets	2,846,060	2,498,700
Invested in property and equipment	31,875	44,197
	<u>2,877,935</u>	<u>2,542,897</u>
	<u>\$ 2,957,058</u>	<u>\$ 2,669,477</u>

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS

_____ Director

_____ Director

CANADIAN SIMMENTAL ASSOCIATION
Consolidated Statement of Operations
For the Year Ended December 31, 2021
(Unaudited)

	2021	2020
Revenue		
Total herd enrolment	\$ 780,769	\$ 759,520
Simmental Country Magazine (Schedule 2)	313,955	335,597
Lab services	302,550	253,450
Registrations	244,430	251,890
Memberships	91,350	84,215
Transfers	49,381	46,510
Other services	36,067	41,588
Young Canadian Simmental Association ("YCSA")(Schedule 3)	10,545	15,585
AMP reimbursements	58	1,857
Temporary Wage subsidy (Note 8)	-	22,470
	1,829,105	1,812,682
Expenses		
Salaries and employee benefits	517,249	495,300
Simmental Country Magazine (Schedule 2)	312,653	338,892
Lab service	272,324	207,821
Provincial promotion funding	113,156	122,104
Breed improvement	71,524	58,764
Bank charges	49,460	48,380
Utilities, property taxes and insurance	45,061	42,831
Advertising and promotion	43,272	42,361
Travel	39,760	32,913
Computer	36,598	43,560
Postage and freight	27,480	26,021
Office	25,545	26,846
Amortization	13,622	14,142
Sponsorship to YCSA	12,750	15,000
Telephone	11,568	10,841
Professional fees	10,640	10,070
Repairs and maintenance	7,821	10,684
YCSA (Schedule 3)	3,391	3,618
Annual general meeting	960	2,000
Donations to Foundation	95	100
	1,614,929	1,552,248
Other income		
Interest	29,125	19,783
Realized loss on marketable securities	(19,345)	(11,903)
Unrealized gain on marketable securities	111,083	46,670
	120,863	54,550
Excess of revenue over expenses	\$ 335,039	\$ 314,984

The accompanying notes are an integral part of these financial statements

CANADIAN SIMMENTAL ASSOCIATION
Consolidated Statement of Changes in Net Assets
For the Year Ended December 31, 2021

(Unaudited)

	Unrestricted net assets	Invested in property and equipment	2021 Total	2020 Total
Net assets - beginning of year	\$ 2,498,700	\$ 44,197	\$ 2,542,897	\$ 2,227,913
Investment in property and equipment	(1,299)	1,299	-	-
Excess (deficiency) of revenue over expenses	348,660	(13,621)	335,039	314,984
Net assets - end of year	\$ 2,846,060	\$ 31,875	\$ 2,877,935	\$ 2,542,897

CANADIAN SIMMENTAL ASSOCIATION
Consolidated Statement of Cash Flows
For the Year Ended December 31, 2021

(Unaudited)

	2021	2020
Operating activities		
Excess of revenue over expenses	\$ 335,039	\$ 314,984
Items not affecting cash:		
Amortization	13,622	14,262
Realized loss on marketable securities	19,345	11,903
Unrealized gain on marketable securities	(111,083)	(46,670)
	256,923	294,479
Changes in non-cash operating working capital:		
Accounts receivable	13,037	1,000
Prepaid expenses	392	678
Accounts payable and accrued liabilities	(47,531)	50,410
Goods and services tax payable	(1,214)	7,083
Deferred revenue	1,286	2,404
Cash flows from operating activities	222,893	356,054
Investing activities		
Purchase of property and equipment	(1,300)	-
Purchases of marketable securities	(1,205,972)	(674,872)
Proceeds on disposal of marketable securities	784,395	717,026
Cash flows from (used by) investing activities	(422,877)	42,154
Increase (decrease) in cash and cash equivalents	(199,984)	398,208
Cash and cash equivalents, beginning of year	863,549	465,341
Cash and cash equivalents, end of year	\$ 663,565	\$ 863,549
Consisting of:		
Operating account	\$ 475,931	\$ 682,429
Broker account	187,634	181,120
	\$ 663,565	\$ 863,549

CANADIAN SIMMENTAL ASSOCIATION
Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2021

1. Description of organization

The Canadian Simmental Association (the "Association" or "CSA") was formed for the encouragement, development and regulation of breeding of Simmental cattle in Canada. The Association was incorporated under the Federal Animal Pedigree Act on February 20, 1969 which imposes rules of conduct on the Association and its members acting as purebred livestock breeders. The Association is a not-for-profit organization under section 149.1(l) of the Income Tax Act and is therefore not subject to income taxes as long as it maintains its not-for-profit status.

2. Significant accounting policies

Management has prepared the consolidated financial statements of the Association in accordance with Canadian Accounting Standards for Not-for-Profit Organizations ("ASNPO") in Part III of the CPA Canada Handbook. The consolidated financial statements have, in management's opinion, been properly prepared using careful judgement with reasonable limits of materiality and within the framework of significant accounting policies summarized below.

Controlled entities

Controlled not-for-profit entities are consolidated in the Association's financial statements.

The Association controls Simmental Country (1997) Ltd and The Young Canadian Simmental Association ("YCSA") which are wholly owned subsidiaries.

Simmental Country (1997) Ltd is incorporated under the Federal Animal Pedigree Act for the purpose of publishing a regular magazine addressing various Simmental cattle topics and is exempt from income tax under S149.1(l) of the Income Tax Act.

YCSA is incorporated under the Federal Animal Pedigree Act which is a youth program designed to assist with the development of helping youth understand the regulations of Simmental cattle, and is exempt from income tax under S149.1(l) of the Income Tax Act.

All inter-company balances and transactions have been eliminated.

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.

Total herd enrolment, transfers, CBBC project income, memberships, registration and subscription revenue is recognized in the period to which it relates. Payments in advance for memberships and subscription are recorded as deferred income and classified as a current liability.

Revenue for service is recognized when the services are rendered.

Advertising revenue is recorded in the month of the issue. Payments in advance are recorded as deferred income and classified as a current liability.

