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AGENDA

Saturday, August 4, 2023 - 1:00 pm

- CSA President's Welcome and Call to Order – Shane Williams, President
- Moment of Silence
- Introduction of 2022–23 CSA Directors, Past Presidents and Guests
- Approval of Agenda
- Approval of the 54th Annual General Meeting Minutes
- President's Report – Shane Williams
- General Manager's Report – Bruce Holmquist
- 2022 Reviewed Financial Statements – Bill Biglieni
- Appointment of Auditors
- Committee Reports:
 - Advertising/Promotion and Simmental Country – Jennie Mutch
 - Breed Improvement – Scott Matthews
 - 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 – Garth Rancier, FCSF President
- Introduction of 2022-23 FCSF Directors
- Approval of Agenda
- Approval of the 2022 Annual General Meeting Minutes
- President's Report – Garth Rancier
- 2022 Reviewed Financial Statements – Mark Shologan
- Appointment of Auditors
- New Business
- Adjournment of Meeting

Canadian Simmental Association AGM will resume

- New Business – recommendations from the Floor
- Introduction of 2023-24 CSA Board of Directors
- Recognition of Outgoing Director
- Invitation to 2024 Annual General Meeting
- Motion to ratify the actions and proceedings of the CSA Board of Directors and Officers for 2023
- 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 - 22 Marlin LeBlanc, Estevan, Saskatchewan
2022 - Shane Williams, East Garafraxa, Ontario

CSA BOARD OF DIRECTORS

2022-2023

Shane Williams
President
East Garafraxa, ON

Byron Johnson
1st Vice President
Amisk, AB

Scott Matthews
2nd Vice-President
Cookshire-Eaton, QC

Ben Farrant
Lousana, AB

Barclay Smith
Cherhill, AB

Blair McIntosh
Maymont, SK

Randy Noble
Lloydminster, SK

Bill Biglieni
Douglas, MB

Jennie Mutch
Vernon, PEI

HOST PROVINCE BOARD

ONTARIO SIMMENTAL ASSOCIATION

Board of Directors - 2023

Blair Williamson, President
Lambton Shores, ON

Reed Crawford, 1st Vice President
Glencoe, ON

Scott Dykstra, Past President
Jarvis, ON

Ashton Colvin, Member Services
Teeswater, ON

Scott Dykstra, Treasurer
Jarvis, ON

Brad Turpin, Director
Stirling, ON

Jeffrey Holland, Director
Mount Forest, ON

Patrick Leahy, Director
Douro-Dummer, ON

Dylan Foley, Director
Kinburn, ON

Jarrett Johnson, Director
Dobbinton, ON

Nick Ashby, Director
Precott, ON

Shane Williams, National Director
East Garafraxa, ON

Andrea Stillman, Secretary
Havelock, ON

CANADIAN SIMMENTAL ASSOCIATION

Staff & Consultants

Bruce Holmquist
General Manager

Barb Judd
Office Manager

Sue Giles
Programs Coordinator

Devra Leavitt
Reception & Member Services

Laurie Macdonald
Registry & Member Services

Perry Welygan
Registry & Member Services

Dallas Wise
Registry & Member Services

Stacy Price
Administrative Assistant

Crystal Fisk
YSCA Coordinator

iSmart Consulting / Ian Yin
Network Support

Michael Brooks
CGEN Registry Software Support

Absolute Business Solutions
Rita Ricioppo
Bookkeeping Services

Round Rock Ranching
Sean McGrath
Breed Improvement Consulting

CANADIAN SIMMENTAL ASSOCIATION

DRAFT MINUTES OF THE 54TH ANNUAL GENERAL MEETING

JULY 23, 2022, 1 PM CST, PORTAGE LA PRAIRIE, MANITOBA

CALL TO ORDER

President Marlin LeBlanc called the meeting to order at 1:11 pm.

PRESIDENT'S WELCOME - MARLIN LEBLANC

- Welcome to 54th Annual General meeting of the CSA. Thank you to the Manitoba Simmental Association for hosting, this has been a three-year venture and you have done a super job.
- Thank you for everyone attending today and we encourage questions and comments from the floor. This weekend includes the YCSA National show and the youth have been busy. Tonight we will hold the FCSF auction with the CSA banquet.
- Remind all participants to sign the attendance sheet that is circulating so we have an official record of all in attendance
- Members wishing to vote must hold a valid voting card, which can be obtained at the registration desk for a few more minutes
- Members wishing to make a recommendation for the CSA board's consideration can write them on the green forms on your tables. They must be signed and seconded by CSA members holding a vote card. A recommendation from the floor is a suggestion to the board of directors. It may be discussed and voted on at the discretion of the chair to be added to the agenda at the next board of directors meeting.
- Recommendation forms can be given to Barb Judd or Sue Giles at any time. Recommendations will be read during New Business.
- This meeting will be conducted under Roberts Rules of Order and the Parliamentarian will be Ken Lewis
- Scrutineers are Sue Giles and Stacy Price
- We have quorum with 54 voting members in attendance

MOMENT OF SILENCE FOR CSA MEMBERS WHO HAVE RECENTLY PASSED

INTRODUCTION OF 2022 DIRECTORS, PAST PRESIDENTS AND GUESTS

- 2021 - 22 CSA Board of Directors - Marlin LeBlanc - President, Shane William - 1st Vice, Byron Johnson - 2nd Vice President. Other directors include Bill Biglieni, Ben Farrant, Blair McIntosh, Scott Matthews and Jennie Mutch. Regrets from Roger Deeg who is unable to attend.
- CSA staff are Bruce Holmquist, General Manager, Barb Judd, Office Manager, Sue Giles and Stacy Price, and Crystal Fisk, YCSA Coordinator.
- CSA Past Presidents - Barry Labatte, Brian McCarthy, Ken Lewis, Garth Rancier, Myles Glasman and Bruce Holmquist

APPROVAL OF AGENDA

*MOTION: by Bill Biglieni, to approve the agenda.
Second, Deanne Young. CARRIED*

APPROVAL OF THE 53RD ANNUAL GENERAL MEETING MINUTES

*MOTION: by Blair McRae, to approve the 53rd CSA AGM 2021 minutes.
Second, Kerwin Delong. CARRIED*

PRESIDENT'S REPORT - MARLIN LEBLANC

- This is a bittersweet 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 honor to represent the producers, the breed and to work with the board to advance the Simmental breed in Canada on a variety of topics which have direct influence on the industry.
- 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 CSA office every day.

- The CSA remains financially strong. 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 two years while continuing 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. Advertising rates were reviewed and lowered which led to a positive uptake from breeders and advertisers alike. This along with eliminating the field service position helped to balance the magazine's bottom line.

- In terms of work for the breed we continued to subsidize the parent verification DNA project which allowed breeders to have stronger verification and lead to more accurate EPD's. 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 development of 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 Beef Industry while ensuring beef breed associations 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 its board of directors. The Foundation continues to support many individuals as they continue in the business of agriculture and Simmental cattle.

- I would like to thank the CSA committee chairs and Executive committee for their dedication, and accomplishments over the past year. Also, thank you to Bruce Holmquist our General Manager, Barb Judd our Office Manager and the rest of the CSA 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 will be retiring 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 the Canadian beef industry overall. Technology and advancements happen fast in today's society and Simmental has 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 as a progressive and strong genetic option. It has been an honor to be involved with so many wonderful breeders and producers throughout my time in the industry and an even bigger honor 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, executive 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.

