



1996 ANNUAL REPORT



CANADIAN ANGUS ASSOCIATION ANNUAL REPORT

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CANADIAN DIRECTORS

BRITISH COLUMBIA	Robert McHaffie
ALBERTA	Jim Round Lori Goodrich Doug Allen Mabel Hamilton Alan Sander
SASKATCHEWAN	Barney Creech Neil Carruthers
MANITOBA	Blaine Canning
ONTARIO	Gary Harron Eric Rincker
QUEBEC	Stan Christensen
MARITIMES	Harold Nielsen

ASSOCIATION STAFF

Doug Fee - General Manager
Maureen Armitage - Accountant/Office Manager
Mary Westman - Breed Development Coordinator
Penny Young - Registrar
Sharmayne Byrgesen - Assistant Registrar
Wendy Krueger - Secretary/Receptionist

PROVINCIAL REPRESENTATIVES

<u>PRESIDENT</u>	<u>SECRETARY</u>	<u>AGM REPRESENTATIVE</u>
British Columbia Jack Brown	Marjorie Savage	Jack Brown
Alberta Lauris Beck	Shella Page	Lauris Beck
Saskatchewan John Bruce	Belinda Wagner	Belinda Wagner
Manitoba Lyaill Edgerton	Ione Anderson	Lyaill Edgerton
Ontario Don Fraser	Diane Miller	Don Fraser
Quebec Stan Christensen	Claude Lavelle	Stan Christensen
Maritimes Peter Estabrooks	Betty Lou Scott	Betty Lou Scott

QAA'S 1997 BOARD OF DIRECTORS

President	Don Fraser - Lyn, ON
Vice-President	Jim Wilkins - Woodstock, ON
Past President	Lawrence Avery - Blackstock, ON
Canadian Directors	Gary Harron - Allenford, ON Eric Rincker - Sunderland, ON
Directors	Jeff Bailey - Perth, ON Ross Bailey - Port Perry, ON Allan Hargrave - Proton Station, ON Al Hartford - Glencoe, ON Bill Jackson - Caledon East, ON Ted Kirk - Port Perry, ON Larry Kraus - Gowanstown, ON Patty Lasby - Campbellville, ON Hank Van't Slot - Woodlawn, ON Philip Wallace - Fergus, ON

CAA AGM Organizing Committee

Chairperson	Bill Jackson
Chairperson	Jim Wilkins
Members	Patty Lasby Dianne Miller Don Fraser Larry Kraus Glen Copeland Mary Hudson Sylvia Jackson



Financial Statements of

CANADIAN ABERDEEN ANGUS ASSOCIATION

Year ended December 31, 1996



KPMG
Chartered Accountants

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Calgary Alberta T2P 4B9

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AUDITORS' REPORT TO THE MEMBERS

We have audited the balance sheet of the Canadian Aberdeen Angus Association as at December 31, 1996 and the statements of operations and fund balance (operating fund) and fund balance (capital and special purpose fund) for the year then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 1996 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

KPMG

Chartered Accountants

Calgary, Canada
February 19, 1997

CANADIAN ABERDEEN ANGUS ASSOCIATION Balance Sheet

December 31, 1996, with comparative figures for 1995

	1996	1995
Assets		
Operating Fund:		
Current assets:		
Cash and term deposits	\$ 135,238	\$ 79,661
Marketable securities, at cost	50,000	69,191
Accounts receivable	64,415	8,593
	<u>249,651</u>	<u>147,465</u>
Capital assets (note 2)	158,992	144,803
	<u>408,643</u>	<u>292,268</u>
Capital and Special Purpose Fund:		
Term deposits, at cost plus accrued interest	-	26,750
	<u>\$ 408,643</u>	<u>\$ 319,018</u>

Liabilities and Fund Balances

Operating Fund:

Current liabilities:

Accounts payable and accrued liabilities	\$ 44,948	\$ 87,387
Members accounts	94,377	107,812
Due to Canadian Angus Foundation Inc. (note 3)	2,691	-
	<u>142,016</u>	<u>195,199</u>

Fund balance	266,627	97,069
	<u>408,643</u>	<u>292,268</u>

Capital and Special Purpose Fund:

Fund balance	-	26,750
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Commitments (note 4)

\$ 408,643 \$ 319,018

See accompanying notes to financial statements.

On behalf of the Board:

Gary Harrison President
[Signature] General Manager

CANADIAN ABERDEEN ANGUS ASSOCIATION

Statement of Operations and Fund Balance (Operating Fund)

Year ended December 31, 1996, with comparative figures for 1995

	1996	1995
Revenue:		
Registration, membership and transfer fees	\$ 995,993	\$ 1,028,121
Bloodtyping	83,455	-
Grants	30,822	9,368
Interest and other	21,189	20,473
Licensing revenue	13,244	-
Adjustment on sale of Angus Times	-	(5,240)
	<u>1,144,483</u>	<u>1,052,722</u>
Expenses:		
Wages and employee benefits	268,960	174,807
Office	166,609	88,231
Advertising	141,297	67,884
Provincial activity grants	87,696	90,736
Blood typing costs	68,068	-
Subscriptions and memberships	62,521	62,604
Directors and committees	57,982	67,478
Travel	40,056	43,908
Registry costs	20,329	-
Genetic evaluations	18,744	-
Professional fees	14,335	13,447
Bank charges	6,880	1,784
Field service	3,626	284
Miscellaneous	1,181	2,751
CLRC processing levy	789	346,761
PEMD expenses	-	6,798
Depreciation	43,436	22,792
	<u>1,002,509</u>	<u>990,265</u>
Excess of revenue over expenses	141,974	62,457
Fund balance, beginning of year	97,069	34,612
Transfer from Capital and Special Purpose Fund	27,584	-
Fund balance, end of year	\$ 266,627	\$ 97,069

See accompanying notes to financial statements.

CANADIAN ABERDEEN ANGUS ASSOCIATION

Statement of Fund Balance (Capital and Special Purpose Fund)

Year ended December 31, 1996, with comparative figures for 1995

	1996	1995
Fund balance, beginning of year	\$ 26,750	\$ 25,000
Interest earned	834	1,750
Transfer to Operating Fund	(27,584)	-
Fund balance, end of year	\$ -	\$ 26,750

See accompanying notes to financial statements.

CANADIAN ABERDEEN ANGUS ASSOCIATION

Notes to Financial Statements

Year ended December 31, 1996

1. Significant accounting policies:

(a) Incorporation:

The Association is incorporated under the Animal Pedigree Act.

(b) Fund accounting:

The Association has used accounting procedures in which a self-balancing group of accounts is provided for each accounting entity established by legal, contractual or voluntary action. Up to December 31, 1996 the Association had two funds, the Operating Fund and the Capital and Special Purpose Fund. On that date the latter fund was terminated and its assets were transferred to and amalgamated with the former.

(c) Depreciation:

All capital assets are depreciated on a straight-line basis over their estimated useful lives, being five years.

(d) Member accounts:

Credit balances in member accounts are included in revenue when the individual account has been inactive for five years.

2. Capital assets:

	1996		1995	
	Cost	Accumulated depreciation	Net book value	Net book value
Computer hardware	\$ 86,410	\$ 47,229	\$ 39,181	\$ 47,002
Computer software	123,501	26,232	97,269	69,191
Furniture and equipment	37,118	14,576	22,542	28,610
	\$ 247,029	\$ 88,037	\$ 158,992	\$ 144,803

3. Canadian Angus Foundation Inc.:

The Canadian Angus Foundation Inc. operates, as a registered charity, to receive donations for purposes of funding (a) scholarships and (b) the preservation of Association archives.

CANADIAN ABERDEEN ANGUS ASSOCIATION

Notes to Financial Statements

Year ended December 31, 1996

4. Commitments:

The Association is committed under leases for office space and equipment over the next four years as follows:

1997	\$ 41,488
1998	37,282
1999	34,343
2000	34,343

The Association is committed to capital expenditures for the continuing development of its computer software system. Such expenditures are estimated at \$10,000 in 1997 and \$10,000 in 1998. The Association is also committed under a five-year maintenance contract with respect to the software system with annual payments of \$26,000 which began in 1996.

The Association has committed to purchase for its members subscriptions to the Angus World magazine over the next four years with estimated annual payments of \$50,000 per year.

5. Statement of changes in financial position:

A statement of changes in financial position has not been provided as it does not provide meaningful additional information.

PRESIDENT'S REPORT

Gary Harron

Angus Breeders and the Canadian Angus Association took a giant step forward in 1996. We set new records for registrations, memberships and transfers. The acceptance of Angus and Angus cross-bred cattle reached an all time high in commercial cattle circles. The reason: Angus cattle have the ability to consistently produce high quality, high yielding carcasses. Taste and tenderness on a consistent basis is clearly what the consumer wants.

I firmly believe that producing what the consumer demands will propel the Angus breed to even greater heights. The Canadian Angus Beef™ (CAB) program is expanding rapidly and will be the engine that drives the breed in this expansion era on into the year 2000 and beyond. The Association is placing more emphasis on the CAB with encouraging results. I believe we must now emphasize quality control at the packer level to ensure the product reaching the consumer is of a high quality, and that packers and purveyors are compliant with our regulations.

It has been gratifying this past year to see first hand the enthusiasm breeders of Angus cattle from coast to coast are showing. The cattle exhibited at the various shows were much thicker and meatier than five years ago which leads to higher quality carcasses and a higher acceptance by the commercial cattle industry.

In order to move our breed forward, your Board of Directors placed emphasis this past year on:

- 1) An expanded and improved advertising program
- 2) Changing our performance data base in line with the USA in an attempt to achieve a higher out-of-country acceptance of Canadian performance records
- 3) The expansion and promotion of the Canadian Angus Beef™ program

I attempted to attend as many Angus events this past year as possible and would like to thank the breeders across the country for the reception I received and for their constructive criticism and ideas that they felt would help improve the efficiency of our association. I can assure you the Board of Directors and staff do take your comments seriously.