Cash and cash equivalents

The Association considers all investments with maturities at the date of purchase of three months or less to be cash and cash equivalents.

CANADIAN SIMMENTAL ASSOCIATION
Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2021

Marketable securities

Marketable securities include bonds, T-bills, term deposits, preferred shares and common shares of publicly traded entities. These investments are classified as held for trading and therefore measured at fair value.

Property and equipment

Property and equipment are stated at cost less accumulated amortization. Amortization is provided on a straight line basis over their estimated useful lives as follows:

Condominium	20 years
Condominium improvements	10 years
Computer equipment & software	3 years
Furniture & fixtures	10 years
Publishing rights	10 years

The Association regularly reviews its property and equipment to eliminate obsolete items.

Contributed services

The Board of Directors volunteer their time to attend board meetings and represent the Association at events. Members also volunteer their time to organize and operate the provincial association and represent the Association at events. Due to the difficulty of determining the fair value of volunteer hours, contributed services are not recognized in the financial statements.

Measurement uncertainty

The preparation of consolidated financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates. Examples of such estimates include amortization of property and equipment, estimated useful life of capital assets, application of revenue recognition policies and accrued liabilities.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. Cash and cash equivalent and marketable securities are measured at fair value. All other financial instruments are measured at amortized cost. The financial instruments measured at amortized cost include accounts receivable and accounts payable and accrued liabilities. The amounts due to/from related parties are measured at the exchange amount. Changes in fair values are recognized as realized gains or losses in the statements of operations and financial assets and liabilities are tested for impairment each reporting date.

The fair value of a financial instrument is the estimated amount that the Association would receive or pay to settle a financial asset or financial liability as at the reporting date. The fair values of accounts receivable and accounts payable approximate their carrying values due to their short term nature.

3. Marketable securities

Marketable securities include bonds, T-bills, term deposits, preferred shares and common shares of publicly traded entities and are reported at fair values. In the current year, marketable securities consisted of bonds and T-bills. In the prior year, investment consisted of bonds, T-bills and term deposits earning interest at rates which vary from 0.93% to 3.55% (2020: 0.69% to 3.55%).

CANADIAN SIMMENTAL ASSOCIATION
Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2021

4. Property and equipment

	Cost	Accumulated amortization	Net 2021	Net 2020
Condominium	\$ 235,999	\$ 235,999	\$ -	\$ -
Publishing rights	233,000	233,000	-	-
Computer equipment & software	276,613	274,495	2,118	7,374
Furniture & fixtures	169,372	169,372	-	-
Condominium improvements	124,056	94,299	29,757	36,823
	\$ 1,039,040	\$ 1,007,165	\$ 31,875	\$ 44,197

As of December 31, 2021, the City of Calgary property assessment value of the condominium was \$1,020,000 (2020: \$1,040,000).

5. Deferred revenue

	2021	2020
Member deposits	11,704	12,312
Advertisements	3,225	3,975
Magazine subscriptions	6,455	5,706
YCSA	1,895	-
	\$ 23,279	\$ 21,993

6. Financial instruments

The Association's financial instruments include cash and cash equivalents, marketable securities, accounts receivable and accounts payable and accrued liabilities. It is management's opinion, that the Association is not exposed to significant risks arising from these financial instruments with the exception of the risks noted below.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Association is exposed to credit risk from its members and customers. Its customers are primarily in the agricultural industry. In order to reduce its credit risk, the Association conducts regular reviews of its existing members and customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Association has a significant number of members and customers which minimizes concentration of credit risk.

Interest risk

Interest risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in amount with changes to interest rates. The Association manages its portfolio investments based on its cash flow needs and with a view of optimizing its interest income.

Currency risk

Currency risk is the risk to the Association's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Association is exposed to foreign currency exchange risk on cash, accounts receivable, and accounts payable held in U.S. dollars. The Association does not use derivative instruments to reduce its exposure to foreign currency risk.

CANADIAN SIMMENTAL ASSOCIATION
Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2021

7. Contractual obligations

The Association has entered into a contract with a publishing company for the production of Simmental Country magazine and Commercial Country magazine. The contract is effective from June 1, 2012 to May 31, 2017. In 2017 there was an addendum to the original contract extending the term five years commencing on June 1, 2017 to May 31, 2021. During 2021, there was an additional addendum which extended the agreement to July 26, 2026.

8. COVID-19 impacts

The global COVID-19 pandemic has disrupted economic activities. Although the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the duration of the disruption and the related impact is difficult to determine at this time. Management continues to monitor the events and make adjustments to operations if required. Management is currently assessing the long term financial impact of the pandemic; however, it is not possible to reliably estimate the impact on the financial results in future periods.

During the year, the Canadian government offered a program under which qualifying organizations could apply for and receive support to continue employing individuals through the global pandemic. Management reviewed the criteria and determined the criteria was met, and subsequently applied for the funding. The Association received government assistance funding during the year related to the Temporary Wage Subsidy in the amount of \$Nil (2020: \$22,470).

9. Comparative Figures

Some of the comparative figures have been reclassified to confirm to the current year presentation.



CANADIAN SIMMENTAL ASSOCIATION
Schedule 1 - Canadian Simmental Association
Non-Consolidated Schedule of Operations
For the Year Ended December 31, 2021
(Unaudited)

	2021	2020
Revenue		
Total herd enrolment	\$ 780,769	\$ 759,520
Lab services	302,550	253,450
Registrations	244,430	251,890
Memberships	91,350	84,215
Transfers	49,381	46,510
Other services	36,067	41,588
AMP reimbursements	58	1,857
Temporary Wage subsidy (Note 8)	-	22,470
	1,504,605	1,461,500
Direct expenses		
Salaries and employee benefits	517,249	495,300
Lab service	272,324	207,821
Provincial promotion funding	113,156	122,104
Advertising and promotion	73,272	72,361
Breed improvement	71,524	58,764
Bank charges	49,460	48,380
Utilities, property taxes and insurance	45,061	42,831
Travel	39,760	32,913
Computer	36,598	43,560
Postage and freight	27,480	26,021
Office	25,545	26,846
Amortization	13,622	14,142
Sponsorship to YCSA	12,750	15,000
Telephone	11,568	10,841
Professional fees	10,640	10,070
Repairs and maintenance	7,821	10,684
Annual general meeting	960	2,000
Donations	95	100
	1,328,885	1,239,738
Other income		
Interest	29,125	19,783
Unrealized gain on marketable securities	111,083	46,670
Realized loss on marketable securities	(19,345)	(11,903)
	120,863	54,550
Excess of revenue over expenses	\$ 296,583	\$ 276,312