*MOTION: by Danny Skeels, to accept the President's report as presented.
Second, Byron Johnson. CARRIED*

GENERAL MANAGER'S REPORT - BRUCE HOLMQUIST

- Good to be back face to face, thank you to MSA for your patience.
- CSA did hold virtual AGMs to report our annual business when "in person meetings" were not allowed
- Virtual YCSA shows provided a good opportunity for Junior members to learn new marketing skills
- Important to mention that in the mid 2000's, during BSE, we questioned the future, but looking back we have done well in taking on a leadership role in an industry who has lost 25% of our commercial beef cow herds.
- We have worked hard at CSA to increase programming without increasing costs.
- Staff has been downsized during Covid by not renewing our Simmental Country sales rep position
- The CSA Executive; Marlin, Shane and Byron have done a great job leading the board
- We have an operational surplus in 2021 and a healthy balance sheet with a proviso that when we went through BSE the CSA board at that time passed a motion to keep a year's operating revenue in reserves for a rainy day, we have maintained that to this day
- CSA fully supports CBBC, CBIN, Canada Beef Foundation Conference – our attendance and leadership is noticed
- Your association and all directors are approachable, if you have any questions please be sure to always ask.

MOTION: by Brian McCarthy, to accept the General Manager's as presented.

Second, Gordon Delichte. CARRIED

AUDITOR REVIEWED FINANCIAL STATEMENTS - BILL BIGLIENI

2021 year-end financial information on page 16 of AGM book

- Consolidated statement of operations – includes CSA, Simmental Country and YCSA. It was approved that we keep a one-year surplus to hand to secure a future for CSA, which we have done.
- Thank you to Bruce for keeping track of travel and other expenses

MOTION: by Francis Gagnon, to approve the CSA 2021 financial statements as presented.

Second, Garth Rancier. CARRIED

APPOINTMENT OF AUDITORS

MOTION: by Bill Biglieni, to appoint BDO as auditors for the upcoming year end.

Second, Gordon Delichte. CARRIED

ADVERTISING/PROMOTION AND SIMMENTAL COUNTRY - JENNIE MUTCH

- 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 promotion tools for the CSA and its members. Our intent is to produce a publication that champions our breed and also serves our members' marketing goals. Our Simmental Country publication reaches over 2500 readers and our Commercial Country publication reaches over 15,000 readers, plus they are proven tools to increase awareness and interest in our breed. They remain important from a financial perspective; and we are always try to improve content in order for 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 if 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 Cattleman's Magazine and Angus Advantage magazine to showcase the crossbreeding advantage 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 your staff 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 CSA 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 could also influence decisions that leads Simmental 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 mainly funded with CSA member dollars allocated through the CSA Levy and Provincial Activity Grant program.
- 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.

MOTION: by Neil Carson, to accept the Advertising/Promotion and Simmental Country report as presented.

Second, Bill Biglieni. CARRIED

BREED IMPROVEMENT - BRUCE HOLMQUIST FOR ROGER DEEG

- Regrets from Chairman Roger, he had a very important day as this is also his daughter's wedding.
- 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 as it 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 further development of the Canadian Beef Information Network (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 as CSA GM has documented the progress of CBIN and will continue to do so.
- International Genetic Solutions (IGS) is still working on EPD's for heifer pregnancy, scrotal EPD and foot and leg scoring is also getting lots of discussion. A 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 for 5 years. A new project is the implementation of a replacement heifer and yearling bull ultrasound tied to a 100k DNA test. This is a cost shared program so check the fee schedule if this is of interest to you.
- The American Simmental Association has launched feet and leg scoring recommendations and the CSA will be collecting feet and leg scores but will not publish this information at this time.
- The upgrade table bylaw change was voted on in 2021. The vote fell just short of the 66% needed to submit to Ottawa. Because 62% of voting members were in favor, the bylaw was by no means defeated and to be in step with what the majority of CSA members who voted for, your CSA board decided to take it to the membership a second time. The CSA supports 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 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 always work to strengthen our industry position.
- It has been an honor to be a part of this forward thinking and dedicated committee.

MOTION: by Daryl Snyder, to accept the Breed Improvement report as presented.

Second, Barley Smith. CARRIED

CBBC REPORT - BRUCE HOLMQUIST FOR SANDY RUSSEL, CBBC CEO

- 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. As part of this progression, CBBC underwent a significant transition in leadership. 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 to drive transformational change as it relates to the utilization of beef cattle genetic data and adoption of innovative technologies through unprecedented cross-sector collaboration.

- 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 that is identified in the Canadian 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 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. As we 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;

- 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 in place 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 front of 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.

*MOTION: by Ken Lewis, to accept the CBBC Report as presented.
Second, Blair Williams. Carried*

YOUNG CANADIAN SIMMENTAL ASSOCIATION - KATIE ELMHIRST

- The YCSA had 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 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 will echo that 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 young goals in the Simmental breed!

*MOTION: by Kirsten Fornwald, to accept the Young Canadian Simmental Association report as presented.
Second, Lucas Williams. CARRIED*

SUSPENSION OF THE CSA ANNUAL GENERAL MEETING

- President Marlin LeBlanc asked for motion to suspend Canadian Simmental Association AGM for the Friends of Canadian Simmental Foundation AGM

*MOTION: by Bill Biglieni, to suspend the Canadian Simmental Association AGM for the Friends of Canadian Simmental Foundation AGM.
Second, Byron Johnson. CARRIED*

RESUMPTION OF THE CSA ANNUAL GENERAL MEETING

- President Marlin LeBlanc asked for motion to resume the Canadian Simmental Association AGM

*MOTION: by Shane Williams, to resume the Canadian Simmental Association AGM.
Second, Danny Skeels. CARRIED*

NEW BUSINESS

- Invitation to 2023 Canadian Simmental Convention
- Shane Williams and Blair Williamson, on behalf of Ontario Simmental Association would like to welcome everyone to the 2023 Canadian Simmental Convention in Ancaster, Ontario, held August 3 - 6, 2023
- Recommendations from the floor
 - Be it resolved that the membership recommend to the Canadian Simmental Board of directors that a committee be formed to discuss animal welfare, transportation laws, government mandates, etc. in more in-depth detail moving forward to hopefully have a larger voice in the industry. Moved by Dan Skeels, Seconded by Daryl Snider
- Comment from CSA General Manager.
 - There was a great panel and discussion on this yesterday. This is a great recommendation. The current CSA President sits on the CBBC board and through that we in those discussions and we will give that our full support.
- Comments from floor:
 - Social media - found out it has a dark side. Has the board come up with a policy to avoid controversy in the future? Believes that comments from some directors look unprofessional
 - Yes, we've discussed it but have not set a policy, do not think it's our job to tell a director what they do on their own time. We do need to defend ourselves when we get attacked on social media.

RECOGNITION OF OUTGOING DIRECTOR

- General Manager Bruce Holmquist acknowledged Roger Deeg who was a very valued member of board. He was on the CSA executive for two years while on his second tour of duty on the board. Humbling to the recognition on his behalf
- 1st Vice President Shane Williams acknowledged outgoing Marlin LeBlanc. Marlin has provided guidance and experience with a true sense of inclusiveness to all directors on the board and he is a genuine asset to the Simmental breed. On behalf of myself and all CSA directors, thank you for your leadership and numerous contributions.