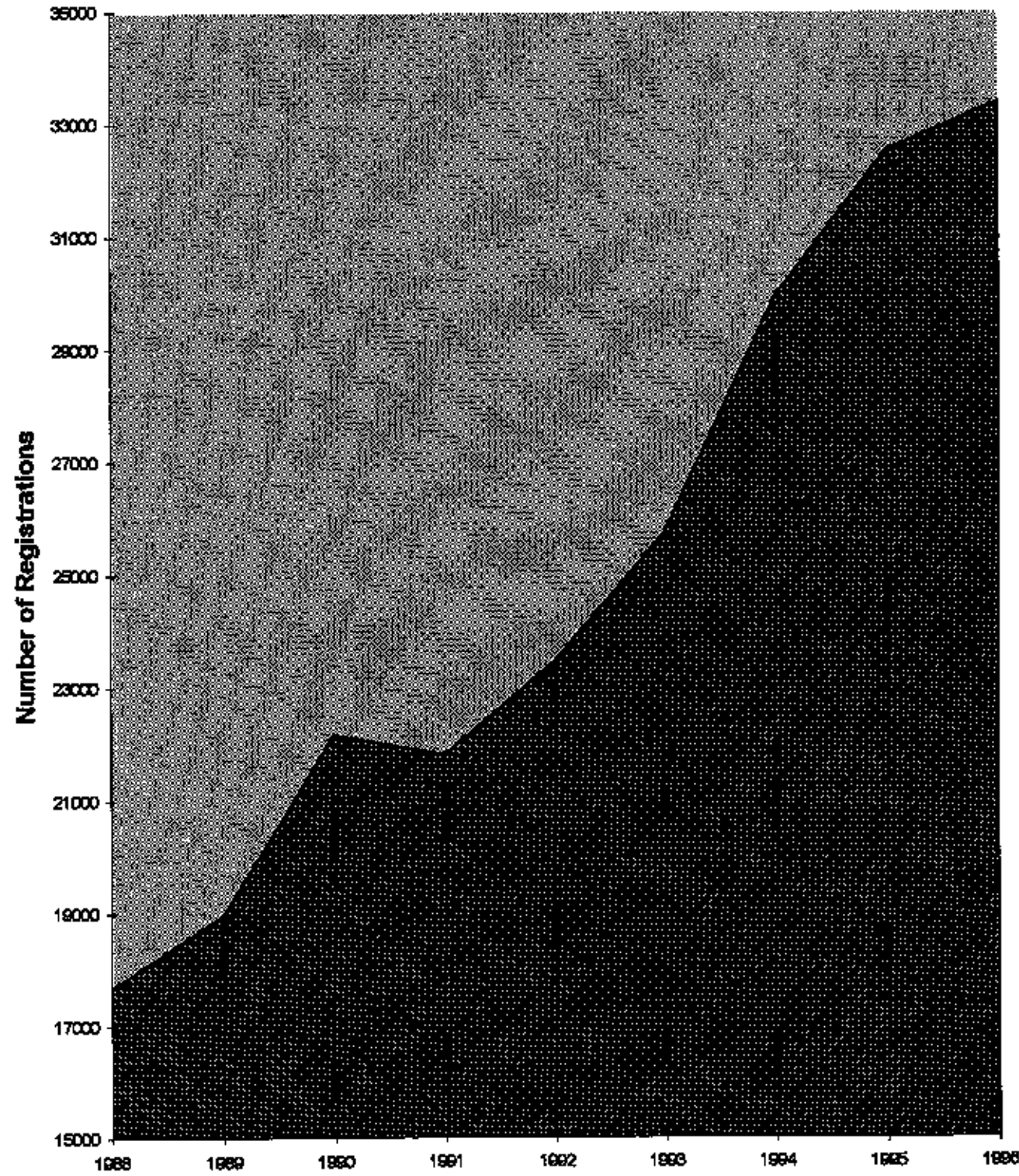
While there was a "learning curve" at the outset of processing our registrations and transfers in-house, resulting in some mistakes and delays, I am pleased how our staff caught on, are working very hard and are now achieving same day turnaround in record numbers.

During my term as president, I have been impressed with the management style of Doug Fee. He has the ability to listen, assess the situation, then act. He has the confidence of the Board of Directors and appears to have the respect of his staff. This has led to improved efficiency in our office.

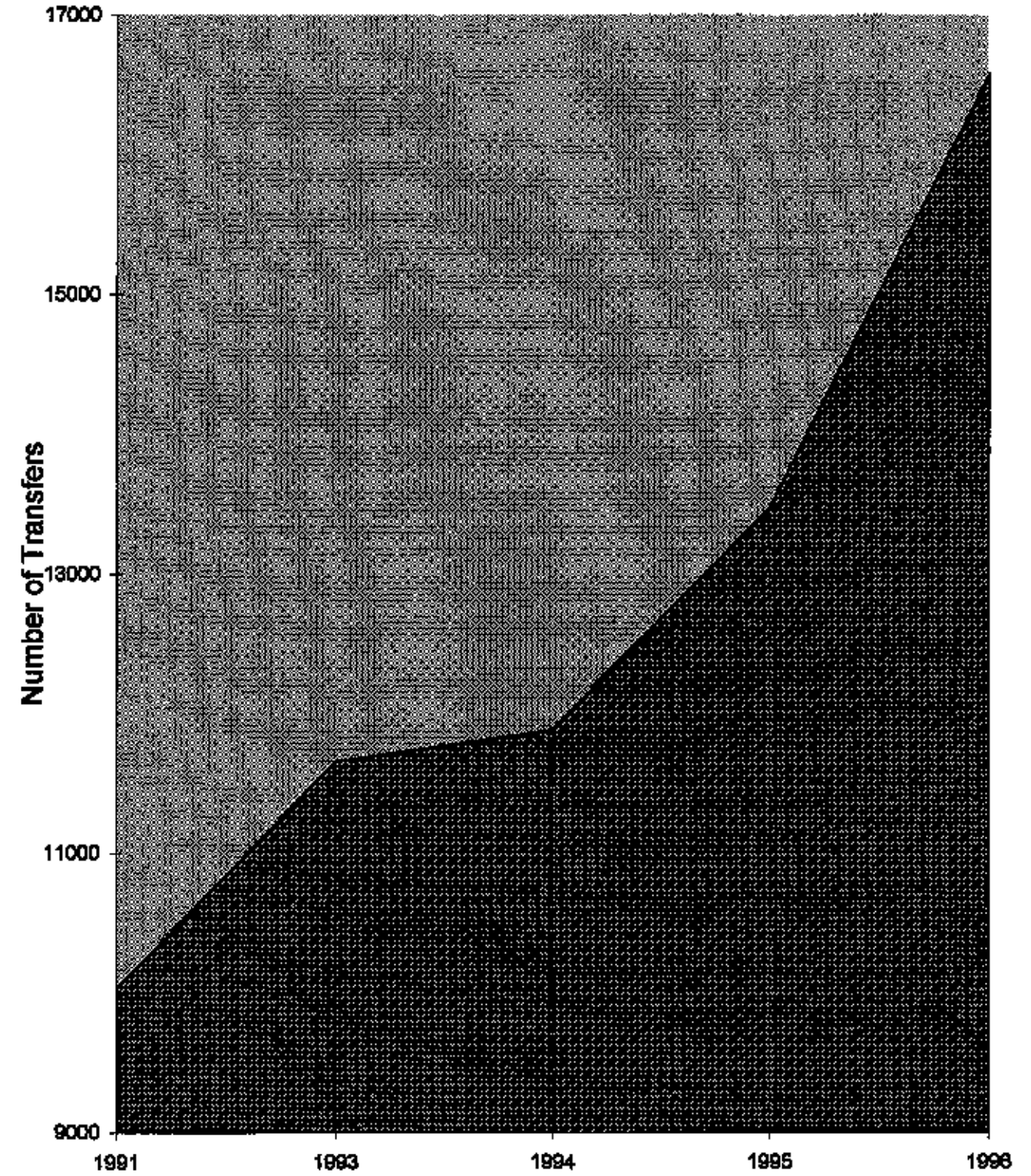
I was impressed this past year with the dedication and sincerity of your Board of Directors. While there are differing opinions expressed on various matters, sometimes based on regional differences, once voted on, the majority rules as they should in any democracy, and the Board carries on. This Board has emphasized an "open door" policy so that the business of the Association is up front and visible to the members that are paying the bills.

It is gratifying to leave the office as president with our finances in excellent shape and the breed setting new records. I hope I have played some small part in this success. I want to take this opportunity to thank the Canadian Angus breeders for giving me the opportunity to serve as your president. It was both a pleasure and an honour. Together we can move the Angus breed to a dominant position in Canadian commercial cattle herds.

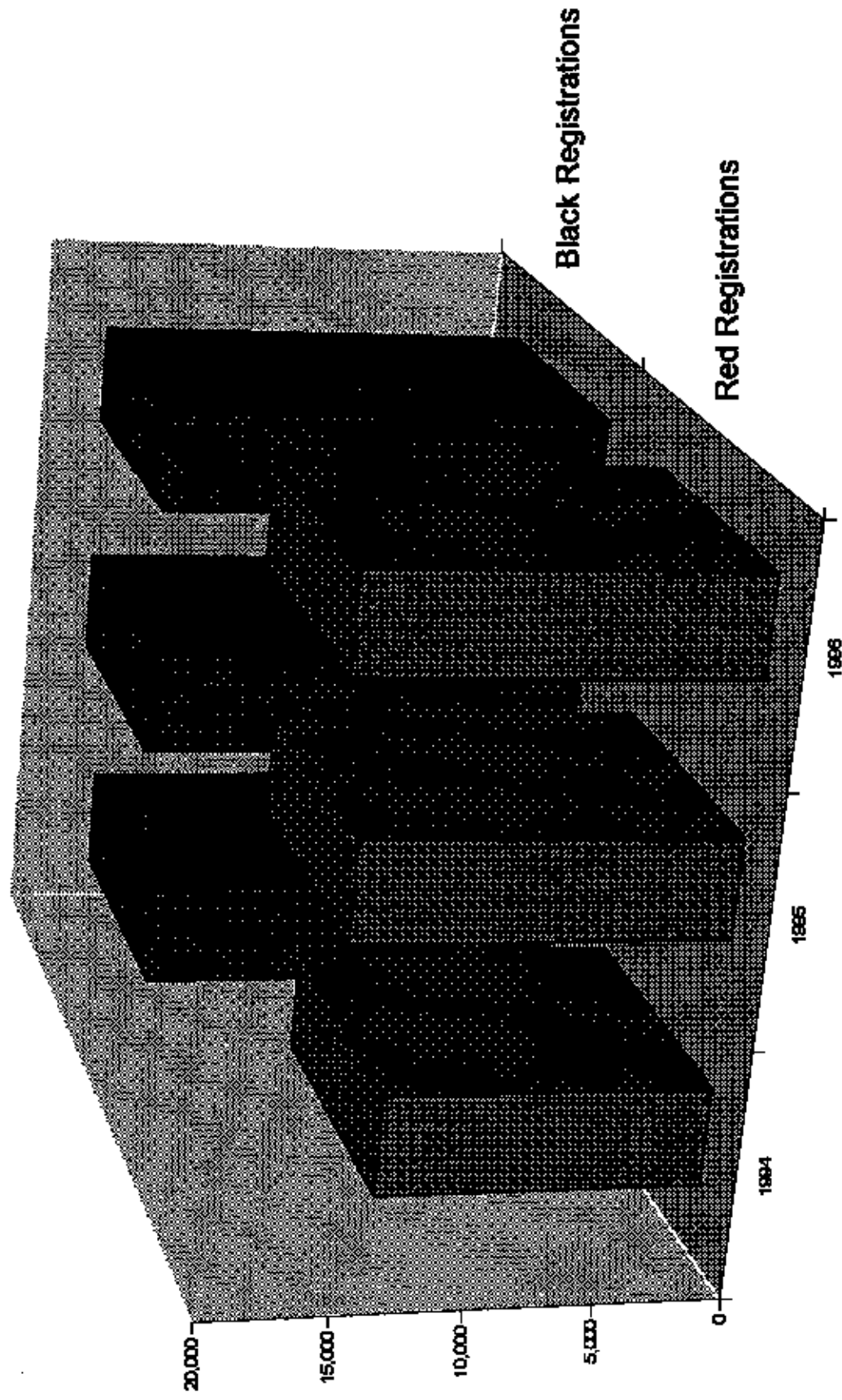
1996 - Another Record Year for Registrations



TRANSFERS INCREASE Angus Papers Are Valuable!