CANADIAN SIMMENTAL ASSOCIATION
Schedule 2 - Simmental Country Magazine
Non-Consolidated Schedule of Operations
For the Year Ended December 31, 2021
(Unaudited)

	2021	2020
Revenue		
Advertising	\$ 255,308	\$ 298,130
Other	57,446	38,729
Subscriptions	31,201	28,738
	<u>343,955</u>	<u>365,597</u>
Direct expenses		
Printing	184,199	186,499
Magazine postage	65,845	60,581
Salaries and employee benefits	56,014	77,324
Travel & promotion	4,293	11,840
Telephone	1,123	1,172
Office postage	944	1,118
Bank charges	158	166
Office and miscellaneous	77	72
Amortization	-	120
	<u>312,653</u>	<u>338,892</u>
Excess of revenue over expenses	<u>\$ 31,302</u>	<u>\$ 26,705</u>

CANADIAN SIMMENTAL ASSOCIATION
Schedule 3 - Young Canadian Simmental Association
Non-Consolidated Schedule of Operations
For the Year Ended December 31, 2021
(Unaudited)

	2021	2020
Revenue		
Online auction	\$ 3,715	\$ 6,795
YCSA Admin Fee	3,500	7,270
Donations	3,000	-
National classic	330	1,520
	<u>10,545</u>	<u>15,585</u>
Direct expenses		
National YCSA show	1,780	3,013
Travel	1,238	-
Advertising and promotion	300	-
Bank charges	51	61
Administration	22	544
	<u>3,391</u>	<u>3,618</u>
Excess of revenue over expenses	<u>\$ 7,154</u>	<u>\$ 11,967</u>

ADVERTISING/PROMO & SIMMENTAL COUNTRY REPORT

Jenni Mutch - Committee Chair

It has been a prosperous year for Simmental breeders, and we are in the enviable position of having both strong bull and female sales. This is most certainly an indicator that we are successfully marketing our breed through the provincial and Canadian associations, our office staff, and most of all, our dedicated breeders.

The objective of the Canadian Simmental Association Board of Directors is to make decisions that keep the Simmental breed advancing and at the head of the Canadian beef industry. We are fortunate to have capable support staff that take the Board's direction and bring our ideas to fruition. This past year the Advertising/Promotion Committee met in March and November. The committee members are: Jennie Mutch, Bill Biglieni, Mariah Wotten, Andrea Bertholet, Marlin LeBlanc, Blair McIntosh, and Ben Farrant.

Firstly, we reviewed and discussed our communication strategy. We continue to have substantial engagement with our CSA E-Blasts. It is emailed monthly and is designed to keep members informed of CSA news and events. In addition, our website and Facebook page are popular and informative communication platforms, and we strive to update them regularly.

Our major publications, Simmental Country and Commercial Country, continue to be invaluable promotional tools for the CSA and its members. Our intent is to produce a publication that champions our breed and that serves our members' marketing goals. Our Simmental Country publication reaches over 2500 readers and our Commercial Country publication reaches over 14 000 readers, plus they are proven tools to increase awareness and interest in our breed. They remain feasible from a financial perspective; however, we are always trying to improve content and incentivize breeders to use it in their marketing plans. To further that goal. We developed an initiative to offer the YCSA members a discounted price for full page advertisements in the 2022 summer issue of Simmental Country.

We are currently in the process of updating the design and layout of the Simmental advertisements that we employ in our own publications. We will also use those advertisements in the Canadian Cattlemen's Magazine and Angus Advantage magazine to showcase the crossbreeding superiority of our breed.

Once again, our Canadian Simmental Association promotional products have been updated. Items such as bags, mugs, gloves, hats, hoodies, fitting pants, and more are available to our members from the CSA office. Note that we continue to work with Mark's Work Warehouse to provide product discounts and embroidery services to CSA members.

The CSA Board of Directors and staff are excited to attend many events across the country as proud advocates of the Simmental breed. Thankfully, the Award of Excellence Program is back for 2022. Simmental exhibitors across our country work tirelessly to promote the Simmental breed, and we acknowledge their contribution through awarding the Show Bull & Female of the Year.

RFID tag sales have remained positive, and since 2017 over 100,000 Simmental influence cattle have been "Tagged Blue". Tags can be easily purchased by phone or online through the CCIA webstore.

New initiatives of the Advertising/Promotions Committee involve celebrating our past as a breed and preserving memories from our collective history. CSA staff is gathering information about old Simmental Clubs in all regions/provinces. If you have any information you would like to share, please let a member of our committee or the office staff know. Additionally, at the 2022 AGM we are beginning our CSA legacy Media Project. which aims to record the thoughts of influential members of the Simmental community in an effort to educate new breeders and preserve our history. An association's history is a powerful tool that will enable future generations of Simmental breeders to understand the road that has led us to where we are today, and will no doubt inform decisions that lead us forward.

Along with the efforts of the Advertising/Promotions committee, board members, and staff, the provincial associations continue to play a very large and important role in marketing Simmental across the country. Their efforts are largely funded with CSA member dollars allocated through the CSA Provincial Activity Grant.

The promotion and advertising of the Simmental breed is very rewarding. We have an excellent product and devoted members who market top quality Simmental or Simmental-influenced cattle through their bull, female, and feeder sales. Thank you for your unwavering commitment and resolve.

BREED IMPROVEMENT COMMITTEE REPORT

Roger Deeg

Breed Improvement Committee (BIC) members are – Roger Deeg (Chair), Marlin LeBlanc, Byron Johnson, Shane Williams, Scott Matthews, Dr Troy Drake, Garth Rancier, Ken Lewis, Kevin Porter, and Rob Voice.