INTRODUCTION OF 2022-23 CSA BOARD OF DIRECTORS

- Welcome Barclay Smith and Randy Noble to the CSA board, and congratulations to Shane Williams for his second term
- The rest of the CSA board members include Byron Johnson, Ben Farrant, Blair McIntosh, Bill Biglieni, Scott Matthews and Jennie Mutch

*MOTION: by Barry Labatte, to ratify the action and proceedings of the CSA Board of Directors for 2021.
Second, Bobby Gayle Hosegood. CARRIED*

*MOTION: by Gordon Delichte to adjourn the meeting
at 3:50 pm*

PRESIDENT'S REPORT

Shane Williams

On behalf of the Canadian Simmental Association and the board of directors it is a pleasure to welcome everyone to the 2023 CSA AGM and Convention in beautiful Ancaster, Ontario. I would like to extend a huge thank you to the organizing committees within the Ontario Simmental Association and the CSA staff as well as all those that had a hand in organizing this event. Hosting an event like the AGM is no small feat and we appreciate your efforts enormously.

2022 was another strong year for the Simmental breed. We experienced solid sale averages and good demand of both bull and female sales throughout the year and noted continued interest in the breed across the country. Through forward thinking, structured goals and the progressive mindsets of our membership, the Simmental breed is in an enviable position within the industry. We should be proud of our accomplishments and maintaining the positive trendline of popularity will require encouragement, support and making responsible decisions to continue to move the breed forward.

Financially, our association is on solid ground showing a profit and meeting our budget parameters.

The Board of Directors meet spring and fall and via conference calls as required. The CSA committees are made up of elected Board of Directors and appointed delegates. Thank you to committee chairs and members for dedicating your time, providing your insights and contributing positively to building on the merits of the Simmental breed and helping forge the path to continued progress. The Breed Improvement Committee chaired by Scott Matthews continues to deal with matters pertaining to the advancement of the breed in Canada. The Promotions Committee, chaired by Jennie Mutch, had a busy year and continue to focus advertising efforts towards the commercial cattle sector as well as seedstock producers. The YCS program is as vibrant as it has ever been. You will witness here in Ancaster over the next few days the level of interest, engagement and the cattle management and presentation that the youth/young adults and the advisors strive to highlight. Thank you to Ben Farrant and Crystal Fisk and associates for your time and passion towards the YCS fraternity this year. Lots of learning and friendships culminated because of the YCS program.

The CSA continues to work closely with the Friends of the Canadian Simmental Foundation board of directors to help design and shape this entity and ensure it continues to grow and benefits CSA members and specifically youth for generations to come. A big thank you to outgoing Foundation chair Ken Lewis, who has been a pillar on the Foundation board for years, lending his expertise and guidance and contributing to the success of the Foundation his efforts are greatly appreciated. Garth Rancier is the incoming FCSF chair and I thank him and the members for their dedication and commitment to the foundation and its future.

I would like to welcome back to the BOD for their 2nd terms, Jennie Mutch and Blair McIntosh and our newest board member Neil Carson. On behalf of the entire board, a huge thank you to Bill Biglieni as outgoing director and finance chair for the last 2 years. We have sincerely appreciated your input at the board table and your commitment to the breed.

The CSA is fortunate to have a dedicated and hardworking staff. It takes effort, organizational skills, and experience to name a few to run a breed association while striving to manage things efficiently and cost effectively for the benefit of the association and the membership. Thank you to all our CSA employees for their contributions. I'd like to make note of a few special folks on staff with CSA and as employee retention remains front of mind in a lot of organizations, the following 3 exemplify commitment to the members and our association. Perry Welygan is now in his 26th year with Team Simmental and is a leader in registering cattle and member services. Wow - 26 years - thank you Perry. Barb Judd was hired as office manager in 2004, and hence has been keenly involved in office management and day to day activities for almost 20 years now and we greatly value her contributions. Bruce Holmquist, officially transitioned into CSA GM responsibilities in 2012 and spent 5 years prior as Member and Industry Liaison. I extend a big thank you to Bruce for continually sporting the brand and his 15+ years of guidance and direction of the Canadian Simmental Association. Keep up the good work Perry, Barb, and Bruce and the entire staff at the CSA.

It has been an honor to serve as CSA president this past year. I would like to thank the CSA board of directors for your contributions and commitment to building on the strength of the Simmental brand.

GENERAL MANAGER'S REPORT

Bruce Holmquist

After two years of virtual meetings, 2022 saw the CSA return to a face-to-face Annual General Meeting in Portage la Prairie Manitoba. The Manitoba Simmental Association did a tremendous job of hosting Simmental breeders from across Canada and we were thankful as we worked collectively in re-establishing the CSA convention and all its activities.

As we review CSA operations for 2022, we are reporting another successful year with moderate and sustained growth 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 efforts of our members and the acceptance that Simmental currently has in commercial cow-herds across the country. This is the result of hard work from many directions including CSA directors and staff, as well as you as Simmental breeders. Strong prices were again received for Simmental females throughout the fall sales as we saw some new Simmental breeders begin their herds, combined with established breeders making purchases to strengthen their programs. As we assess the current state of the Simmental breed, we need to be mindful that the overall Canadian cowherd numbers continue to shrink which makes this success even more remarkable. No breed of beef cattle is enjoying more success in Canada than Simmental.

Sue Giles, Stacy Price, and I continued to play the lead roles in our marketing efforts. Our Provincial Associations play a very large role in the marketing within their provinces or regions, and we greatly appreciate all their efforts to cover the various events.

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 improvements in providing the best service possible. Lab turnaround time is always a concern leading into the busy bull sale season, and the CSA staff do our utmost to meet our members' needs. 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 Shane Williams, 1st Vice President Byron Johnson, and 2nd Vice President Scott Matthews. Jennie Mutch led the Promotion and Advertising committee for a second year, and Scott Matthews stepped into the role of Breed Improvement Committee Chairman. Randy Noble and Barclay Smith became new CSA directors while Roger Deeg and Marlin LeBlanc completed their second terms. We thank both Marlin and Roger 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 in 2022, this board has accomplished just that!

The CSA's financial position remains very strong as we again realized an operational surplus in 2022 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 have done just that through our CSA member DNA rebate programs.

CSA programming focuses primarily on three objectives; breed improvement, promotion, and youth. Crystal Fisk has stepped solidly into the role of YCSA Program Coordinator, and we thank her for her dedication to the program and in getting it back up to speed. 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 Roundtable for Sustainable Beef, Canadian Beef Industry Conference, Canadian Beef Breeds Council, Beef Improvement Federation and Livestock Markets Association of Canada convention. The Canadian Beef Improvement Network (CBIN) continues to move forward in its development and has the CSA's full support and our total commitment. Thank you to Marlin LeBlanc for his efforts on the CBBC board.

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. Thank you to Stacy Price for her efforts with the FCSF and taking on the responsibilities of Rae-Lee Erickson as she went on maternity leave.

In 2022 the majority of the CSA membership supported a by-law change to revise our upgrade table. As we continue to wait for Ottawa's approval, we are reminded how slow the wheels of Government often turn and we appreciate the patience of our membership on this issue. The CSA also continues to work on other 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, providing that the CSA and its members remained focused on programming that is relevant to improving the economics and sustainability of the Canadian Beef industry.