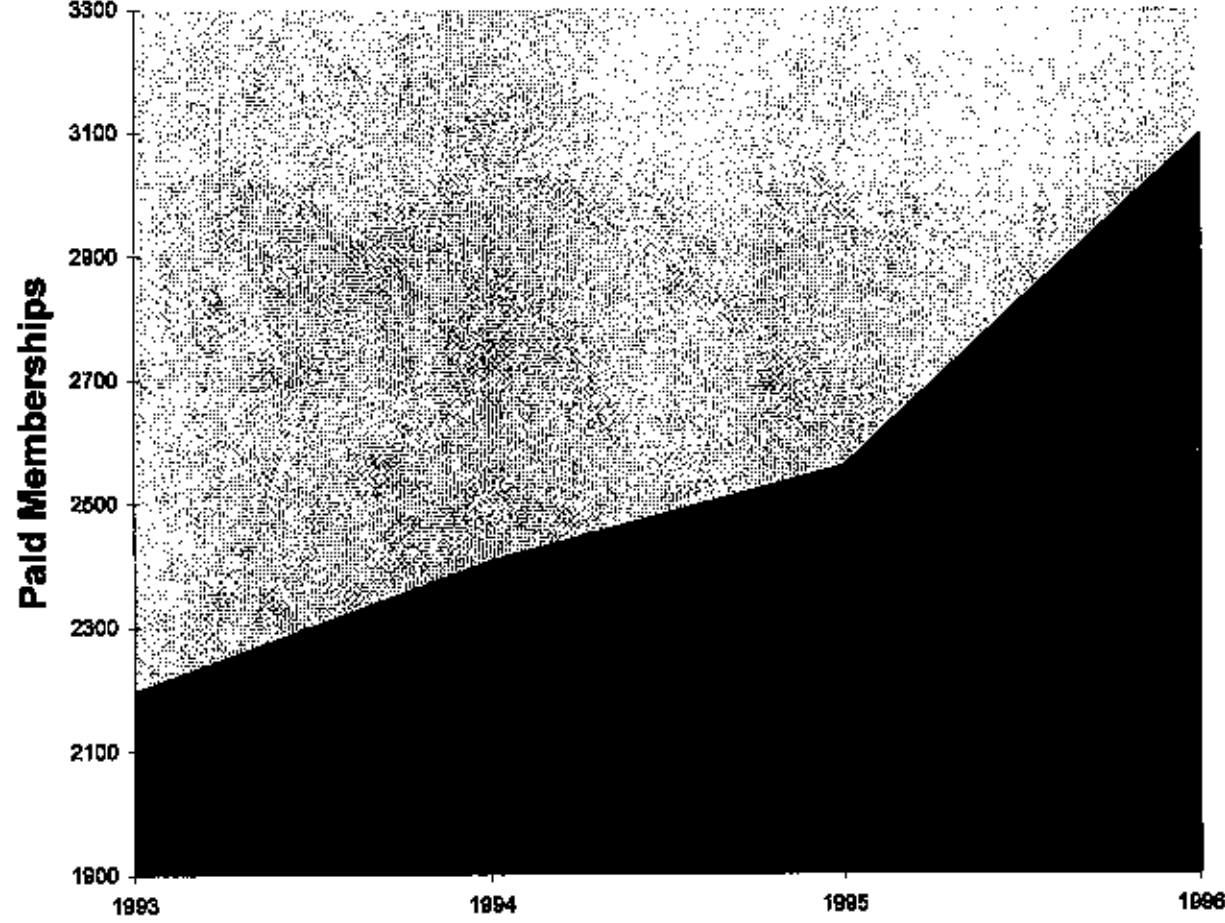
Red and Black: The Trend is UP!



Registrations by Region								
	BC	AB	SK	MB	ON	PQ	MAR	OTHER
1996	1844	16,615	9752	2487	1670	509	172	339
1995	2034	16,380	9354	2274	1681	329	157	54
1994	1842	15,228	8533	2048	1735	277	208	55
1993	1375	12,859	7663	1802	1550	301	159	56

Transfers by Region								
	BC	AB	SK	MB	ON	PQ	MAR	OTHER
1996	798	6122	4148	763	1023	180	98	-
1995	801	6819	3791	814	1017	132	86	7
1994	769	7176	3698	827	1044	205	113	12
1993	845	5523	3294	785	1033	104	69	4

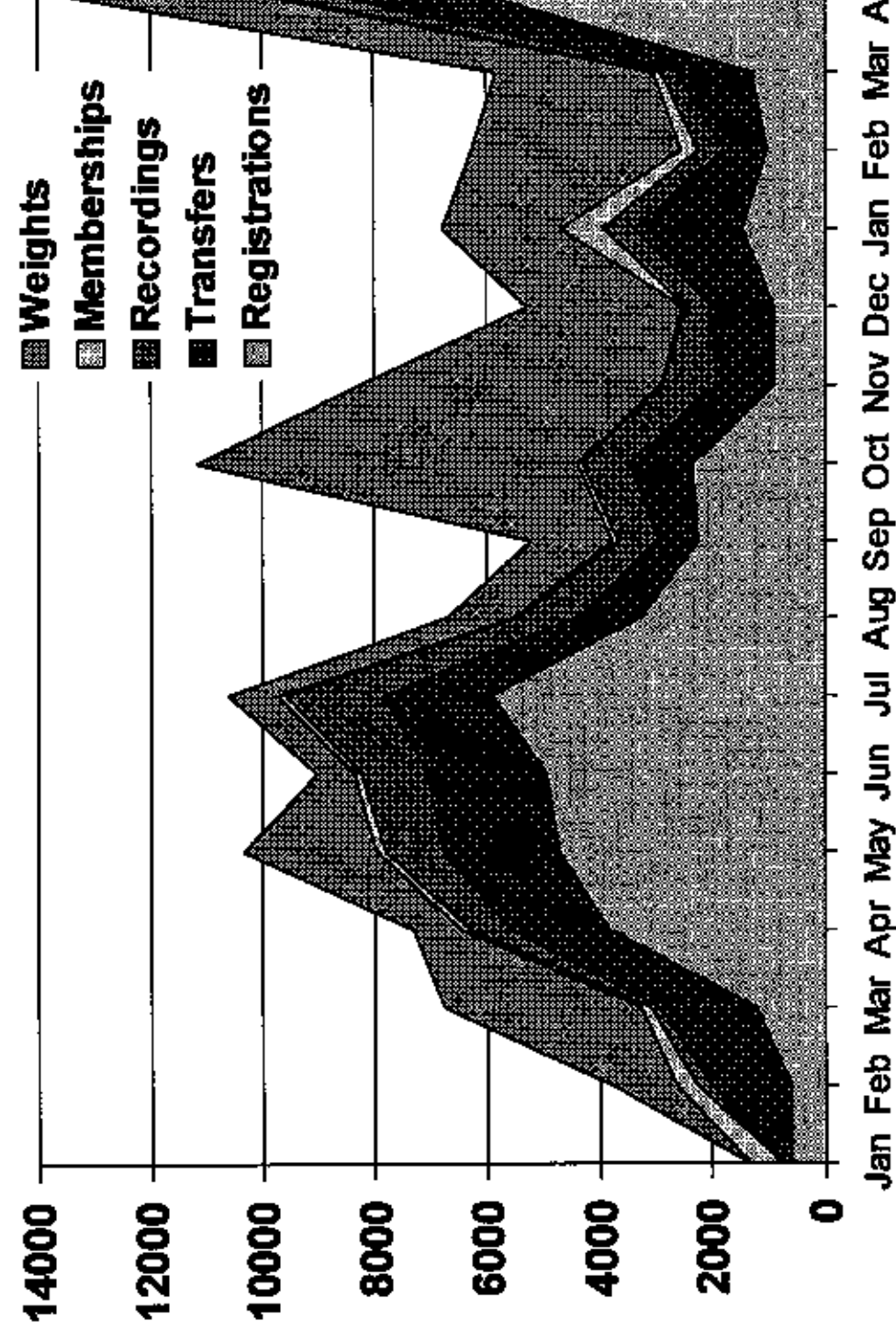
Angus Membership Growing



Memberships by Region

	BC	AB	SK	MB	ON	PQ	MAR	OTHER
1996	235	1290	782	232	370	71	91	22
1995	184	1085	614	197	325	58	65	20
1994	174	1014	586	192	316	51	83	18

YOUR CAA OFFICE KEEPS BUSY Changes in Work Flow Jan '96 to April '97



Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar Apr

GENERAL MANAGER'S REPORT

Doug Fee

1996 was the ninetyeth anniversary of our Association and we have grown with the country. Two constants remain from the founding days of the Canadian Aberdeen Angus Association. They are the pride of the membership and the quality of the breed of cattle we raise and register.

Volume One of the Aberdeen Angus Herd Book records 2,693 bulls and cows and list 700 breeders and owners, many of whom resided in either the U.S. or Scotland. Actual membership in Canada was 149.

The past year was an exciting and active one as our Association undertook two ambitious projects. We assumed responsibility for our own registry from Canadian Livestock Records and the Genetic Evaluation of Angus cattle from Agriculture Canada.

Registrations reached an all-time record high of 33,388 and transfers of registered animals also set a new record of 16,567. Almost six hundred new memberships were sold to Canadian Angus breeders in the year. All of these combined support the fact that our breed is on the move and that move is up.

In-House Registry

The decision to leave Canadian Livestock Records Corporation, which had been our Registrar for ninety years was not taken easily. Many members had emotional ties to CLRC and CLRC had provided a stable and reliable service.

Our first year of operation was successfully completed with only a few minor problems. Our registry costs were significantly lower, enabling the Association to provide enhanced services at no cost and allowed us to complete the year with a significant budgetary surplus. The staff is aware of a few "glitches" in our first year and Registrar Penny Young and Assistant Registrar Sharmayne Byrgesen are very appreciative of the numerous compliments received on the improved service and faster turnaround.