My thanks to all the BIC committee members input, ideas and time is very much appreciated. Also thank you to Sean McGrath who as our technical consultant works closely with the American Simmental Association on genetic development through data collection and EPD formulation. Thank you, Sean, for clarifying some of the technical language that at times can be confusing.

The development of the Canadian Beef Information Centre (CBIN) has been a major focus in the past year. The CSA has played a lead role in this initiative that will provide value-based information tools to Canadian beef producers. Bruce has documented the progress of CBIN and will continue to do so.

IGS is still working on EPD's for heifer pregnancy, scrotal EPD and foot and leg scoring is also getting lots of discussion. Docility EPD, Yield Grade and ADG are now published on individual member accounts with discussion ongoing as to whether to publish this data as opinions vary at this time.

The committee continues to stress the importance of having a DNA sample stored on as many animals as possible and to help facilitate this the heifer DNA project has been extended to 5 years. A new project is the implementation of a replacement heifer and yearling bull ultrasound and 100k DNA program. This is a cost shared program so check the fee schedule if this is of interest.

ASA has launched feet and leg scoring recommendations and the CSA will collect feet and leg scores but will not publish this information at this time.

As we all know the upgrade table bylaw change was voted on in 2021. The vote fell just short of the 66% needed to take to Ottawa. Because 62% of voting members were in favor the bylaw was by no means defeated and to be in line with what the majority voted for, we decided to take it to the membership a second time. The CSA promotes this bylaw change and another vote was completed which saw over two-thirds of the CSA membership approve of the change.

As our world gets back to normal Simmental will participate once again in events not only relating to Simmental but the beef industry in general. We have a very capable and professional representative in our General Manager Bruce Holmquist.

As a breed we are well situated to further our influence on the Canadian Beef Industry. Through genetic improvement, technology, leadership, engagement, and dedication we will strengthen our industry position.

It has been an honor to be a part of this forward thinking and dedicated committee.

CANADIAN BEEF BREEDS COUNCIL REPORT

Respectfully submitted by Sandy Russell, CEO, Canadian Beef Breeds Council

Like so many organizations, the past year has been one of considerable transition for the Canadian Beef Breeds Council (CBBC). With those transitions have come new opportunities and substantial advancements as we have continued to work on behalf of our members and the entire Canadian beef cattle seedstock sector. In our first full year as an incorporated division of the Canadian Cattlemen's Association (CCA), considerable energy was placed on streamlining administrative processes, capturing management efficiencies and strengthening cross-sector relationships. All of these changes have been undertaken in an effort to further strengthen the organization and elevate our engagement and collaboration within the Canadian beef industry.

In addition to these considerable organizational advancements, CBBC has continued to represent the seedstock sector both domestically and internationally to maintain and build market opportunities as well as drive transformational change as it relates to the utilization of beef cattle genetic data and adoption of innovative technologies through unprecedented cross-sector collaboration.

Canadian Beef Improvement Network

The Canadian Beef Improvement Network (CBIN) is a collaborative network being led by CBBC with the mandate to increase the utilization of genetic data in an effort to validate genetic influence and drive market signals to create additional value and improve environmental sustainability across the Canadian beef production chain. CBIN is a key outcome identified in the National Beef Strategy and will be transformational for all segments of the beef industry. Over the past year, CBBC has proactively engaged industry stakeholders in the development of CBIN and this has resulted in an unparalleled level of collaborative support and has built substantial momentum behind this important initiative.

Over the past year, the previously created CBIN Advisory Working Group has evolved into the CBIN Advisory Panel, a subcommittee of the CBBC Board of Directors. The CBIN Advisory Panel continues to be tasked with providing recommendations to CBBC's Board on how to clearly define and capture the value proposition from bidirectional genetic data flow within the beef production system and assisting in the critical progression of the CBIN throughout its development.

Advancing CBIN from the idea stage to full operations is the primary goal of the four-step development plan outlined below. Expectations are for this plan to be fully implemented over the next five years with several activities in progress as we advance the development of CBIN.

Step 1 – Construct the Data Foundation: Build a data registry portal to unify and standardize genetic data capture at the seedstock level.

Step 2 – Facilitate Data Linkages: Develop a genetic data platform that will link genetic data to other economically important metrics across all sectors.

Step 3 – Translate Data into Value: Coordinate and create analytical resources and tools to translate data into value for commercial beef producers and beyond.

Step 4 – Drive Integration and Adoption: Implement a targeted knowledge transfer plan that fosters data incorporation and utilization from conception to consumption.

Securing the necessary resources to advance the development of CBIN was a necessary priority throughout 2021 and critical to moving forward. By leveraging financial and in-kind contributions from our members and partners we were able to secure crucial funding from both the Beef Cattle Research Council (BCRC) and Results Driven Agriculture Research (RDAR). As a result of these combined financial resources, two projects are underway which will improve existing genetic tools and resources for commercial cattle producers and construct a 'Made in Canada'

unified data registry portal for genetic data capture. To date, ten national beef breed associations have signed on to participate in the later project with interest be expressed by several other organizations.

The coming year will once again be an extremely busy one in the development of CBIN with continued focus on strengthening member collaboration, communications and industry stakeholder engagement; securing further critical long-term resources; and delivering on the data strategy, registry portal and data platform.

Market Development for Beef Cattle Genetics

It is well known that Canada is recognized as a leader in top quality beef cattle genetics and advocacy work, both domestically and internationally, for our seedstock breeders and genetic providers continues to be a top priority for CBBC. Maintaining and strengthening our market opportunities, both in Canada and around the world, has been difficult during the COVID-19 pandemic, however, CBBC and its members have worked tirelessly to strengthen our online resources and presence and successfully pivot to the virtual world.

The challenges to advance international market activities were sizeable throughout 2021, however, these challenges proved to not be insurmountable. CBBC used this opportunity to re-evaluate how we deliver programming and efficiently utilize our resources. With the support of Agriculture and Agri-Food Canada (AAFC), we have been able to continue to assist our members and advance our market development goals in key countries around the globe with funding provided through the AgriMarketing Program (AMP). Market development activities are on target to continue through to March 2023 with aggressive plans to build upon the current opportunities.