CANADIAN SIMMENTAL ASSOCIATION

Financial Report

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, 2022, 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, 2022, 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

June 8, 2023

903-8 Ave S W, Suite 620

Calgary, AB T2P 0P7

CANADIAN SIMMENTAL ASSOCIATION - Consolidated Statement of Financial Position
As at December 31, 2022 (Unaudited)

	<u>2022</u>	<u>2021</u>
ASSETS - CURRENT		
Cash & Cash Equivalents	\$ 632,790	\$ 663,565
Marketable Securities (Note 3)	2,295,923	2,239,422
Accounts Receivable	57,755	18,361
Prepaid Expenses	21,272	3,835
	<u>3,007,740</u>	<u>2,925,183</u>
Property and Equipment (Note 4)	35,860	31,875
	<u>\$ 3,043,600</u>	<u>\$ 2,957,058</u>
LIABILITIES - CURRENT		
Accounts Payable and Accrued Liabilities	\$ 11,787	\$ 33,460
Goods and Services Tax Payable	23,042	22,384
Deferred Revenue (Note 5)	19,463	23,279
	<u>54,292</u>	<u>79,123</u>
NET ASSETS		
Unrestricted Net Assets	2,935,648	2,846,060
Invested in Property and Equipment	53,660	31,875
	<u>2,989,308</u>	<u>2,877,935</u>
	<u>\$ 3,043,600</u>	<u>\$ 2,957,058</u>

Contractual Obligations (Note 7)
APPROVED ON BEHALF OF THE BOARD OF DIRECTORS

CANADIAN SIMMENTAL ASSOCIATION - Consolidated Statement of Operations
For the Year Ended December 31, 2022 (Unaudited)

	<u>2022</u>	<u>2021</u>
REVENUE		
Total Herd Enrolment	\$ 819,919	\$ 780,769
Lab Services	406,661	302,550
Simmental Country Magazine (Schedule 2)	327,079	313,955
Registrations	218,460	244,430
Memberships	90,675	91,350
Transfers	47,860	49,381
Young Canadian Simmental Association ("YCSA") (Schedule 3)	39,175	10,545
Other Services	29,109	36,067
AMP Reimbursements	18,767	58
	<u>1,997,705</u>	<u>1,829,105</u>
EXPENSES		
Salaries and Employee Benefits	523,130	517,249
Lab Services	367,037	272,324
Simmental Country Magazine (Schedule 2)	331,384	312,653
Provincial Promotion Funding	110,595	113,156
Travel	106,330	39,760
Advertising and Promotion	80,151	43,272
Breed Improvement	74,314	71,524
Bank Charges	53,150	49,460
Utilities, Property Taxes and Insurance	48,994	45,061
Computer	39,205	36,598
Office	30,938	25,545
Postage and Freight	28,135	27,480
YCSA (Schedule 3)	26,788	3,391
Sponsorship to YCSA	14,500	12,750
Amortization	13,411	13,622
Professional Fees	12,720	10,640
Telephone	12,147	11,568
Repairs and Maintenance	11,862	7,821
Annual General Meeting	9,740	960
Donations to Foundation	-	95
	<u>1,894,530</u>	<u>1,614,929</u>
OTHER INCOME (LOSS)		
Interest	47,042	29,125
Realized Loss on Marketable Services	(34,019)	(19,345)
Unrealized (Loss) Gain	(4,825)	111,083
	<u>8,198</u>	<u>120,863</u>
Excess of Revenue over Expenses	\$ 111,373	\$ 335,039

**CANADIAN SIMMENTAL ASSOCIATION - Consolidated Statement of Changes in Net Assets
For the Year Ending December 31, 2022 (Unaudited)**

	Unrestricted Net Assets	Invested in Property and Equip- ment	2022 Total	2021 Total
Net Assets - Beginning of Year	\$ 2,846,040	\$ 31,875	\$ 2,877,935	\$ 2,542,897
Investments in Property and Equipment	(17,798)	17,798	-	-
Excess (Deficiency) of Revenue Over Expenses	107,386	3,987	111,373	335,039
Expenses				
Net Assets - End of Year	\$ 2,935,648	\$ 53,660	\$ 2,989,308	\$ 2,877,935

**CANADIAN SIMMENTAL ASSOCIATION - Consolidated Statement of Cash Flows
For the Year Ending December 31, 2022 (Unaudited)**

	2022	2021
OPERATING ACTIVITIES		
Excess of Revenue over Expenses	\$ 111,373	\$ 335,039
Items not Affecting Cash:		
Amortization	13,811	13,622
Realized Loss on Marketable Securities	34,019	19,345
Unrealized Loss (Gain) on Marketable Securities	4,825	(111,083)
Cash Flows Generated (Used) by Operating Activities	164,028	256,923
Accounts Receivable	(39,394)	13,037
Prepaid Expenses	(17,437)	392
Accounts Payable and Accrued Liabilities	(21,671)	(47,531)
Goods and Services Tax Payable	658	(1,214)
Deferred Revenue	(3,816)	1,286
Cash Flows from Operating Activities	82,368	222,893
Purchases of Property and Equipment	(17,796)	(1,300)
Purchases of Marketable Securities	(853,341)	(1,205,972)
Proceeds on Disposal of Marketable Securities	757,994	784,395
Cash Flows from Operating Activities	(113,143)	(422,877)
Decrease in Cash and Cash Equivalents	(30,775)	(199,984)
Cash and Cash Equivalents, Beginning of Year	663,565	863,549
Cash and Cash Equivalents, End of Year	\$ 632,790	\$ 663,565
Cash and Cash Equivalent Consists of:	498,510	475,931
Operating Account	134,280	187,634
Broker Account	\$ 632,790	\$ 663,565

**CANADIAN SIMMENTAL ASSOCIATION - Notes to the Consolidated Financial Statements
For the Year Ending December 31, 2022**

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(i) 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 section 149.1(i) of the Income Tax Act.

YCSA is incorporated section 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 section 149.1(i) 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, Canadian Beef Breeds Council 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.

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

4. Property and Equipment

Condominium
Publishing Rights
Computer Equipment & Software
Furniture & Fixtures
Condominium Improvements

Cost	Accumulat- ed Amortiza- tion	Net 2022	Net 2021
\$ 235,999	\$ 235,999	-	\$ -
233,000	233,000	-	-
292,526	281,138	11,388	2,118
169,372	169,372	-	-
125,940	101,468	24,472	29,757
\$ 1,056,837	\$ 1,020,977	\$ 35,860	\$ 31,875

As of December 31, 2022, the City of Calgary property assessment value of the condominium was \$1,050,000 (2021: \$1,020,000).

5. Deferred Revenue

Member Deposits
Magazine Subscriptions
Advertisements
YCSA

	2022	2021
	12,348	11,704
	7,115	6,445
	-	3,225
	-	1,895
\$	19,463	\$ 23,279

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 counterparty 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.

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. In 2021, there was an additional addendum which extended the agreement to July 26, 2026.

8. Comparative Figures

Certain comparative figures have been reclassified to conform with the current year's presentation. This reclassification has no effect on the prior year's net income.