Performance

The major reason for bringing our registry in-house was to enable us to combine our pedigree information with our performance program. Mary Westman, our Breed Development Coordinator, spend several months integrating the data and correcting the numerous errors in the historical database. We now have the most accurate Angus database ever in Canada.

Our new registry forms make it much easier to submit weights and this has resulted in an increase of close to 100% in the number of weaning weights submitted. This is a second significant factor that contributed to the 1997 Sire Summary being the most accurate Angus Genetic Evaluation ever.

The Association met on several occasions with our sister associations in the United States. Our objective of working together to compute a single North American Angus Evaluation was not achieved, but our 1997 Sire Summary was divided into two parts, Red and Black, with the data in

each being converted to the same base and scale as the corresponding American association. This has proven very popular.

Blood Tests

Our regulations require one "spot test" be performed on every 500th animal registered. These spot tests require parentage verification and blood typing of the calf, as well as the sire and dam. In 1996 only one animal so designated did not qualify. In this case, the calf was reported as "dead" before the tests were done and we were unable to verify parentage. Every other test proved the parentage as stated.

The Association policy of blood typing has resulted in considerable work by our members, but has also increased the accuracy and reliability of our registry. 2462 animals were blood typed in 1996. Most of these were done at a reduced rate because members took advantage of our new ability to transfer information electronically to the blood lab.

The blood lab identified 22 problems in the year, all of which were corrected when breeders referred back to their breeding records. Three involved identification of non-standard Angus blood characteristics.

New Services

In efforts to improve communication, the Association issued two newsletters to all members in 1996 and also sent two promotional mailings to our commercial customers. Our commercial mailing was sent to 2600 non-members who had purchased a registered Angus animal and had the papers transferred to them.

The Association also printed and distributed a loose-leaf handbook to our entire membership as they renewed their membership in 1996.

Two videos were prepared and have been available for distribution. A domestic video, five minutes in length, was prepared to promote Angus to commercial cattlemen in Canada. The second ten-minute video was developed for export promotion and is available in three languages, Chinese, Spanish and Portuguese, in addition to English.

To facilitate communication with this office, a toll-free number was installed and has proven popular.

Conclusion

Your office in Calgary has a staff of six people who are there to serve you and the Board of Directors. We are all excited to be working for the Angus breed and this Association.

Our breed is well positioned to take advantage of changing consumer demand for meat products. Our more moderately framed animals and the Angus genetic predisposition to marbling will provide the quality and size of product in demand. Our outlook has never been better and I am extremely optimistic about Angus cattle and our Association in the foreseeable future.

FINANCE REPORT

Robert McHaffie, Chairman

1996 turned out to be a good one for the Association financially. At last year's annual meeting, we presented a deficit budget, based on extra expenses expected to arise from our first year of operating an in-house registry. Happily, this scenario was overly pessimistic and, in fact, we ended 1996 with a healthy surplus of \$140,000.

The audited financial statements of the Association are included in this package in some detail and I urge you to review them on your own.

Your package also includes an outline of the budget for 1997. For the most part, it mirrors revenues and expenditures for 1996 with a few notable exceptions.

Revenues are based upon a modest 3% increase in registrations and transfers. We expect that the positive trend of the last few years will continue in this area, and that this increase may be somewhat conservative.

On the expenditure side, the biggest increase is in the advertising and promotions budget. This is in response to requests from the membership; please look at our capable committee chairman's report for more detail on the promotions priorities that have been set for this year.

Another new expenditure for 1997 is the toll-free line installed in late 1996 for the use and benefit of members across the country. As knowledge of this service grows, so does the size of the bills, but your Board of Directors believe that it is a worthwhile service to maintain, as long as the expense does not spiral out of control.

For the long term, the committee is looking at investing our surplus with an eye to the future and the eventual need to upgrade our capital investment in the registry.

The very positive financial picture made it an enjoyable experience working on the money matters of the Association and I extend my thanks to fellow committee members, Lori Goodrich and Blaine Canning, as well as all members of the Board for their input during the past year.

EXPORT DEVELOPMENT REPORT

Jim Round, Chairman

The growth of interest in Canadian Angus genetics extends beyond the border of Canada and the role of our Export Development committee is to facilitate this interest and encourage the promotion and sale of our seedstock around the world. In 1996, we saw Canadian Angus exported to eastern Europe, the United Kingdom, Asia, Australia, South America and the United States.

The Association was not directly involved in any of these sales, but we did work with several export companies and assisted by providing a ten-minute video tape promoting Canadian Angus genetics. The tape has been formatted to run on the Canadian PAL system as well as in the international NTSC format. We have had it translated into three languages: Spanish, Portuguese, and Chinese, recognizing the three largest areas of interest in the non-English speaking portions of the world.

In addition to our video, the second most requested piece of information is our annual Sire Summary, which has been sent to an extensive mailing list, including our sister associations around the world and all recognized companies actively promoting and exporting Angus genetics. Our committee members did contribute to last year's decision to move our genetic evaluation base from the three-year rolling average to a North American standard similar to the American Angus Association. Every comment we've received on the change has been positive and should have a positive effect on the acceptance of Canadian genetics around the world.

During 1996, the Association hosted several international visitors. Four separate delegations from China have attended our office, one large group from the Czech Republic and others from the United Kingdom, Australia, Brazil and Venezuela. The Minister of Agriculture and a Senator from Pakistan spent a week in western Canada. We made our Association van available to them along with information on our entire Canadian membership.

One of the more significant gestures that our committee was involved in during 1996 was in conjunction with the entire Board of Directors. We hosted the Board of Directors of the American Angus Association at a meeting and social during the Calgary Stampede. The interaction was viewed positively by both Associations and contributed to an improved relationship between our two Associations.

The Export Development committee has some challenges for 1997 and have identified a few projects. We have asked to have our literature translated into Chinese, Spanish and Portuguese to go along with our video. There have been two requests to help set up breed registries in other countries that would use Canadian Angus genetics as a base for their own Herd Book. Another major project is to encourage the best possible representation at the World Angus Forum in Australia in the fall of 1997.

Our committee this year was small. In addition to myself, there were only two other members: Doug Allen and Harold Nielsen. I appreciate their ideas and support.

CANADIAN ANGUS BEEF REPORT

Gary Harron, Chairman

1996 was a significant year for our branded beef program. It saw us expand from a small niche market in the Toronto area with one packer and one distributor to four distributors and two packers shipping as far east as the Maritimes.

Interest in our program continues to grow and will see at least one and probably two western packers join the program in 1997. Two distributors are already active in Alberta. The potential for our product is exciting.

In 1996 the Board of Directors accepted two important recommendations of the committee to improve our product. We now allow only Triple A "AAA" or better graded beef, from Yield Grade 1, 2, or 3 cattle. This will ensure we have a well-marbled product from a youthful animal.

The Beef Information Center was most helpful in helping us design and print a new sell sheet featuring an excellent photo of three cuts of Canadian Angus Beef. We've also had a promotional poster printed utilizing the same photograph.

There are big challenges ahead of us as this program is just beginning to take off. We've had some growing pains as new distributors compete for a share of the market against established ones and as other distributors aggressively promote American product in Canada. We are confident that we have the quality and price to compete.

Other challenges are to expand the amount of product identified and packed as Canadian Angus Beef™ and already in 1997 we are aggressively pursuing two western packers; Edmonton Meat Packing just signed on and hopefully the other will soon follow.

The committee met twice in 1996; one all-day meeting was held with the packers and distributors, a productive meeting that we've recommended be held every year.

The committee was chaired capably by Doug Milne-Smith, who along with members Bill Jackson, Doug Allen, Glen Copeland and Collin Sauder, did an excellent job for us. The Angus breed made significant strides in 1996 and it's important to realize the demand for our seedstock cattle is based upon demand for a consumer product and the Canadian Angus Beef™ program contributes to the increased demand that benefits every member of this Association.



Canadian Angus Beef™ Licensees

PACKERS

Beef Beef Ltd.
Sudbury, ON

Superior Meat
Packing
Toronto, ON

Edmonton Meat
Packing
Edmonton, AB

Western Stock
Toronto, ON

DISTRIBUTORS

Clover Group
Duck Pond, NS

The Butcher
Shopper
Etobicoke, ON

Best Western
Beef
Toronto, ON

Grace Meats
Toronto, ON

Highland Farms
North York, ON

Belmont Meats
Westin, ON

Bedell's Frozen
Foods
Dover Centre, ON

Western Quality
Meat
Calgary, AB

Various Retailers and Restaurants

PROMOTION AND ADVERTISING REPORT

Mabel Hamilton, Chairman

The Promotion and Advertising committee would love to say our strategy has caused the present demand for Angus -- however, that might be a bit of a stretch!! Seriously, promotion and advertising is an important spoke in the wheel that makes CAA run effectively.

Print Ads

Angus World continues to be the communicator for the purebred members; the Cattlemen magazine continues to be the medium we use for our commercial producers. CAA will have a presence every issue although not always a full page.

"That was Then....This is Now" was the theme in the two-page feedlot ad. The significant changes in the color of the cattle send a very clear message of what's happening with our breed in the feedlots. I certainly appreciate our GM taking the "now" picture, even if it is not in his job description to climb elevator legs!

Both the "Black and Red Bull" ad and the "Now and Then" ad featured coupons for the Quality Booklet. Judging by the responses this seems to be a positive way to communicate to our producers. The ads also feature our 1-888 number as well as the home page. Future ads will continue to demonstrate why Angus cattle will show profits for commercial producers.

Developing meaningful advertisements that are not just slick, requires much thought and planning. Our goal continues to be to "differentiate our breed from our competitors to our target audience - the commercial producer."

Information booklets

From our dialogue with commercial producers, we realized they are not interested in receiving information that is only propaganda. To this end, the committee, along with Fieldstone Publications, produced a booklet called "Quality Beef".

This booklet is a 9-page document that discusses the rationale of the grading agency, consumer expectations, restaurant trends and how well Angus performance coincides with these current trends. 10,000 copies have been produced and are being circulated to members, commercial producers and in booth/trade fair distributions. The comments have been very positive. If the committee budget allows, we plan on doing more booklets. The next topic will be "Why the Trend to Angus?"

Publicity

We initiated a newsletter form of communication to our commercial producers. The format has included feature articles, i.e. Anne Dunford of Canfax, and current sales statistics that remind people why Angus is the obvious choice.

Regional Advertising

Each regional association has a very good idea of what print material reaches the most people in their area. To that end, the committee has again offered regional associations \$500 towards an ad, with the limit being 4 per year. The ads would hopefully "fit" with the CAA theme, include the CAA logo and be pre-approved. Print is not the only effective medium for advertising; the Alberta Association also did a series of interesting radio ads. I encourage the regions to take advantage of this offer and work in conjunction with the CAA.

Promotional Items

There continues to be a list of promotional items that members can access to promote their breed. Please check for new items. We also hope to have a series of posters and good quality display materials that would be available to regions.