In a testament to breeders and producers, resiliency and fortitude, the business of marketing Canadian beef cattle genetics both domestically and internationally, carried on through the global pandemic. With everyone's health and safety in mind, our members and beef cattle breeders utilized every tool available to successfully conduct events and complete sales throughout the year in an environment of ever-changing COVID-19 guidelines. While the ability to adapt and continue business was a positive, there is a clear recognition of the true value of being able to share a laugh and shake a hand in order to build business relationships and grow market opportunities. CBBC and its members look forward to returning to more traditional market development activities in the coming year.

Throughout 2022, CBBC will be focused on elevating the role of genetic advancement and the seedstock sector within the Canadian beef industry, growing our membership and advancing the value of our organization for our members and driving the development of CBIN forward to capture increased value for Canadian beef cattle genetics, both domestically and internationally.

YOUNG CANADIAN SIMMENTAL ASSOCIATION REPORT

Katie Elmhirst - President

The YCSA has a fantastic 2021-2022 year. Last summer, we got through the last stretch of the pandemic with our 2nd and hopefully last virtual show. I would like to thank the junior members who took the time to work on their Simmental projects with so much uncertainty and then submitted videos for our show and to the great work of DLMS who helped host the 2nd Virtual National Classic on July 23, 2021. I look forward to the 2nd last week of July this year, as it is our first National Classic in over two years. In my first year as president, I look forward to leading the YCSA board in Portage La Prairie, MB. Most provinces will be hosting their provincial classics which is refreshing to hear after such a difficult two years.

Due to Covid-19, we were faced with the issue of how to proceed with our bi-annual T.E.A.M conference that was to be held in February 2021, we came to the conclusion to host it virtually on Zoom. We had 6 great speakers over the course of 2 days. Our AGM held on July 25, 2021, via zoom covered the new and old business of the YCSA. Our newly elected board consists of President – Katie Elmhirst- Vice President- Ryan Edwards- Second Vice President - Mackenzie Skeels, who was also elected as the new director at large. Our annual Facebook fundraiser held in December and was a success raising \$3715 for the YCSA program. I would like to thank our donors and buyers for their support.

I can't wait to see fellow Simmental enthusiasts at this year's National Classic and I believe each board member can say that respectively about their own provincial show and the National Classic. I hope to see you out at a Simmental event this show season and I would love to have a conversation about the youth goals in the Simmental breed!



The Friends of Canadian Simmental Foundation

DRAFT MINUTES

Annual General Meeting

By ZOOM Webinar - July 24, 2021, 2:05 pm MST

FCSF PRESIDENT'S WELCOME AND CALL TO ORDER

President Ken Lewis called the meeting to order at 2:05 pm

- We will follow housekeeping rules as CSA President mentioned previous:
 - Send any questions or comments to the Q&A or chat box at the bottom of the page.
 - Use raise of hand button to make or second a motion
 - Vote on motions through poll vote that will appear on your screen

APPROVAL OF AGENDA

**MOTION: by Deanne Young, to approve agenda.
Second, Roger Deeg
CARRIED**

APPROVAL OF THE 2019 FCSF ANNUAL GENERAL MEETING MINUTES

**MOTION: by Marlin LeBlanc, to approve the 2019 CSA AGM minutes.
Second, Scott Matthews
CARRIED**

APPROVAL OF THE 2020 FCSF ANNUAL GENERAL MEETING MINUTES

**MOTION: by Roger Deeg, to approve the 2020 FCSF AGM minutes.
Second, Marlin LeBlanc
CARRIED**

FCSF PRESIDENT'S REPORT – KEN LEWIS

- In a year full of uncertainty, what was certain was the great support that the Friends of Canadian Simmental Foundation still received in 2020.
- Because of the Covid-19 pandemic the CSA Convention was postponed which forced the Foundation to also postpone our annual Foundation Fundraising Auction. Our 2020 spring meeting and summer AGM was held via Zoom and conference call however we were able to have a face to face meeting for our fall meeting in November.
- FCSF's Advancing Education Bursary Award was established in 2019. It allocates a maximum of \$5000 per fiscal year with a maximum of \$1000 per applicant. Applications are reviewed by our board at the spring and fall board meetings. In 2020 the FCSF provided bursary funds to the following individuals: Alex Lee, Red Deer County, AB; Matt Edwards, Carbon, AB and Ryan Edwards of Carbon, AB.
- The FCSF was pleased with the 26 applications we received for our 2020 Scholarships. The quality and potential remains great within the youth of our industry and while we would like to assist all those who applied, we are limited to five scholarships with the combined value of \$12,000. This year's recipients were Bailey McCormick of Grenfell, SK, Sadie Anwender of Radville, SK, Jessica Sperber from Rimbey, AB, Ryan Edwards Carbon, AB and Jacey Massey of Strathmore, AB

- The FCSF Board of Directors is made up of Roger Deeg, Deanne Young, Mark Shologan, Glenn Wotten, Scott Matthews, Garth Rancier, Marlin LeBlanc (Treasurer), Brian Bouchard (Vice President) and Ken Lewis (President). Thank you to our great board for all your dedication and support.
- Both Roger Deeg and Glenn Wotten were reelected on the board for another term.
- Lastly, we would like to thank you the CSA office staff who work with the Foundation on a day to day basis.
- The Friends of Canadian Simmental Foundation looks forward to seeing everyone in Manitoba in 2022.