CANADIAN SIMMENTAL ASSOCIATION Schedule 1 - Canadian Simmental Association Non-Consolidated Schedule of Operations For the Year Ended December 31, 2022 (Unaudited)

	2022	2021
OPERATING ACTIVITIES		
Total Herd Enrollment	\$ 819,919	\$ 780,769
Lab Services	406,661	302,550
Registrations	218,460	244,430
Memberships	90,675	91,350
Transfers	47,860	49,381
Other Services	29,109	36,067
AMP Reimbursements	18,767	58
	1,631,451	1,504,605
DIRECT EXPENSES		
Salaries and Employee Benefits	523,919	517,249
Lab Service	367,037	272,324
Provincial Promotion Funding	110,595	113,156
Travel	106,330	39,760
Advertising and Promotion	80,151	73,272
Breed Improvement	74,314	71,524
Bank Charges	53,150	49,460
Utilities, Property Taxes and Insurance	48,994	45,061
Computer	39,205	36,598
Office	30,938	25,545
Postage and Freight	28,135	27,480
Sponsorship to YSCA	14,500	12,750
Amortization	13,411	13,622
Professional Fees	12,720	10,640
Telephone	12,147	11,568
Repairs and Maintenance	11,862	7,821
Annual General Meeting	9,740	960
Donations	-	95
	1,536,359	1,328,885
Other Income (Loss)		
Interest	47,042	29,125
Unrealized (Loss) Gain	(4,825)	111,083
Realized Loss on Marketable Securities	(34,019)	(19,345)
	8,198	120,863
Excess of Revenue Over Expenses	\$ 103,290	\$ 296,583

CANADIAN SIMMENTAL ASSOCIATION
Schedule 2 - Simmental Country Magazine
Non-Consolidated Schedule of Operations
For the Year Ended December 31, 2022 (Unaudited)

	2022	2021
REVENUE		
Advertising	\$ 247,095	\$ 255,308
Other	47,516	57,446
Subscriptions	32,468	31,201
	<u>327,079</u>	<u>343,955</u>
DIRECT EXPENSES		
Printing	190,139	184,199
Magazine Postage	69,017	65,845
Salaries and Employee Benefits	58,574	56,014
Travel and Promotion	10,887	4,293
Office Postage	1,119	944
Telephone	1,026	1,123
Amortization	400	-
Bank Charges	147	158
Office and Miscellaneous	75	77
	<u>331,384</u>	<u>312,653</u>
(Deficiency) Excess of Revenue Over Expenses	\$ (4,305)	\$ 31,302

CANADIAN SIMMENTAL ASSOCIATION
Schedule 3 - Young Canadian Simmental Association
Non-Consolidated Schedule of Operations
For the Year Ended December 31, 2022 (Unaudited)

	2022	2021
REVENUE		
National Classic	\$ 16,475	\$ 330
Auction	15,000	-
Online Auction	3,880	3,715
YCSA Admin Fee	3,820	3,500
Donations	-	3,000
	<u>39,175</u>	<u>10,545</u>
Direct Expenses		
National YCSA Show	16,413	1,780
Travel	9,630	1,238
National Board Jackets	444	-
Administration	239	22
Bank Charges	62	51
Advertising and Promotion	-	300
	<u>26,788</u>	<u>3,391</u>
(Deficiency) Excess of Revenue Over Expenses	\$ 12,387	\$ 7,154

ADVERTISING & PROMOTIONS

Committee Report 2023 Jennie Mutch, Committee Chair

It has been another strong year for Simmental breeders, and with markets approaching a record high range, we are set to experience a very prosperous fall. Many years of dedicated breeding and stewardship of our association has positioned Simmental as a true leader in the Canadian Beef industry.

The objective of the Canadian Simmental Association Board of Directors is to make decisions that keep the Simmental breed advancing and at the forefront of the Canadian beef industry. We are fortunate to have capable support staff that take the Board of Director's directions 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, Barclay Smith, Blair McIntosh, and Ben Farrant.

Initially, we reviewed and discussed our communication strategy. We continue to have steady engagement with our CSA E-Blast, which is emailed monthly. It is designed to keep members informed of CSA news and events; if you have something that you think should be circulated to the membership, please reach out to our office staff. In addition, our website and Facebook page are popular and informative communication platforms, which staff update regularly.

Our major publications, Simmental Country and Commercial Country are, as always, invaluable promotional tools for the CSA and its members. We are committed to producing a publication that champions our breed and that serves our members' marketing goals. Simmental Country reaches over 2,500 readers and our Commercial Country reaches over 14,000 readers. They remain prudent from a financial perspective; however, we are always trying to improve content and incentivize breeders to use it in their marketing plans. Through Simmental Country, we have started to highlight personal interest articles about people within our Simmental family. Thus far we have profiled Alexis Ashworth and Mackenzie Skeels. If you have any article suggestions, please let us know.

Our CSA promotional products have once again been updated. We have new hoodie styles and restocked vests, as well as travel mugs and water bottles. New items that you will soon see on our website are leather gloves, wine glasses, and luggage tags. Note that we continue to work with Mark's Work Warehouse to provide product discounts and embroidery services to CSA members.

Our Award of Excellence shows have been announced for 2023, and I would like to sincerely thank and recognize the work that Simmental exhibitors across our country do to promote the breed. Last year we introduced a belt buckle prize, graciously donated by Red Flame Ranch, for the Champion Male and Female of our AOE Shows, and this will continue for 2023.

RFID tag sales have been strong and as of May 31, 2023 over 127,075 blue tags have been sold. Blue tags be easily purchased by phone or online through the CCIA webstore. Additionally, the CSA has created half and quarter page advertisements that can be used by provincial associations or individual breeders to promote the use of blue tags. If you would like to use one of these advertisements on your website or print publications, please contact the CSA office.

Sue Giles is continuing to collect information on historical Simmental groups in Canada. If you have any information you would like to share, please let a member of our committee or the office staff know. Additionally, at our 2023 AGM we are continuing our CSA Legacy Media Project, with the aim of recording the thoughts of influential members of the Simmental community. On that note, if you have a nomination you would like to make for the Hall of Fame, the deadline is September 1. Nomination forms and criteria can be found on our website.

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 making Simmental the place to be!

BREED IMPROVEMENT COMMITTEE

2023 Report Scott Matthews, Committee Chair

"Strive for continuous improvement, instead of perfection" - Kim Collins
In, 2022-23, the Breed Improvement Committee (BIC) continued the path set by the past leadership of BIC Chair Roger Deeg. The valuable experience, honesty and commitment of Roger is imbedded in our group and we sincerely thank him for his dedication and passion. The BIC is currently comprised of the Scott Matthews (Chair), Shane Williams, Byron Johnson, Randy Noble, Garth Rancier, Ken Lewis, Marlin LeBlanc, Dr. Troy Drake, Rob Voice, and Jared Sherman and is supported by CSA Staff/Consultants: Sean McGrath, Bruce Holmquist and Barb Judd.

Many thanks to all the BIC committee members input, their ideas and their time. Also, thank you to Sean McGrath, whom, as our technical consultant works closely with the American Simmental Association on genetic development through data collection and EPD formulation. We are fortunate to have the level of knowledge and insight Sean can provide to us and continue to look for ways in which we can challenge and work with him to bring value to the members and our customers.