I would like to thank the committee members, Sandy Rosevear, Jean Curry, Blaine Canning and Stan Christensen, for their useful input and to the staff for their diligence.

Effective advertising does not just happen, it has to be carefully planned and evaluated. I feel comfortable that we are proceeding down the correct path. Any comments from you, the breeders, would be most welcome.

"It's not what people don't know that bothers me, it's what they know that ain't so."

BREED DEVELOPMENT COMMITTEE

Barney Creech, Chairman

The Breed Development Committee's mandate is to review and maintain the function and operation of genetic evaluations and data programs, ensuring relevancy and meeting the needs of the membership at large and the beef industry as a whole.

1996/97 has been an active and exciting year for the Breed Development Committee.

The 1997 Sire Summary was the first one produced from the new CAA data base in Calgary. There were close to 2000 Black and Red Angus sires listed in the publication which was distributed to members and a secondary mailing list of those who requested copies. We are very proud of the publication and have received numerous compliments on the document. With the new formulas and the adjustments by color to the American Angus and Red Angus bases, breeders are more comfortable with the 'acceptability' of our EPDs.

A major factor in the 'reliability' of the Sire Evaluation is the data that is used to calculate the information. With the new registry system operating we have collected almost 100% more weaning weights. This added information from a broader base of herds will increase the accuracy of the evaluations, and as more data is added things will only get better. We encourage those who do submit data to report complete data, all cows calving each year, regardless of the registration status of the calf. You should all be aware that the Association is fielding requests for EPDs on animals, and if no information is available, the buyer is often not interested. The Association has a 'free' policy on giving out EPD information, all information is available for the asking, with a nominal fee for hard copy.

There are 14 copies of Herd Magic, on-farm software in use across the country. Interest continues to be strong, and those who have invested some time in learning how to use it are exploring its potential.

Future Directions

The interest in carcass data is strong, and the committee is investigating ways that Angus can incorporate data into the system so that the breed can make use of the information.

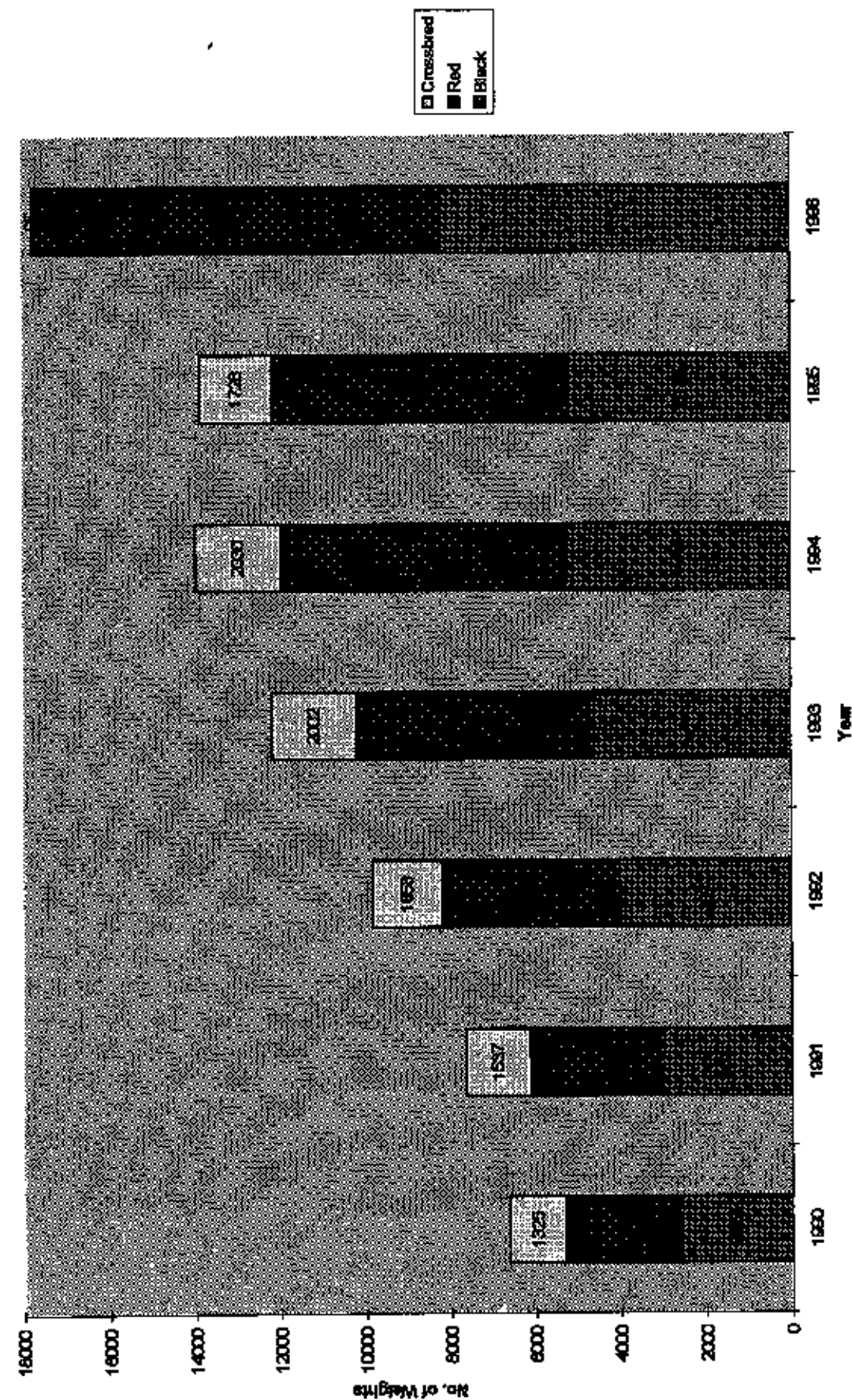
The other area of interest is in fertility related EPDs, to help document the maternal characteristics of Angus. Discussions continue on this front as well.

World Angus Forum will have discussions on a World Angus Evaluation, which will be interesting. We will be well represented at these meetings in October.

Many thanks to the hardworking committee members who gave the Board a lot of valuable input: Stan Christensen, Collin Sauder, Gary Harron, Andy Hart, Harold Reich, and Dr. Rob Stables, and a special thank you to Mary Westman, our Breed Development Coordinator.

Canadian Angus Members Continue to Increase the amount of Performance Data submitted to the CAA.

205 day Weights by Year and Color



MARITIME ANGUS ASSOCIATION REPORT

Betty Lou Scott, Secretary-Treasurer

1996-97 was a great year for Maritime Angus breeders. In June we had a very successful Field Day at the Napan Fairgrounds, hosted by the N.B. Angus Association and Beth and Jeff Gillis. 15 juniors participated in our Junior Heifer Show. Again, thanks to the generosity of Angus breeders from all across Canada, our semen auction netted almost \$1000 for the junior participants. Even the weatherman smiled on our Field Day and sunshine, a rare commodity during our 1996 summer, prevailed throughout the day.

Six Maritimers travelled to the AGM in Edmonton and participated in the business and friendship of the Annual Meeting and enjoyed the hospitality of the host province.

New Brunswick had 4 successful Angus shows during the summer exhibition circuit. Prince Edward Island had a strong Angus show during the Old Home Week Fair in Charlottetown. Nova Scotia had a small Angus show at the Pictou Exhibition and all three provinces were represented at the Atlantic Winter Fair in Halifax in October.

While show numbers were down in '96, demand for Angus cattle was strong throughout the year. A record number of Angus cattle were brought into Nova Scotia from Ontario and Alberta during the early months of '96.

Candace Estabrooks, a young 4-H'er from New Brunswick showed the Champion Angus calf at the Royal Winter Fair Knob Hill Show in Toronto in November. Becky Bowron, Maritime Angus Junior Ambassador from Nova Scotia, placed third overall in the International 4-H Judging Competition at Agribition in Regina in November.

At our annual meeting in December, our new slate of officers was brought in. Eric Dixon of Prince Edward Island is President, Harold Nielsen of Nova Scotia is Vice-President and Betty Lou Scott of Nova Scotia continues as Secretary-Treasurer. New Brunswick directors to the Maritime Board are Peter Estabrooks and Jeff Gillis; Nova Scotia directors are Harold Nielsen and Doug Curry, and Prince Edward Island directors are Ken Coles and Eric Dixon. Under their leadership we are looking forward to another successful year in 1997 and a fabulous Field Day at Bonshaw, PEI, in mid-June, where we hope to be joined by many delegates from the AGM in Toronto, whom we encourage to travel to PEI across the famous "fixed link".

QUEBEC ANGUS ASSOCIATION

Claude Lavallée, Secrétaire-Propagandiste

Il me fait plaisir de vous présenter un rapport pour l'année 1996 des activités de l'association Angus du Québec. C'est le moment opportun d'exposer les éléments qui ont composés l'année.

Tout d'abord, j'aimerais souhaiter la bienvenue et bonne chance à tout les nouveaux membres de l'association de 1996. J'aimerais remercier le comité-conjoint et l'association Canadienne du support financier que ces deux organisations nous ont données.

Nous avons participé aux ventes de stations d'épreuve. Je tiens à féliciter les participants. Les indices obtenus étaient excellents, ainsi que la moyenne de vente. Nous avons eu une participation record cette année.

Nous avons participé à toutes les foires agricoles où la race Angus était présente. Nous avons animés chacune de ces expositions. Les plus notables sont celles de St-Hyacinthe, Québec et le National Annuel de Victoriaville. Les exébits étaient excellents et plus d'une fois la race Angus a été choisi dans les championats Suprême!

Evidemment, rédiger les procès-verbaux, ordres du jour, avis de convocations des réunions durant l'année. Faire suite aux courriers et appels téléphoniques, enfin donner le support à nos membres. Nous avons participé à la réunion canadienne à Edmonton.

Nous informons nos membres par le biais de l'Informateur (4 parutions par année.) Nous avons annoncé durant toute l'année dans "Bovins du Québec" une page complète sur les avantages de notre race. Nous avons notre nouveau "Bottin des Eleveurs 1996", ainsi qu'une traduction de dépliant couleur canadien. Finalement, nous étions dans la rubrique des annonces classées de "La Terre de Chez-Nous" à toutes les semaines.

En septembre dernier, nous avons tenus notre Pik-Nik Angus à la Ferme Manasan de Danville. Une magnifique journée. Visite de ferme, lunch, drage, etc. Merci à la famille Laberge pour cette journée champêtre.

Pour terminer, j'aimerais remercier toutes les personnes qui s'impliquent dans l'association et les différents comités qui ont comme but ultime: la Race Angus!

ONTARIO ANGUS ASSOCIATION

Dianne Miller, Secretary-Treasurer

It is a great pleasure on behalf of the Ontario Board of Directors to welcome everyone to Ontario for this year's Canadian Angus Association Annual Meeting.