***MOTION: by Ben Farrant, to accept the FCSF President's report.
Second, Scott Dykstra
CARRIED***

2019 AUDITOR REVIEWED FINANCIAL STATEMENTS – BRUCE HOLMQUIST, ON BEHALF OF CHAIRMAN MARLIN LEBLANC

- FCSF finances are completely separate from CSA
- Statement of financial position (balance sheet) – Investments at end of 2019 were \$503,515 which have been transferred to the Calgary Foundation for investing into their pool.
- Statement of operations (profit and loss) – the Foundation auction is our main source of income each year and in 2019 it brought in a revenue of \$100,916. There is no staffing expense for FCSF as the CSA staff handle all administration. No expenses are paid to FCSF directors. Excess of revenue over expenses, with unrealized gain on marketable securities resulted in a profit of \$108,861
- Statement of changes in net assets including scholarship funds was \$498,218

***MOTION: by Marlin LeBlanc, to approve the FCSF 2019 financial statements.
Second, Mark Shologan
CARRIED***

2020 AUDITOR REVIEWED FINANCIAL STATEMENTS – BRUCE HOLMQUIST, ON BEHALF OF CHAIRMAN MARLIN LEBLANC

- Consolidated statement of financial position (balance sheet) – show a net asset of \$514,382
- Consolidated statement of operations (profit and loss) – no foundation auction held in 2020, resulting in an excess of revenue over expenses of \$10,328
- Statement of changes in net assets including scholarship funds was \$508,546

***MOTION: by Marlin LeBlanc, to approve the FCSF 2020 financial statements.
Second, Kerwin Delong
CARRIED***

APPOINTMENT OF FCSF AUDITORS

***MOTION: by Dan Skeels, to appoint BDO as FCSF auditor for the upcoming year-end.
Second, Deanne Young
CARRIED***

NEW BUSINESS

- The 2021 Foundation Auction is currently ongoing and will close at 6 pm tonight. Lots of good items from genetics to many other items from long term supporters. We hope you enjoy it and participate

MOTION: by Roger Deeg to adjourn the FCSF Annual general meeting at 2:20 pm

FRIENDS OF CANADIAN SIMMENTAL FOUNDATION REPORT

Ken Lewis - FCSF President

2021 gave the Friends of the Canadian Simmentals Foundation the opportunity to get back on track after uncertainty regarding restrictions month by month or even day by day. We were relieved to be able to host our spring and fall board meetings in person at the Calgary CSA Office. Knowing we could not go a second year without an auction, the board of directors made the decision in May to host our annual Fundraising auction online, by a farmgate timed auction style on DLMS.

Considering the circumstances our online fundraiser auction was a great success, with 63 donated auction items. Crowe Bros of Gilbert Plains, Manitoba stepped up to the plate and donated lot 1, a bred heifer. In total the auction raised \$65,147 and gave everyone the opportunity to bid online while not attending in person with the timed farm gate style.

The FCSF's Advancing Education Bursary Award was started in 2019. It allocates up to \$5000 per fiscal year with a maximum of \$1000 per applicant. Applications are reviewed by our board during spring and fall board meetings. In 2021 the FCSF provided bursary funds to the following individuals: Shyanne Reynolds, Consul, Saskatchewan; Rylee Rogers, Drayton Valley, Alberta and Jordynn Rogers, Drayton Valley, Alberta.

The FCSF was pleased with the applications we received for our 2021 Scholarships. The qualifications, accomplishments, and potential is great within the youth of our industry and while we would like to assist everyone who applied, we are limited to five scholarships with the combined value of \$12,000. This year's recipients of the FCSF Scholarship were Cody Carson of Rossburn, Manitoba; Olivia Woytiuk of Shell Lake, Saskatchewan; Danielle Matonovich of Grandora, Saskatchewan; Wyatt Millar of Grandora, Saskatchewan and Sydney Edwards of Hussar, Alberta.

Financial support will also be given to YCSA members for travel to the 2022 National Classic and a percentage of the Auction proceeds is given to the YCSA during the National Classic to support their yearly activities.

The FCSF Board of Directors is made up of Ken Lewis (President), Brian Bouchard (Vice President), Marlin LeBlanc (Treasurer), Roger Deeg, Scott Matthews, Garth Rancier, Mark Shologan, Glenn Wotten and Deanne Young. Thank you to our great Board for all your dedication and support.

Lastly, we would like to thank you the CSA office staff who work with the Foundation on a day to day basis.

The 2022 Foundation Auction will be held live in person in Portage La Prairie, Manitoba on Saturday, July 23rd as part of the CSA AGM and Convention. We look forward to seeing everyone there!



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Calgary AB T2P 0P7 Canada

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of The Friends of the Canadian Simmental Foundation

We have reviewed the accompanying financial statements of The Friends of the Canadian Simmental Foundation, that 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 a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of The Friends of the Canadian Simmental 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.

Chartered Professional Accountants

Calgary, Alberta

THE FRIENDS OF THE CANADIAN SIMMENTAL FOUNDATION

Statement of Financial Position

As at December 31, 2021

(Unaudited)

	2021	2020
Assets		
Current		
Cash and cash equivalents	\$ 4,195	\$ 7,840
Marketable securities <i>(Note 3)</i>	-	13,805
GST receivable	384	158
	<u>4,579</u>	21,803
Long - term investments <i>(Note 4)</i>	<u>607,226</u>	492,579
	<u>\$ 611,805</u>	<u>\$ 514,382</u>
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 5,356	\$ 5,836
Net assets		
General (Schedule 1)	591,457	489,549
Scholarships (Schedule 2)	14,992	18,997
	<u>606,449</u>	508,546
	<u>\$ 611,805</u>	<u>\$ 514,382</u>

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS

_____ *Director*

_____ *Director*

THE FRIENDS OF THE CANADIAN SIMMENTAL FOUNDATION

Statement of Operations

For the Year Ended December 31, 2021

(Unaudited)

	2021	2020
Revenue		
Foundation auction	\$ 64,747	\$ -
Interest income	14,422	11,222
Donations	75	900
	<u>79,244</u>	<u>12,122</u>
Expenses		
Scholarships	14,000	13,500
Bank charges	7,861	6,150
Foundation auction	6,737	100
Professional fees	5,445	5,444
Advertising and marketing	4,890	1,025
Scholarship recognition gifts	300	330
Telephone and conference calls	83	127
Office supplies and postage	48	-
	<u>39,364</u>	<u>26,676</u>
Other income		
Realized gain on marketable securities	20,788	12,444
Unrealized gain on marketable securities	37,235	12,438
	<u>58,023</u>	<u>24,882</u>
Excess of revenue over expenses	<u>\$ 97,903</u>	<u>\$ 10,328</u>

THE FRIENDS OF THE CANADIAN SIMMENTAL FOUNDATION

Statement of Changes in Net Assets

For the Year Ended December 31, 2021

(Unaudited)