As in the past, our committee members and CSA staff have invested significant time into positioning the Simmental breed in the lead within the Canadian Beef Industry. The Canadian Simmental Association has a strong voice within the Canadian Beef Improvement Network (CBIN) and continues efforts to assist in its development. With our commitment to provide tools for value-based decision-making processes, efforts like CBIN are crucial. The BIC also takes time to analyze the data that is compiled by International Genetic Solutions (IGS) and the tools they provide. IGS is continually trying to provide tools and/or EPDs to help make decisions and this committee often reviews these suggestions and how they may apply

to our members and if they support our membership. One challenge all beef breed associations face is data collection. The BIC and CSA board has remained very committed to DNA collection and through the BIC and its valued guests, continue to suggest collecting DNA on cattle, submitting test requests to CSA or to simply build a Bio bank of DNA samples. We have initiated a discovery phase of collecting some carcass data from known parents with the goal of augmenting the volume of data we collect. We have asked Sean to continue to demonstrate which data submitted by our members can be utilized in our calculations through various communications. It is equally important to collect raw data on animals to help validate and support the Genomic tools that will lead us forward. In an effort to recognize those animals that have a 100K DNA test submitted and resulting genomic enhanced EPDs, we have begun to identify those individuals in our online database when searching pedigrees with a IGS logo.

Our breed is positioned extremely well within the industry and we want to continue to challenge our BIC and all members to help us find new ideas, tools and initiatives to engage with our customers in order to help them thrive as we enter a pivotal time in the Canadian beef industry. We are proud of where we are and want to continue the momentum.

Success is the sum of learning, training, instruction, experience and practice. With these words in mind, may we as a group forge forward and continue to build upon our strong base, to challenge ourselves to remain customer driven and to hold ourselves accountable for the responsibility of guiding the next generation on a healthy path.

CANADIAN BEEF BREEDS

Council 2023 Report Breeds

SANDY RUSSEL, CEO, 'CANADIAN BEEF BREEDS' COUNCIL

It has continued to be an extremely busy and exciting time for the Canadian Beef Breeds Council (CBBC) as we work to focus on our key priorities for the organization and ultimately drive value for our members by advancing the importance of genetics within the Canadian beef industry and translating those efforts into tangible outcomes. CBBC has undergone significant changes over the past year and a half in an effort to revitalize the organization and elevate our engagement and collaboration within the Canadian beef industry and that has driven positive growth and advancements on many fronts. One of the most recent changes is the addition of Carla Borsa as Executive Coordinator. Carla joined CBBC late in 2022 and has quickly become a critical piece of our organization. She has an extensive background in the beef industry and is the initial point of contact for our members. We look forward to her working with us as we continue to work to advance our overall service to our members.

If you haven't already noticed, CBBC has also rolled out a new updated look. As part of our efforts to revitalize the organization we are excited to have a refresh of our CBBC logo and rolling out a completely new and more accessible website. You will see our new logo throughout the industry on our new website that will be live the beginning of June. Watch for increased communications and more details as we share more on our social media channels throughout the summer and fall.

After a bit of delay, CBBC was thrilled to finally host the Beef Improvement Federation Symposium and Convention July 3-6 in Calgary and welcomed the opportunity to bring leading experts in beef cattle genetics from around the world to Canada to engage with Canadian beef producers. Last hosted in Canada in 2008, the event included a Young Producers Symposium, focused technical breakout sessions and various tours. It is always exciting to welcome international guests to see the Canadian beef industry first hand and build and renew international relationships.

CBBC has continued to actively 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 the unprecedented cross-sector collaboration of the Canadian Beef Improvement Network (CBIN) we continue to work to elevate the conversation of the importance role genetics plays in beef cattle sustainability. As with any large collaboration, there are always challenges

and unexpected learnings that you encounter through development. With that being said, CBBC and its collaborative stakeholders remain committed and focused on achieving the identified outcomes for the entire industry and driving results through our four stages of development:

1. Unify and standardize genetic data capture;
2. Facilitate the linkages of genetic data flow through the entire production chain;
3. Create trusted analytics and tools to translate genetic data into value; and
4. Enhance genetic literacy and knowledge transfer within the beef production system.

New development initiatives always require commitment to the process and the journey and the path to value creation for CBIN is no different. In the short time period that we have been actively developing CBIN the collaborative efforts of our participating stakeholders have reaped outcomes that include the development of a Genetic Data Strategy, completion of a prototype portal and advancement of the build of a foundational system for unifying and standardizing genetic data. We have also enabled unprecedented, industry-wide collaboration and attracted international interest from various participants in the beef cattle production system all while elevating the beef cattle genetics conversation and the role that the seedstock sector plays in the overall sustainability of the beef cattle industry.

Clearly, CBIN continues to advance and while progress may not always be as fast as some would like, awareness, industry support and collaboration has never been greater as it relates to beef cattle genetics and those are outcomes that we will continue to build upon to create success.

In the upcoming months, CBBC will remain focused on elevating the role of genetic advancements 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. We know there is much work that continues to need to be done but we remain committed to our focus of delivering outcomes for our members.

YOUNG CANADIAN SIMMENTAL ASSOCIATION

President's Report

It is with mixed emotions that I present to you my final annual President's report as the leader of the Young Canadian Simmental Association (YCSA). Over the past year, we have achieved remarkable milestones, organized successful events, and witnessed the continued growth and development of our association. I am incredibly proud of what we have accomplished together.

One of the highlights of the year was undoubtedly the YCSA National Classic, held in Manitoba in 2022. The event brought together passionate young Simmental enthusiasts from across the country, showcasing the exceptional talent and dedication within our association. Participants had the opportunity to compete, learn, and network, fostering lifelong friendships and connections within the Simmental community. I would like to extend my gratitude to the organizing committee, volunteers, and sponsors who made the event a resounding success.

Another highlight of the past year was the TEAM Conference held May 5 to 7, 2023 in Calgary, AB. We had a great mix of youth from across the country that took in the leadership weekend. The weekend was filled with great opportunities to build our leadership skills, network, learn from industry leaders and have some fun. Chip Kemp and Anne Burgess joined us throughout the weekend at different times and offered us different learning and growing opportunities. We were also privileged with being able to attend Jubilations Dinner Theater, tour Barr Ag Ltd, and do a little shopping at Irvine Tack & Western Wear. The National YCSA looks forward to hosting and growing this event in years to come.

Looking ahead, I am excited to announce that this year's YCSA National Classic, titled "Simmentals in Steeltown," will take place in Ancaster, Ontario. This highly anticipated event will provide a platform for our members to further enhance their skills, knowledge, and passion for the

Simmental breed. I have full confidence in the organizing team and am certain that they will deliver an unforgettable experience for everyone involved. I encourage each and every one of you to mark your calendars for this incredible gathering, which will undoubtedly contribute to the growth and development of our association.

As I reflect on my tenure as President, I am filled with gratitude for the support and dedication demonstrated by our members. The YCSA has flourished under your collective efforts, and I am proud to have been part of this journey. The Simmental breed holds a special place in my heart, and I am confident that the YCSA will continue to prosper and make significant contributions to the agricultural industry in the years to come.

I would like to express my heartfelt appreciation to the YCSA Board of Directors, and our incredible volunteers for their unwavering commitment and hard work throughout the year. Your passion and determination have been instrumental in the success of our association.