A great big thanks goes to the provincial annual meeting committee co-chaired by Bill Jackson and Jim Wilkins and everyone on the committee for all the hard work that they have put into organizing this event.

Thank you to all the breeder and corporate sponsors for helping to sponsor this event, as without your support events are not possible.

The Ontario Association had another very busy year in 1996 with the Futurity Show and Sale, Judging Clinic, Preview Show, Royal Winter Fair. The Association started the Ontario Point Show to get more cattle being shown at local club sanctioned shows throughout the province.

The Association put more emphasis in provincial advertising for '96 as the demand for Angus cattle in Ontario has never been more evident and is continuing to rise in '97.

The Association looks forward to hosting the 1997 National Angus Show at the 75th Royal Winter Fair Show in Toronto, November 11, 1997, and invites all breeders from across Canada to come and show their cattle at what is sure to be one of the highlights of the '97 show season; this has also been designated a Gold Show.

As a special added incentive for coming the Royal this year, we are also having the Ontario Angus Sweepstakes on November 10, 1997 and the sweepstakes jackpot keeps getting bigger, bigger, bigger....!

We look forward to spending a few days with Angus enthusiasts from across Canada. We hope that your stay in Ontario is an enjoyable one.

MANITOBA ANGUS ASSOCIATION

Ione M. Anderson, Secretary/Treasurer

The Manitoba Angus Association has enjoyed another very active year in 1996. The interest in Angus cattle in Manitoba has been growing with record sales and attendance at Angus events.

Manitoba Angus Association fall feeder sales drew a lot of attention in the fall and many producers expressed interest in the upcoming year's event. The Manitoba Angus Association display was visited by many producers throughout the province as it toured to various agricultural events and fairs. A new display was purchased and has received considerable exposure and positive comments to date.

Test Station Bull Sales were once again well attended and supported throughout the province, despite some very blustery weather.

The summer tour to southern Manitoba was enjoyed by all. Our hosts are to be commended for this opportunity to view good cattle and visit with great people. As this spring has proved to be very trying for the Red River Valley residents, our thoughts of concern and support go out to these people as they struggle to cope with Mother Nature.

Ag-Ex was well attended with close to eighty head being exhibited. The Keystone Connection All Breeds Bull Show was won once again by Angus in Manitoba. The Junior Show also had a strong showing with good participation by its members.

The annual meeting was held in January in Portage La Prairie in conjunction with the Limousin and Maine Anjou Associations. After a productive meeting a program recognized a few of the key people in the Manitoba Angus Association. Ruby and Charlie Simpson were named Honorary President. Ruby was also honored for her many years of dedication to the Manitoba Angus Newsletter, which has grown considerably since its inception. Kaylen Williams, Junior Ambassador, was given a 90th Anniversary CAA Belt Buckle in appreciation for her dedication and efforts towards the association and the Angus breed. Her involvement in the 4-H program has been appreciated. The number of 4-H members showing Angus animals has grown considerably over the past few years.

The 1996 Commercial Cattleman of the Year was presented to Evergreen Farms, Robert and Judy Krentz, from Steinbach, Manitoba. Mountain View Farms, Swan River, Manitoba, were presented with the annual Van Daele Award in recognition of their contribution to the Angus industry in Manitoba.

We look forward to a busy and exciting summer and fall.

SASKATCHEWAN ANGUS ASSOCIATION

John Bruce, President

Greetings from the Saskatchewan Angus Association. Our Annual Meeting was held in Saskatoon on January 25, 1997. We had a very good turnout considering the record low temperatures.

The minutes of the last year's meeting were highlighted and the audited financial statement was reviewed. Committee Chairmen in attendance gave their reports. As well, on behalf of Canadian Western Agribition, Mel Sisson reported on the possible changes in dates and the schedule of the show. I would like to thank all the Committee members for their hard work and dedication to the Saskatchewan Angus Association.

Representative Reports

Canadian Angus Association: Barney Creech reported on the financial picture which looks very positive due to increased membership and registrations.

Saskatchewan Stock Growers' Association: Miles Anderson, President, reported on 1996 issues and discussed legislation on Endangered Species that they have some concerns with, and the effect re-assessment is going to have on land taxes. Miles asked for the support of the Saskatchewan Angus Association regarding their stand on these two items.

Foundation for Animal Care Saskatchewan Inc. (FACS): Adele Buettner, Executive Director, reported on their 1996 activities and discussed the success of their billboard ad.

Saskatchewan Livestock Center (SLC): Craig Andrew, Manager, reported that they have 43 Red Angus and 42 Black Angus Bulls with a total of 265 bulls on test at their new home near Lipton.

Other highlights of the meeting included elections of the following:

Breeder of the Year: Ken and Roberta Frazer, Six Mile Red Angus of Fir Mountain, SK.

Commercial Producer of the Year: Murray and Jonica Seldler and family of Lumsden, SK.

Canadian Honorary President: Jake Willms, Wilbar Farms, Dundurn, SK

Saskatchewan Honorary President: Andy MacDonald, Manager, Whitmore Farms, Lumsden, SK

The Saskatchewan Angus Association has a very enthusiastic group of Juniors who over the 1996/97 year have formed their own Association. They are planning a number of new and exciting events.

The 1997 Saskatchewan Angus Summer Gold and Junior Show will be held in North Battleford, SK on July 15.

Canadian Western Agribition has released a new schedule which has the show running from Sunday, November 23 - Sunday, November 30. The Angus events are as follows (times are tentative - days are set):

Commercial Cattle Show: 12 noon Monday, November 24
Pens of bulls Show: 10 am Tuesday, November 25
Commercial Cattle Sale: 3 pm Tuesday, November 25
Junior Angus Show: 10 am Wednesday, November 26
Masterpiece Sale: 2 pm Wednesday, November 26
Black Angus Show: 9 am Thursday, November 27
Red Angus Show: 2 pm Thursday, November 27
"Pick Your Angus" Sweepstakes: 7 pm Thursday, November 27

Regretfully, I will not be attending this year's Annual meeting in Toronto. The Saskatchewan Angus Association will be represented by our very capable Secretary, Belinda Wagner. I trust the meeting will be very successful.

ALBERTA ANGUS ASSOCIATION

Lauris Beck, President

1996 was a packed year for the Alberta Angus Association, capped by our hosting of the C.A.A.'s 1996 Annual General Meeting in Edmonton.

Our promotional booth had a well-traveled year, visiting the Camrose Bull Congress, Red Deer's Beef Congress, the Calgary Spring Bull Sale, the Westlock Trade Show, the Calgary Exhibition, the AgriTrade Show in Red Deer, Edmonton's Farm Fair and many more.

The show circuit was active this year with 394 red and black animals competing in the Gold Show (Winter Classic) at Farm Fair in Edmonton. The Alberta Angus Association also participated in the Steer-A-Year at Olds College, displaying 5 steers. Our 1996 Regional Show was held at Westlock; this year it will be hosted by the Olds Mountain View County Fair.

We held our annual meeting in December and were proud to recognize the 1996 "Purebred Breeder of the Year", Doug and Joyce Allen and family from Taber. Our deserving recipient of the 1996 "Commercial Breeder of the Year" was Lyle Parker and family of Marwayne.

The Alberta Angus Association continues its strong involvement with the Alberta 4-H program. Approximately 140 clubs applied for awards, and almost 700 members exhibited Angus or Angus-Cross animals in 1996; each was recognized with an Angus T-shirt. Thirty Inter-Club Grand Champion winners received \$100 awards and twenty-five Inter-Club Reserve Champion winners received \$50 awards. In addition, we awarded three \$1000 bursaries.

The 1996 Summer Tour was hosted by the Southern Alberta Angus Club, and this year, we look forward to a great summer tour hosted by the Northern Alberta Angus club, in conjunction with the Red Angus Promotion Society.

BRITISH COLUMBIA ANGUS ASSOCIATION

Jack Brown, President

Another year has come and gone since my last attempt to summarize our activities. The B.C. Angus Association is continuing to grow; our membership now stands at 124 compared to 88 at this time last year.

We are pleased to continue sponsoring two sales each year, the Bullarama in March and the Thanksgiving Female Sale every October. Both of these sales have been good for the breed, as each sale brings out more new people interested in Angus cattle. The 1996 Bullarama saw 135 entries of both black and red cattle. Due to market conditions the female sale average was down. In spite of this, we were able to sell cattle to buyers in B.C. and Alberta. The commercial cow herd in B.C. is showing more Angus influence every year, finally!

The association once again had a display booth at the B.C. Cattlemen's Convention which was held in Prince George last May. This convention has delegates from all over the province. To further help promote Angus cattle we have put signs up at two major auction yards.

We are pleased that the Southern Interior Angus Club and the Central Interior Clubs are once again active. The 1997 field day will be held in the Prince George area and hosted by the Central Interior Club.

The Gold Shows were held in Dawson Creek and Armstrong in 1996 and the 1997 Gold Shows will be held in Smithers and Armstrong.

Our newsletter is still our main communication link with our membership with some of our members using it as a method of advertising.

To close on a positive note, a friend of ours who raises beef cattle of another breed recently said, "You certainly picked the right breed when you chose Angus." This tells me that we are on the right track and are the envy of other breeds.

CANADIAN RED ANGUS PROMOTION SOCIETY

Sandy Rosevear, Secretary

Despite the economic conditions of the cattle industry, a review of the 1996 activities of the Angus Industry and the Canadian Red Angus Promotion Society show far from a doom and gloom situation. Overall sale averages, both bull and female, were down somewhat but the interest in and the demand for Red Angus and Red Angus crosses was still very evident.

The Friday activities of the 1996 Red RoundUp saw a record crowd view the Bull Futurity and Pair Shows as well as attending the banquet and the sale on Saturday. The semen auction netted \$11,600.00, the donation heifer \$9870.00 and a steady sale averaged \$2471.00 on 70 lots.

Most of the larger shows saw a small decrease in actual numbers showing, but the fall show circuit was still a very effective and impressive display of Red Angus by some very hardworking and dedicated breeders.

The Society continued to maintain a very aggressive advertising campaign with the focal point being the Cattlemen Magazine. We were very proud of a special "Red Angus Review" which was included in the December 1995 issue of the Cattlemen. Classified ads are maintained in various publications from the Atlantic coast to British Columbia and letters requesting information, as a result of these ads, continued to increase with a total of 300+ for the year. Just over half of these requests were the clip and save coupon from the Cattlemen ads.

The Society was pleased to receive official recognition by the Canadian Angus Association and its Board of Directors. Approval and acceptance was also given, by the CAA board, to the bylaws of the Society.

Brian, Kim, Jenna and Erika Gels were the recipients of the Society's 1996 Breeder of the Year. Presentation of this award to a very deserving Angus family will be made at the 1997 Red RoundUp banquet. The recipients of the Commercial Breeder of the Year were the Himmelsbachs from Goodsoil, SK. It is hoped that they will also be in attendance at Red RoundUp to receive their award.