	General (Schedule 1) 2021	Scholarships (Schedule 2) 2021	Total 2021	Total 2020
Net assets - beginning of year	\$ 489,549	\$ 18,997	\$ 508,546	\$ 498,218
Excess of revenue (deficiency) over expenses	109,934	(12,031)	97,903	10,328
Interfund transfer	(8,026)	8,026	-	-
Net assets - end of year	<u>\$ 591,457</u>	<u>\$ 14,992</u>	<u>\$ 606,449</u>	<u>\$ 508,546</u>

THE FRIENDS OF THE CANADIAN SIMMENTAL FOUNDATION

Statement of Cash Flows

For the Year Ended December 31, 2021

(Unaudited)

	2021	2020
Operating activities		
Excess of revenue over expenses	\$ 97,903	\$ 10,328
Items not affecting cash:		
Unrealized gain on marketable securities	(37,235)	(12,438)
Loss on marketable securities	(20,788)	(12,444)
	<u>39,880</u>	<u>(14,554)</u>
Changes in non-cash working capital:		
Accounts receivable	-	200
Accounts payable and accrued liabilities	(480)	539
GST receivable	(226)	218
	<u>(706)</u>	<u>957</u>
Cash flows from (used) operating activities	<u>39,174</u>	<u>(13,597)</u>
Investing activity		
Purchase of investments	(42,819)	(71,022)
Cash flows used by investing activities	<u>(42,819)</u>	<u>(71,022)</u>
Decrease in cash and cash equivalents	(3,645)	(84,619)
Cash and cash equivalents- beginning of year	<u>7,840</u>	<u>92,459</u>
Cash and cash equivalents- end of year	<u>\$ 4,195</u>	<u>\$ 7,840</u>

THE FRIENDS OF THE CANADIAN SIMMENTAL FOUNDATION

Notes to Financial Statements

Year Ended December 31, 2021

(Unaudited)

1. Description of organization

The Friends of Canadian Simmental Foundation (the "Foundation" or "FCSF") is a not-for-profit organization federally incorporated under the Canada Corporations Act on November 18, 2008. The Foundation qualified as a registered charity under the Income Tax Act commencing August 2010. The Foundation is a not-for-profit organization under section 149.1 of the Income Tax Act and is therefore not subject to income taxes as long as it maintains its not-for-profit status.

The Foundation's objectives are to educate young Canadians through the provision of scholarships, development of leaders in youth and to benefit the community by enabling improvements in agriculture through cattle husbandry research. In response to this, the Foundation operates three specific programs: research and development, scholarships, and youth development.

2. Summary of significant accounting policies

Management has prepared the financial statements of the Foundation in accordance with Canadian Accounting Standards for Not-for-Profit Organizations ("ASNPO") in Part III of the CPA Canada Handbook. The financial statements have, in management's opinion, been properly prepared using careful judgment with reasonable limits of materiality and within the framework of significant accounting policies summarized below.

Revenue recognition

The 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. Under this method, restricted contributions for expenses of one or more future periods are deferred and recognized as revenue in the same period or periods as the related expenses are recognized.

Unrestricted contributions are recognized as revenue of the general fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue for service and investments is recognized when pervasive evidence of an arrangement exists, services have been rendered, the amounts received can be reasonably estimated and collection is reasonably assured.

Foundation auction and proceeds are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Cash and cash equivalents

Cash consists of balances in banks. The Foundation considers all investments with maturities at the date of purchase less than months to cash and cash equivalents

Marketable securities

Marketable securities consist of guaranteed investment certificates and are actively traded in the market and therefore measured at fair value.

Unrestricted investments owned by the Foundation and managed by The Calgary Foundation are comprised of Canadian equities, fixed income securities, and investment and are carried at fair value.

THE FRIENDS OF THE CANADIAN SIMMENTAL FOUNDATION

Notes to Financial Statements

Year Ended December 31, 2021

(Unaudited)

2. Summary of significant accounting policies (continued)

Fund accounting

The General operating fund, non-restricted, reports revenues and expenses related to general and administrative matters, restricted, reports revenues and expenses related to youth development programs.

The Scholarships fund consisting of the Dr. Dixon scholarship fund, Trevor Vance scholarship fund and FCSF scholarship fund are internally restricted and reports revenues and expenses related to administering the scholarship in recognition of the scholastic achievement of youth in the beef cattle industry.

Measurement uncertainty

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates. Examples of such estimates include application of revenue recognition policies and accrued liabilities.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. Cash and marketable securities are measured at fair value. All other financial instruments are measured at amortized cost. The financial instruments measured at amortized cost include accounts receivable, accounts payable and accrued liabilities. Changes in fair values are recognized as realized gains or losses in the statements of operations and financial assets and liabilities are tested for impairment each reporting date.

The fair value of a financial instrument is the estimated amount that the Foundation would receive or pay to settle a financial asset or financial liability as at the reporting date. The fair values of accounts receivable, accounts payable and accrued liabilities approximate their carrying values due to their short-term nature.

Contributed services

The Board of Directors volunteer their time to attend board meetings and represent the Foundation at events. Members also volunteer their time to organize and operate the provincial association and represent the Foundation at events. Due to the difficulty of determining the fair value of volunteer hours, contributed services are not recognized in the financial statements.

THE FRIENDS OF THE CANADIAN SIMMENTAL FOUNDATION

Notes to Financial Statements

Year Ended December 31, 2021

(Unaudited)

3. Marketable securities

	<u>2021</u>	<u>2020</u>
Dr. Dixon investments	\$ -	\$ 2,376
Trevor Vance investments	-	9,485
General investments	-	1,944
	<u>\$ -</u>	<u>\$ 13,805</u>

The marketable securities are composed of accounts held by Calgary Foundation and Raymond James. The Raymond James investments consist of fixed income investments earnings interest at Nil% (2020: 2.25%). The investments mature in January 2021.

4. Long-term investments

	<u>2021</u>	<u>2020</u>
Calgary Foundation	<u>\$ 607,226</u>	<u>\$ 492,579</u>

The Calgary Foundation investment consists of Canadian equities, fixed income securities, and short term investments.