In closing, I would like to extend my sincere thanks to each and every member of the YCSA and CSA for your trust and support during my time as President. It has been an honor to serve you, and I am confident that the future of the YCSA is bright. Together, we will continue to advance the Simmental breed and empower young Canadian agricultural leaders.

Thank you once again for your dedication, and I look forward to presenting this report in person at the YCSA National Classic, "Simmentals in Steeltown," in Ancaster, Ontario.

Sincerely,

Katie Elmhirst

Outgoing President, Young Canadian Simmental Association

THE FRIENDS OF THE CANADIAN SIMMENTAL FOUNDATION

DRAFT MINUTES OF THE 12TH ANNUAL GENERAL MEETING

JULY 23, 2022, 2:05 PM CST, PORTAGE LA PRAIRIE, MANITOBA

PRESIDENT'S WELCOME AND CALL TO ORDER

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

- Welcome to everyone, and thanks for your attendance this weekend
- Special thank you to the Manitoba Association for hosting us

INTRODUCTION OF 2022 - 23 DIRECTORS AND EXECUTIVE COMMITTEE

- Nominated board members and executive committee were appointed at yesterday's FCSF board of directors meeting.
- Would like to acknowledge Brian Bouchard for all his efforts over his years on the board
- Re-elected for another 3-year term are Ken Lewis and Marlin LeBlanc, and newly elected is Lynette Hoegl.
- Our current board in attendance includes Garth Rancier President, Scott Matthews Vice-President, Mark Shologan Treasurer; Deanne Young, Marlin LeBlanc and Ken Lewis. Glenn Wotten and Roger Deeg are not able to be in attendance today.

APPROVAL OF AGENDA

- Agenda is included in CSA agenda on page 2 of AGM book

*MOTION: by Marlin LeBlanc, to approve agenda.
Second, Deanne Young
CARRIED*

APPROVAL OF THE 2021 ANNUAL GENERAL MEETING MINUTES

- Minutes located on page 31 of AGM book

*MOTION: by Garth Rancier, to approve the 2021 FCSF AGM minutes.
Second, Marlin LeBlanc
CARRIED*

PRESIDENT'S REPORT - KEN LEWIS

- Please read my report on page 33 at your leisure
- Last year the Crowe Brothers of Gilbert Plains, MB donated a heifer. We thank you for still offering to donate during a year of a virtual auction sale.
- This year we thank Everett Olson for his heifer donation
- Scholarships - encourage your youth to apply, we want to assist in educating our kids, we really want to grow it.

- We have matched money with CSA to help younger people for travel assistance to SimSTYLE, offer financial support to YCSA to members travelling from out of province plus give a percentage of the auction proceeds to YCSA to help support yearly activities.
- Legacy hall of fame recognition for contributors

*MOTION: by Daryl Snider, to accept the Friends of Canadian Simmental Foundation President's report as presented.
Second, Danny Skeels. CARRIED*

AUDITOR REVIEWED FINANCIAL STATEMENTS - MARLIN LEBLANC

Review engagement Report on page 34 - 42

- Would like to acknowledge Brian Bouchard who was prevalent in getting us involved in the Calgary Foundation, which is low risk and has worked into a position where we are paying for our scholarship with our investment earnings. This year we funded assistance for our younger members to attend SimSTYLE, YCSA members to attend this National Show, and will contribute to YCSA from tonight's auction proceeds.
- Have over \$611,000 invested at this time

*MOTION: by Brian McCarthy, to approve the FCSF 2021 reviewed financial statements as presented.
Second, Norbert de Rocquigny. CARRIED*

APPOINTMENT OF AUDITORS

*MOTION: by Marlin LeBlanc, to appoint BDO as auditors for the upcoming year end.
Second, Mark Shologan. CARRIED*

NEW BUSINESS

- President Ken Lewis asked to let us know of any requests to support individuals in need.
- A big part of YCSA's budget comes out of our donations.
- As an education component we have purchased a carcass model which we loan out to various youth organizations.
- Is there a plan to purchase another? The board will look into it.

MOTION: by Bonnie Glasman to adjourn the FCSF AGM meeting at 2:32 pm

FRIENDS OF THE CANADIAN SIMMENTAL ASSOCIATION

President's Report - Garth Rancier

2022 was a very successful year for the Friends of Canadian Simmental Foundation and it was nice to get back to some normalcy and be able to have a live auction again. Our major fundraiser was again the FCSF Auction that was held in Portage La Prairie, Manitoba. The sale was a huge success raising \$123,995, which is our second highest auction total to date.

We would like to thank all of the donators and purchasers at the FCSF Sale and everyone that supported the sale in any way. We would also like to thank Everett Olson of Downhill Simmentals for stepping up and donating the Lot 1 bred heifer that raised \$50,000 towards the auction proceeds.

During the YCSA National show in Portage La Prairie the FCSF presented \$15,000 from the auction proceeds to the YCSA for ongoing youth activities as well as another \$5,000 to help financially support the YCSA members with travel costs to get to Manitoba.

The FCSF was very pleased with the applications we received for the 2022 scholarships and we are very confident that the support we provide will play a significant role in assisting with our recipients education.

The Friends of Canadian Simmental Foundation Scholarships with a \$3,000 value were presented to Ariel Wilcox of Treherne, Manitoba and Brodyn

Labatte of Gladmar, Saskatchewan. The Dr. Dixon Memorial Scholarships with a value of \$2,000 each were awarded to Bailey McCormack of Grenfell, Saskatchewan and Hannah Derksen of Winkler, Manitoba. The Trevor Vance \$2,000 Scholarship was awarded to Jackson Corner of Caledonia, Ontario.

The FCSF is a not for profit foundation dedicated to youth development and breed research, advancing agriculture in Canada. All FCSF directors donate their time and travel. The FCSF would like to thank retiring Director Brian Bouchard for all of his commitment to the Foundation over the years. The FCSF Board of Directors is made up of our newest elected director; Lynette Hoegl as well as Marlin Leblanc, Roger Deeg, Ken Lewis, Glenn Wotten, Deanne Young, Shane Williams, Scott Matthews (Vice President), Mark Shologan (Treasurer), and Garth Rancier (President).

Lastly, we would like to thank the CSA office staff; Barb Judd, Stacy Price, and Bruce Holmquist who work with the Foundation on a day to day basis. We appreciate all that you do.

The 2023 Foundation Auction will be held on Saturday, August 5 in Ancaster, Ontario. We look forward to seeing everyone there!

FRIENDS OF THE CANADIAN SIMMENTAL ASSOCIATION

Financial 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, 2022 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, 2022 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.