The Society and its members look forward to a very busy and exciting year in 1997. 1997 will mark the 25th anniversary year of the Society, the 25th annual Red RoundUp sale will be held at the end of October and Red Angus will be featured at FarmFair International.

OFFICIAL PUBLICATION REPORT

Dave Callaway, Publisher, Aberdeen Angus World

1996 was a very busy year in the Angus business. Angus seedstock sales have been strong, especially if you factor in the stressed commercial cattle market. We at Angus World are continually receiving phone calls from both existing breeders and new breeders, asking where they can obtain Angus breeding stock. The Angus business is certainly an enjoyable one at the present time.

New in 1996 was the Canadian Angus Yellow Pages, a very simple directory of Angus breeders across Canada. The participation in this directory was tremendous and the demand for it has been great. It is certainly a good directory in which to have your operation listed. The Yellow Pages were distributed with the Christmas issue of Angus World; copies were also sent to your national office as well as provincial associations for distribution. The Yellow Pages will be published annually, so if you missed '97 and would like to be included in the '98 edition, please call our office. If you or your clubs would like to obtain copies to use as hand-outs at your functions, please contact us.

Angus World continues to maintain a site on the Internet. We did get behind on our updates this past year, however we are now current and regret any inconvenience this may have caused.

A reminder to all, but especially new members, your annual membership with the Canadian Angus Association does include a subscription to Angus World.

Just as points of interest, I have put together a couple charts for your information. The first chart, which has advertising rate comparisons of the four largest purebred cattle breed publications in Canada, shows that Angus World has the most reasonable rates in the industry. Second is a chart with an analysis of the advertising revenue breakdown on a provincial basis.

We have enjoyed a good working relationship with your General Manager Doug Fee and his staff over the past year and look forward to future co-operation and interaction with the CAA office.

As always, we invite all provincial groups to supply news, show and sale results to us to be included in the magazine.

Chart One: Advertising Rate Comparison
(1 page Black & White)

Publication	Rate	Difference	Percent
Angus World	\$600		
Sinmental Country	\$675	+\$175	135%
Charolais Banner	\$695	+\$195	139%
Hereford Digest	\$950	+\$450	190%

Chart Two: Advertising Revenue Breakdown

Alberta	70.18%
Saskatchewan	20.48%
Ontario	4.27%
Manitoba	2.23%
British Columbia	2.02%
United States	.82%
Maritimes	.17%

CANADIAN BEEF BREEDS COUNCIL

Mabel Hamilton, President

"To provide a unified voice for the purebred beef cattle industry in Canada."

As you can see, this mission statement covers many areas. CBBC has 15 breed associations as members and 12 associate members (exporters). In this, the third year of operation, membership has increased significantly.

AIMS International Funding

This government money can only be accessed through CBBC, and is for developing strategy in international markets. The Canadian Angus Association has used this money for many initiatives, such as our international video. Exporters also access this funding in their pursuit of new marketing opportunities, which of course benefits everyone.

Canadian beef genetics were exported to 43 countries in 1996. Some of the new markets being pursued are People's Republic of China, Poland, Ukraine, and Great Britain, to name a few.

The development of these markets is the direct result of missions to trade shows, meeting with import officials, the distribution of promotion materials, the conducting of seminars and inbound missions with key foreign decision makers.

Animal Health

When the BSE issue surfaced and cattle were eliminated, the industry was very fortunate to be able to access NTS funding. In the event of another animal health disaster, there would be no available extra funding. Therefore, the purebred industry will have to decide on ways to set aside top-up funding as a safeguard. There has been some suggestion that some form of insurance would be the best alternative. CBBC is working with a taskforce to resolve this issue.

On-Farm Semen Collection

A tiered method for the collection and distribution of frozen semen is being pursued in Canada. A base tier would permit the collection of semen on the farm for personal use, a second tier would facilitate distribution in Canada and a third tier would provide for the export of semen essentially in the manner it is handled at the present time.

National Identification

A national system of identification would significantly improve our traceback capability for disease, food safety and genetic information. Our current purebred identification system works well within the seedstock industry but its use is limited in information collection.

Also a national approach to identification and information is concerned with economics. New technologies would allow carcass information to be retrieved by interested parties in the food chain. The Canadian Beef Quality audit shows over \$70 per head is lost in carcass quality problems; information would provide producers opportunities to prevent that lost money.

The Canadian Cattlemen Association organized a working group to deal with identification. They will study national identification systems already in place, cost, available technology, and implementation processes. It is apparent that national identification will be the "glue" to a superior, quality beef product.

CBBC represents the purebred industry's views at all these discussions.

Beef Improvement Federation

In 1998, CBBC will be hosting the Beef Improvement Federation (BIF) annual convention in Calgary. This convention attracts the gurus of the genetic industry and the "spin-off" of hosting the convention is very positive.

These are just a few of the highlights that CBBC has been dealing with over the past year. I believe it is essential to have an organization such as CBBC to represent the purebred sector, even more imperative now that we are at the edge of significant changes in the industry.

CANADIAN ANGUS FOUNDATION

The Canadian Angus Foundation was established three years ago as a registered charity in order to receive donations to preserve the archives of the Canadian Aberdeen Angus Association and to fund scholarships for the promotion of the Angus breed in Canada.

The Canadian Angus Foundation still has a long way to go before it fulfills the vibrant beneficent role envisioned for it.

The audited statements of the Canadian Angus Foundation are included in your package. No disbursements were made in 1996. The Foundation did successfully lobby the bank this year to waive the service charges that were undermining efforts to build up the equity of the Foundation.

The contributions for 1996 include a memorial donation in the name of Sara Gels, a personal contribution from a member at large and a donation from the Canadian Red Angus Promotion Society, which made the successful bid for the auction of the first registration paper issued directly from the Canadian Angus Association office.

The Alberta Angus Association continued the tradition, established by Manitoba in 1995, of donating back to the Foundation the grant given to assist with the organization of the annual meeting. This contribution will appear as part of the 1997 donations revenue.

While fundraising efforts will remain key, the priority in the coming year will be to begin work on the Association's archives and to set criteria for a scholarship program.



Financial Statements of

CANADIAN ANGUS FOUNDATION INC.

Year ended December 31, 1996



KPMG
Chartered Accountants

1200 205 - 5th Avenue SW
Calgary Alberta T2P 4B9

Telephone (403) 691-8000
Telefax (403) 691-8008
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AUDITORS' REPORT TO THE MEMBERS

We have audited the balance sheet of the Canadian Aberdeen Foundation Inc. as at December 31, 1996 and the statement of operations and equity for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many charitable organizations, the Foundation derives revenue from donations the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Foundation and we were not able to determine whether any adjustments might be necessary to donations revenue, excess of revenue over expenses, assets and equity.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the donations referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 1996 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

Chartered Accountants

Calgary, Canada
February 19, 1997

CANADIAN ANGUS FOUNDATION INC.

Balance Sheet

December 31, 1996, with comparative figures for 1995

	1996	1995
Assets		
Current assets:		
Due from Canadian Aberdeen Angus Association	\$ 2,691	\$ 2,064
Equity		
Equity	\$ 2,691	2,064

See accompanying notes to financial statements.

On behalf of the Board:

Director

Director

CANADIAN ANGUS FOUNDATION INC.

Statement of Operations and Equity

Year ended December 31, 1996, with comparative figures for 1995

	1996	1995
Donations revenue	\$ 650	\$ 2,070
Bank charges	23	6
Excess of revenue over expenses	627	2,064
Equity, beginning of year	2,064	-
Equity, end of year	\$ 2,691	\$ 2,064

See accompanying notes to financial statements.

CANADIAN ANGUS FOUNDATION INC.

Notes to Financial Statements

Year ended December 31, 1996

1. General:

The Foundation is incorporated, as a corporation without share capital, under the Canada Corporations Act. It operates as a registered charity, to receive donations for purposes of funding (a) scholarships and (b) the preservation of Association archives.

2. Statement of changes in financial position:

A statement of changes in financial position has not been provided as it does not provide meaningful additional information.

PLANNING FOR 1997 PROGRAMS

Budget

**CANADIAN ANGUS ASSOCIATION
CONSOLIDATED 1997 BUDGET**

REVENUE

OTHER INCOME (Herd Magic, AIMS, Export, etc.)	\$ 65,000.00
BLOOD TYPING	\$ 35,000.00
REGISTRATIONS	<u>\$ 1,035,000.00</u>
TOTAL REVENUE	\$ 1,135,000.00

EXPENSES

ADVERTISING	\$ 164,500.00
BANK & INTEREST CHARGES	\$ 7,500.00
REGISTRY PROCESSING (ABRI)	\$ 50,000.00
HERD MAGIC	\$ 6,500.00
PARENTAGE TESTING	\$ 3,000.00
BLOOD TYPING	\$ 31,000.00
GENETIC EVALUATION	\$ 10,000.00
DEPRECIATION	\$ 42,000.00
DIRECTORS & COMMITTEES	\$ 70,500.00
FIELD SERVICES	\$ 13,500.00
OFFICE EXPENSE	\$ 159,100.00
PROFESSIONAL FEES	\$ 38,000.00
PROVINCIAL ACTIVITY GRANTS	\$ 108,540.00
FOUNDATION	\$ 4,000.00
SUBSCRIPTIONS & MEMBERSHIPS	\$ 66,000.00
TRAVEL EXPENSES	\$ 68,000.00
WAGES	<u>\$ 279,474.00</u>
TOTAL EXPENSES	\$1,121,614.00
TOTAL (PROFIT/LOSS)	<u>\$ 13,386.00</u>

PLANNING FOR 1997 PROGRAMS

1997 Gold Shows

REGION	LOCATION	DATE
British Columbia	Smithers Exhibition, Smithers	AUG. 21-24
	Interior Provincial Exhibition, Armstrong	SEPT. 3 - 7
Alberta	Mountain View County Fair, Olds	AUG. 7-10
	Farm Fair, Edmonton "National Red Angus Show"	NOV. 7 - 9
Saskatchewan	Gold Show and Junior Show, North Battleford	JULY 16
	Canadian Western Agribition, Regina	NOV 26-28
Manitoba	Ag Ex. Gold and Junior Show, Brandon	NOV.8
Ontario	Ontario Angus Preview Show, Erin	JULY 27
	Royal Winter Fair, Toronto "National Angus Show"	NOV. 10-11
Quebec	National Annual	OCT. 9-12
Maritimes	Maritime Field Day, Bonshaw, PEI	JUNE 14

CANADIAN ANGUS GOLD SHOW AWARDS

1996 GOLD SHOW BULL OF THE YEAR

MVFA Obvious Trend 17F

**MOUNTAIN VIEW FARM
Swan River, MB**

and

**FAIRMONT ANGUS
Minnedosa, MB**

1996 GOLD SHOW FEMALE OF THE YEAR

Double A Rosebud 3D

**STEVIE & JACIE PATTERSON
Valhalla Centre, AB**

1997 HONORARY PRESIDENTS

BRITISH COLUMBIA

Howard Peto

ALBERTA

Bill Milne

SASKATCHEWAN

Jake Willms

MANITOBA

Ruby and Charlie Simpson

ONTARIO

**Gordon Berry
Irvin Schenk**

MARITIMES

**Harry (Buddy) Loane
Prince Edward Island**

Howard Peto - British Columbia

Howard is a graduate in plant sciences, but his first love has always been Angus cattle. As a teenager he worked on Euston Farms showing cattle for his father. The original herd was dispersed and then Howard and Elizabeth began their own herd in 1978 using the Euston prefix. Howard has always been active in Association work at the local and provincial level. He is also active in the BC Cattlemen's Association where he is on the educational committee. Howard has a 34-year career in education, but now has retired to full time ranching.