5. Financial instruments

The Foundation is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. It is management's opinion that the Foundation is not exposed to significant credit, currency or price risks arising from these financial instruments. The following analysis provides information about the Foundation's risk exposure as of December 31, 2021.

(a) 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. In seeking to minimize the risks from interest rate fluctuations, the Foundation manages its portfolio investments based on its cash flow needs and with a view of optimizing its interest income.

6. COVID-19 impact

Subsequent to the year end, the impact of COVID-19 on the global economy increased significantly. Although the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the duration of the business disruption and its related financial impact cannot be reasonably estimated at this time.

THE FRIENDS OF CANADIAN SIMMENTAL FOUNDATION
Schedule 1 General Statement of Operations and Net Assets
For the Year Ended December 31, 2021
(Unaudited)

	2021	2020
Revenue		
Interest income	\$ 35,241	\$ 23,585
Donations	75	900
Foundation auction	64,747	-
	100,063	24,485
Expenses		
Bank charges	7,861	6,150
Foundation auction	6,737	100
Professional fees	5,445	5,444
Advertising and marketing	4,891	1,025
Bursary	2,000	1,500
Scholarship recognition gifts	300	330
Telephone and conference calls	83	127
Office supplies and postage	47	-
	27,364	14,676
Excess of revenue over expenses from operations	72,699	9,809
Other income		
Unrealized gain on marketable securities	37,235	12,217
Excess of revenue over expenses	109,934	22,026
Net assets, beginning of year	489,549	467,523
Interfund transfer	(8,026)	-
Net assets, end of year	\$ 591,457	\$ 489,549

THE FRIENDS OF CANADIAN SIMMENTAL FOUNDATION
Schedule 2 Scholarship Statement of Operations and Net Assets
For the Year Ended December 31, 2021
(unaudited)

	2021	2021	2021	2021	2020
	Dr. Dixon	Trevor Vance	FCSF	Total	
Revenue					
Interest income	\$ 1	\$ (32)	\$ -	\$ (31)	\$ 80
Expenses					
Scholarships	4,000	2,000	6,000	12,000	12,000
Other income					
Unrealized gain (loss) on marketable securities	-	-	-	-	222
Deficiency of revenue over expenses	(3,999)	(2,032)	(6,000)	(12,031)	(11,698)
Net assets, beginning of year	16,887	4,136	(2,026)	18,997	30,695
Interfund transfer	-	-	8,026	8,026	-
Net assets, end of year	\$ 12,888	\$ 2,104	\$ -	\$ 14,992	\$ 18,997

**2020 2021 ACTIVE MEMBERS
Life, Annual and YCS**

As of December 31, 2021

Province	2020				2021			
	Life	Annual	YCS	Total	Life	Annual	YCS	Total
British Columbia	36	11	5	52	38	10	8	56
Alberta	372	89	140	601	388	86	155	629
Saskatchewan	201	52	66	319	216	52	70	338
Manitoba	147	19	36	202	152	18	32	202
Ontario	176	70	83	329	183	70	82	335
Quebec	56	40	23	119	60	38	16	114
Nova Scotia	24	12	14	50	18	12	13	43
New Brunswick	7	6	2	15	7	8	2	17
P.E.I.	10	5	3	18	12	6	3	21
Other	6	4	0	0	5	6	0	11
Total	1035	308	372	1715	1079	306	381	1766

**2017 - 2021
TOTAL HERD ENROLLMENTS BY PROVINCE**

Province	2017	2018	2019	2020	2021
B.C.	856	886	871	939	994
Alberta	15,458	15,917	16,199	15,689	16,429
Saskatchewan	10,328	10,222	10,274	11,023	10,931
Manitoba	4592	4,699	4626	5098	5331
Ontario	1496	1509	1652	1665	1559
Quebec	927	1046	1000	946	1015
New Brunswick	163	152	137	125	117
Nova Scotia	57	85	77	67	57
P.E.I.	132	59	67	45	83
Other	0	0	0	0	10
Total	34,009	34,575	34,903	35,597	36,526

2017 – 2021 REGISTRATIONS BY PROVINCE										
	2017		2018		2019		2020		2021	
Province	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
B.C.	236	236	203	291	293	350	285	357	458	440
Alberta	4470	5598	3969	5502	4215	5220	4520	5569	4869	5566
Saskatchewan	3155	3465	2886	3657	3110	3573	3385	3932	3276	3858
Manitoba	1369	1943	1459	1906	1266	1825	1480	2149	1388	2064
Ontario	305	991	371	988	288	872	290	867	317	899
Quebec	256	407	326	503	284	453	343	509	336	527
New Brunswick	41	89	11	29	23	61	15	27	21	40
Nova Scotia	45	103	38	92	46	155	55	90	70	109
P.E.I.	27	52	9	35	29	38	20	51	24	44
Other	28	40	19	65	46	52	51	68	31	56
	9,932	12,924	9291	13,068	9600	12,599	10,444	13,619	10,790	13,603
Total	22,856		22,359		22,199		24,063		24,393	

2017 - 2021 TRANSFERS BY PROVINCE										
	2017		201		2019		2020		2021	
Province	Male	Female	Male	Femal	Male	Female	Male	Female	Male	Female
B.C.	180	40	132	22	148	27	147	114	203	42
Alberta	2302	1130	2398	1426	2395	1627	2544	2102	2899	1829
Saskatchewan	1600	616	1767	734	1959	931	1881	1261	2006	1176
Manitoba	920	571	911	619	859	763	845	548	933	1086
Ontario	116	486	144	568	118	517	118	516	140	534
Quebec	199	158	159	186	162	180	188	237	205	187
New Brunswick	29	24	19	1	16	17	12	19	11	15
Nova Scotia	27	36	25	37	30	50	23	49	47	41
P.E.I.	12	22	18	11	9	17	16	19	14	25
U.S.A.	7	5	6	25	19	72	27	79	26	84
	5,392	3,088	5579	3629	5715	4201	5801	4944	6484	5019
Total	8,480		9,208		9,916		10,745		11,503	