BDO Canada LLP

Chartered Professional Accountants

June 8, 2023

903-8 Ave S W, Suite 620

Calgary, AB T2P 0P7

THE FRIENDS OF THE CANADIAN SIMMENTAL FOUNDATION - Statement of Financial Position
As at December 31, 2022 (Unaudited)

	2022	2021
ASSETS - CURRENT		
Cash & Cash Equivalents	\$ 30,295	\$ 4,195
Marketable Securities	45,277	-
GST Receivable	736	384
	<u>76,308</u>	<u>4,579</u>
Long-Term Investments (Note 3)	581,022	607,226
	<u>\$ 657,330</u>	<u>\$ 611,805</u>
LIABILITIES - CURRENT		
Accounts Payable and Accrued Liabilities	\$ 5,606	\$ 5,356
NET ASSETS		
General	651,724	591,457
Scholarships	-	14,992
	<u>651,714</u>	<u>606,449</u>
	<u>\$ 657,330</u>	<u>\$ 611,805</u>

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS

THE FRIENDS OF THE CANADIAN SIMMENTAL FOUNDATION - Statement of Operations
For the Year Ended December 31, 2022 (Unaudited)

	2022	2021
REVENUE		
Foundation Auction	\$ 124,505	\$ 64,747
Interest Income	7,114	14,422
Donations	701	75
	<u>132,320</u>	<u>79,244</u>
EXPENSES		
Sponsorship	20,000	-
Scholarships	12,500	14,000
Foundation Auction	8,601	6,737
Bank Charges	7,919	7,861
Professional Fees	5,996	5,445
Education	4,000	-
Advertising and Marketing	1,871	4,890
Donation	500	-
Scholarship Recognition Gifts	300	300
Office Supplies and Postage	66	48
Telephone and Conference Calls	56	83
	<u>61,809</u>	<u>39,364</u>
OTHER INCOME		
Realized Gain on Marketable Securities	2,853	20,788
Unrealized Gain on Marketable Securities	(28,089)	37,235
	<u>(25,236)</u>	<u>58,023</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 45,275</u>	<u>\$ 97,903</u>

THE FRIENDS OF THE CANADIAN SIMMENTAL FOUNDATION - Statement of Changes in Net Assets
For the Year Ended December 31, 2022 (Unaudited)

	General	Scholar- ships	2022	2021
Net Assets - Beginning of Year	\$ 591,457	\$ 14,992	\$ 606,449	\$ 508,546
Excess of Revenue Over Expenses	45,275	-	45,275	97,903
Internal Fund Transfer	14,992	(14,992)	-	-
Net Assets - End of Year	<u>\$ 651,724</u>	<u>\$ -</u>	<u>\$ 651,724</u>	<u>\$ 606,449</u>

**THE FRIENDS OF THE CANADIAN SIMMENTAL FOUNDATION - Statement of Cash Flows
For the Year Ended December 31, 2022 (Unaudited)**

	<u>2022</u>	<u>2021</u>
OPERATING ACTIVITIES		
Excess of Revenue Over Expenses	\$ 45,275	\$ 97,903
Items not Affecting Cash:		
Unrealized Loss on Marketable Securities	28,089	(37,235)
Gain on Marketable Securities	<u>(2,853)</u>	<u>(20,788)</u>
	<u>70,511</u>	<u>39,880</u>
Changes in Non-Cash Working Capital:		
Accounts Payable and Accrued Liabilities	250	(480)
GST Receivable	<u>(352)</u>	<u>(226)</u>
	<u>(102)</u>	<u>(706)</u>
Cash Flows From (Used) Operating Activities	<u>70,409</u>	<u>39,174</u>
Investing Activity		
Proceed (Purchase) of Investments	<u>(44,309)</u>	<u>(42,819)</u>
Cash Flows Used by Investing Activities	<u>(44,309)</u>	<u>(42,819)</u>
Decrease in Cash and Cash Equivalents	<u>26,100</u>	<u>(3,645)</u>
Cash and Cash Equivalents - Beginning of Year	<u>4,195</u>	<u>7,840</u>
Cash and Cash Equivalents - End of Year	<u>\$ 30,295</u>	<u>\$ 4,195</u>

**THE FRIENDS OF THE CANADIAN SIMMENTAL FOUNDATION - Notes to Financial Statements
For the Year Ended December 31, 2022 (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.

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.

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.

3. Long-term investments

Calgary Foundation

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

4. 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, 2022.

4. Financial instruments (continued)

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.

	<u>2022</u>		<u>2021</u>	
	\$	581,022	\$	607,226

(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.

2021 - 2022 ACTIVE MEMBERS

LIFE, ANNUAL AND YCS

As of December 31, 2022

Province	2021				2022			
	Life	Annual	YCS	Total	Life	Annual	YCS	Total
British Columbia	38	10	8	56	38	10	10	58
Alberta	388	86	155	629	412	92	177	681
Saskatchewan	216	52	70	338	217	21	89	357
Manitoba	152	18	32	202	160	18	46	224
Ontario	183	70	82	335	195	77	106	378
Nova Scotia	18	12	13	43	9	9	2	20
New Brunswick	7	8	2	17	9	9	2	20
P.E.I.	12	6	3	21	12	6	6	24
Newfoundland	3			3	3	1		4
USA & Foreign	5	6		11	5	3		8
Total	1082	306	381	1769	1134	319	471	1924

2018 - 2022

TOTAL HERD ENROLLMENTS BY PROVINCE

	2018	2019	2020	2021	2022
Province					
British Columbia	917	871	941	995	1077
Alberta	16118	16458	15920	16712	17181
Saskatchewan	10351	10420	11141	11038	10833
Manitoba	4745	4710	5154	5377	5601
Ontario	1524	1614	1625	1553	1654
Quebec	1053	1014	964	1026	1176
New Brunswick	152	138	126	1118	133
Nova Scotia	85	77	67	84	90
P.E.I.	61	67	45	57	60
Newfoundland				10	
Total	35,006	35,369	35,983	37,970	37,805

2018 - 2022
REGISTRATIONS BY PROVINCE

	2018		2019		2020		2021		2022	
Province	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
British Columbia	203	291	293	250	285	357	458	440	267	349
Alberta	3969	5502	4215	5220	4520	5569	4869	5566	4586	5425
Saskatchewan	2886	3657	3110	3573	3385	3932	3276	3858	3153	3822
Manitoba	1459	1906	1266	1825	1480	2149	1388	2064	1404	1789
Ontario	371	988	288	872	290	867	317	899	359	1069
Quebec	326	503	284	453	343	509	336	527	339	601
New Brunswick	11	29	23	61	15	27	21	40	38	46
Nova Scotia	38	92	46	155	55	90	70	109	65	175
P.E.I.	9	35	29	38	20	51	24	44	21	45
Newfoundland									1	
USA & Foreign	19	65	46	52	51	68	31	56	22	34
	9291	13068	9600	12599	10444	13619	10790	13603	10255	13355
Total	22,359		22,199		24,063		24,393		23,610	

2018 - 2022
TRANSFERS BY PROVINCE

	2018		2019		2020		2021		2022	
Province	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
British Columbia	132	22	148	27	147	114	203	42	182	31
Alberta	2398	1426	2395	1627	2544	2102	2899	1829	2521	1673
Saskatchewan	1767	734	1959	931	1881	1261	2006	1176	1684	1314
Manitoba	911	619	859	763	845	548	933	1086	891	618
Ontario	144	568	118	517	118	516	140	534	134	558
Quebec	159	186	162	180	188	237	205	187	215	201
New Brunswick	19	1	16	17	12	19	11	15	17	10
Nova Scotia	25	37	30	50	23	49	47	41	32	50
P.E.I.	18	11	9	17	16	19	14	25	14	10
Newfoundland								4	1	4
USA & Foreign	6	25	19	72	27	79	26	80	23	56
	5579	3629	5715	4201	5801	4944	6484	5019	5714	4525
Total	9,208		9,916		10,745		11,503		10,239	