The Committee had no trouble at all coming forward with Howard's name as honorary president, as he has given countless hours to the Angus Breed, uses fair and unbiased judgement and is liked by all.

Bill Milne - Alberta

Bill was a breeder of Angus cattle for 47 years and as such, was a member of the Canadian and Alberta Associations until his "Clunymore" herd was dispersed in 1994.

He was actively involved as a founding member of the Central Alberta Angus Club. He served one term on the Canadian Board of Directors (1981 - 1983) and several terms as a director on the Alberta Board, before being elected President of the Alberta Angus Association for the year 1981.

Jake Willms - Saskatchewan

Jacob John Willms was born and received his formal education in Dundurn, Saskatchewan. He graduated with his diploma in Theology from the Canadian Bible College in Regina. Jake married Leona Bernice Taylor and the two went into the ministry for a short time.

When Jake's father retired, they purchased the family farm. The Willms bought their first commercial Angus cows in 1954 and in 1962 the first registered cows were purchased. The Willms have won many awards with their livestock.

Jake has served on the Beef Committee, Saskatoon Exhibition, Saskatchewan Cattle Breeders Association and Saskatchewan Livestock Association board of directors, was a founding member of the Saskatchewan Cutting Horse Association, representative to Saskatoon ROP Test Station, and National ROP Advisory Board. He is a Past-President of the Saskatchewan Angus Association, a Past-President of the Canadian Angus Association and a director of the Saskatchewan Agricultural Hall of Fame.

Jake was a 4-H club leader for a number of years and served on the District Board. He was also involved with the local Wheat Pool Committee and School Board.

In 1981, the Willms attended the World Angus Forum in New Zealand, where Jake represented Canada on the Judging Panel at the Show. Jake has been instrumental in building a significant export market for Saskatchewan cattle and travelled extensively during his involvement on the AGDEVCO Board.

Jake and Bernice have one daughter, Sherri Huaser, and two sons, Judson and Dan, who have kept up the involvement with the Angus breed.

Ruby and Charlie Simpson - Manitoba

The Simpsons have been associated with Angus cattle and Angus activities for many years. Charlie and Ruby own and operate Tag-A-Long Red Angus which was founded in 1978. Angus have long been a tradition on the farm as it was the home of the Black Tlr Eachuinn herd. This herd was started in 1960 and was dispersed in 1985. Most of these cattle went to the United States.

The years in between the Black and Red herds were spent in the operation of a small commercial feedlot.

Charlie and Ruby gave up grain farming 11 years ago, seeded everything down to grass, and 'retired' with approximately 100 head of cows. In addition they operate a government-approved Home Test Station which they have developed into being the only Forage Only Test Station in Manitoba. They were honored to win the Manitoba Government Premier Breeder Award in 1989.

Over the years, both Charlie and Ruby have been very involved in the various activities of the Beef Performance Associations and the Manitoba Angus Association.

Both enjoyed being part of the Red Power Breeders Association at its concept with Charlie serving as president and heading various committees, and Ruby serving as treasurer for 11 years as well as many years as secretary.

Charlie was the Red Power Representative on the Manitoba Beef Cattle Advisory Board starting in 1982. He was also Manitoba Producer Rep from this board to the National Advisory Board for Beef Cattle Improvement from 1990 to 1994. He was a member of the Board of the Manitoba Livestock Performance Testing Board until its closure in 1995. He also served on the Canadian Angus Breed Development Committee from 1983 until 1996.

Ruby joined the Manitoba Angus board in the mid-80s and served as president, vice president, executive director, and treasurer over the years. One of her greatest and most rewarding challenges was being Editor of the Manitoba Angus Newsletter. With excellent cooperation from the Manitoba Angus Board, the Canadian Angus Board and the membership at large, the newsletter continues to grow and is rated as one of the top provincial newsletters.

Both Charlie and Ruby have been active in and held executive positions over the years in most all of their community activities including 4-H, Community Club and the church.

These activities and positions have all been given over to the very capable "younger generation" and Charlie and Ruby are content just continuing to "push red cows around" and attend the functions as spectators. They have three adult children - son Bob and wife Heather on the home farm, son Don and wife Cathy, daughter Tracey and husband Doug, all residing close by in Brandon. All near enough to, along with the grandchildren, come home to Tag-A-Long for Round-up.

Harry (Buddy) Loane

In 1957, I purchased my first Angus cow from the herd of Wendell G. Barbour. Over the next 12 years I continued to expand my Angus herd.

I had a decision to make about the rest of my life. Did I continue to work for someone else or did I make my dream come true? I decided to try the dream and began a life of hard work and reality to maximize on my dream. I kept buying Angus cattle to increase my beef herd and began to diversify in other areas.

In 1969, I married Beverly MacKinnon. In 1970 we had a son, Wade and in 1971 a daughter, Laurie.

We then decided to purchase a few race horses and pigs, but we still kept up with the cattle and of things. I could have gone into other breeds, but I felt that this was the right breed for us. Angus cattle are known to be good milk producers, mothers and calm. We wanted to make sure that our children would be safe and comfortable around large animals. Our kids can still remember being put on the backs of bulls and cows at an early age and riding around while I checked the fields.

We began getting our children involved with farming at an early age. Wade began showing at the age of three. They both went in to 4-H and traveled over Canada to learn more about showing, grooming and farming.

In 1985, Laurie was named PEI Angus Queen and crowned Maritime Angus Queen. That year Bev and Laurie attended the 5th World Angus Forum in Edmonton. Laurie and I also attended the Royal that year for her to represent the Maritimes. Also in 1985, I began to raise prize money for the kids showing in the Maritime Junior Heifer Show. I contacted friends and associates across Canada to see if they would be willing to donate semen to be auctioned off at the show. With help and cooperation, the idea is still in existence today.

In 1995, Wade took over a lot of the farm and is enlarging the concept. We are now running over 100 cows, 120 sows, 500 acres of grain and all of the feed for the herd.

I have been involved with the 4-H movement for the last 30 years as a member and a leader. I have been a chaperon on many trips through the club and currently still a beef leader.

We upgrade our stock by selective breeding through our own stock, AI, and by purchasing stock to better our own herd. We have shown cattle all over the Maritimes for the last 35 years and are very proud of our accomplishments. In 1989, we had the Reserve Senior Champion at the Royal Agriculture Farm Show in Toronto.

Over the years, I have been President of the PEI Angus Association and President of the Maritime Association for 3 terms, also a Director Representing the Angus breed on the Provincial Exhibition Association.

In 1996, we purchased along with a partner, the High Selling Lot at the Cross Canada Sale in Lacombe, Alberta, "H.F. Tibble". Also a top yearling heifer from the herd of Roy MacDonald from Saskatchewan. We will be showing her this year through the 4-H project and as an entry for the Junior Heifer Show in June.

Currently today, I still stand behind the Angus breed and believe I have installed this confidence and belief in the breed to my children, friends, and associates. My wife and I are beginning to take things a little easier and just enjoyed a trip to Freyburg, Maine, to see a cattle show. We are handing more of the responsibilities over to Wade. We are raising Jack Russell Dogs as a small farming project. As our children get older, we begin to wonder if we made the right choices, but as we look back on the joys of farming we have experienced we believe we have made the right choices. My wife and I will celebrate our 28th Wedding Anniversary June 14, 1997 at the Maritime Angus Field Day at Billy Best's Farm in Bonshaw, PEI. Our children are now living their dreams, Wade is taking over the Family Farm, Trucking and Auctioneering. Laurie is married to Terry McAulay and living in Moncton, N.B. She is the supervisor for Financial Collection Agencies. Terry is the manager of Avco. They are expecting their first child in July. I'm sure we will have our grandchildren also involved in farming and look forward to the day when we can officially retire.

TRIBUTES AND RECOGNITION OF MEMBERS' ACHIEVEMENTS

At the Annual General Meeting of the Canadian Aberdeen Angus Association, it is customary to present the immediate past president with a pin to recognize his service to Angus members. At the 1997 Annual General Meeting in Toronto, we will honor:

GARY HARRON OF HARRON FARMS

1997 is the 43rd year since the Harron family purchased their first registered Angus. She was a helper imported from Scotland and consigned to the Grey Bruce Huron County Club Sale (now Bluewater Angus Club) by Wynyates Farm.

Following graduation from the Ontario Agricultural College (now the University of Guelph) in 1958, Gary returned to the home farm and for the next 27 years maintained a dairy herd, while continuing to build and expand the Angus herd. He entered municipal politics in 1969 as a councillor following which he was Reeve of Amabel Township for 12 years and Warden of Bruce County in 1978. Gary is also past president of the Formosa Mutual Insurance Company, a farm mutual with an annual premium income of over 12 million dollars.

Gary was honoured to be awarded the Ontario Bicentennial Medal in 1984 and the Canadian Commemorative Medal on the 125th Anniversary of Confederation in 1992 for community work.

Thirty years ago, he was president of the Grey Bruce Huron Angus Association following which he spent two terms as president of the Ontario Angus Association.

In 1982 he dispersed the dairy herd and was subsequently appointed to a quasi-judicial position with the Ontario Municipal Board where he is now completing his fifteenth year.

He and his wife of 36 years, Yvonne, still operate a 50-cow Angus herd where they utilize proven performance bulls through an artificial insemination programme.

They have a family of two daughters, Tammi, a veterinarian who operates a predominately large animal practice in Paisley, Ontario, and is involved in a commercial cow-calf operation with her husband Brian Ribey. They are now building a herd of registered Angus. Gary and Yvonne have two grandchildren, Steven and Kelsey Ribey, aged 5 and 3.

Daughter Lisa manages an apparel store in Mississauga, Ontario and keeps some registered Angus on her parents' farm.

Gary remains an enthusiastic promoter of Angus cattle and has recently been active on the Canadian Angus Beef Committee.

CANADIAN ANGUS ASSOCIATION ANNUAL REPORT

NOTES
