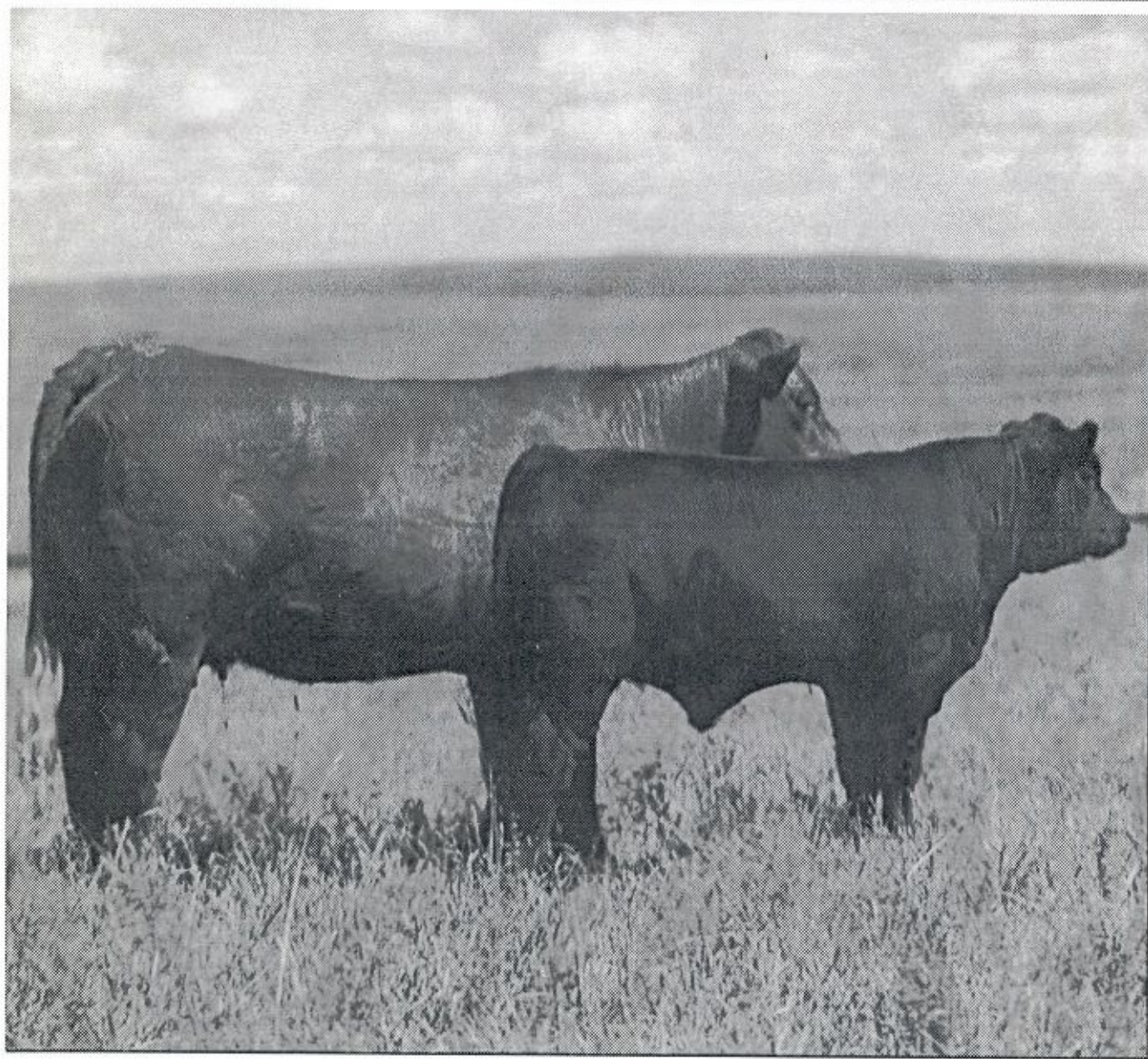


Canadian

ANGUS ASSOCIATION



Annual Report 1997

**CANADIAN ANGUS ASSOCIATION ANNUAL REPORT
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CANADIAN DIRECTORS

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

ASSOCIATION STAFF

Doug Fee - CEO
Maureen Armitage - Office Manager/Accounts Payable
Elizabeth (Libby) Sally - Breed Development Coordinator
Penny Young - Registrar
Sharmayne Byrgesen - Assistant Registrar
Sharona Larsen - Assistant Registrar
Wendy Krueger - Secretary/Receptionist

PROVINCIAL REPRESENTATIVES

<u>REGION</u>	<u>PRESIDENT</u>	<u>SECRETARY</u>
British Columbia	Frank Strimbold	Marjorie Savage
Alberta	Iva Graham	Val Miner
Saskatchewan	John Willmott	Belinda Wagner
Manitoba	Darin Bouchard	Ione Anderson
Ontario	Jim Wilkins	Dianne Miller
Quebec	Stan Christensen	Claude Lavallée
Maritimes	Doug Curry	Betty Lou Scott
Red Angus Promotion Society	Rod Lorenz	Lynne Scheideman

**1998 MEETING HOST PROVINCE
SASKATCHEWAN ANGUS ASSOCIATION
BOARD OF DIRECTORS**

Executive

President	John Willmott, Pense, SK
1st Vice-President	Elwood Smith, Nokomis, SK
2nd Vice-President	Laird Senft, Lipton, SK
Executive Director	Bob Toner, Kelfield, SK
Past President	John Bruce, Saskatoon, SK
Honourary President	Steve Moleski, Dysart, SK

Directors

Karla Hicks, Mortlach, SK
 Keith Kaufmann, Ceylon, SK
 Doug McIvor, Glrvin, SK
 Corinne Gibson, Fir Mountain, SK
 Marilyn Mountenay, Belle Plaine, SK
 Kathy Mountenay, Regina, SK
 Peter Moleski, Dysart, SK
 Gary Nixon, Craik, SK

Junior Director

Camille Blacklock, Saskatoon, SK

Canadian Directors

Barney Creech, Lloydminster, SK
 Neil Carruthers, Frenchman Butte, SK

CAA AGM Organizing Committee

Chairman Belinda Wagner

Chairman Neil Carruthers

Members Corinne Gibson
 Kathy Mountenay
 Marilyn Mountenay
 John Simpson
 Bob Toner
 John Willmott

**PAST PRESIDENTS
OF THE
CANADIAN ABERDEEN ANGUS ASSOCIATION**

1906	Hon. W. Clifford	1966	Thos. Jackson
1907	S. Martin	1967	Harold Simonson
1908-10	John Tranquair	1968	C.G. "Chuck" Davis
1911-20	J.D. McGregor	1969	Donald C. Matthews
1921-22	James Browne	1970	John C. Willmott
1923-24	John E. Lowe	1971	Edward Heil
1925-26	James Bowman	1972	Norman E. Wade
1927	Harry Leader	1973	Elmer Greenslade
1928-29	F.H. Reed	1974	Bruce McGillivray
1930-31	W.J.F. Warren	1975	David T. Bradshaw
1932	James Turner	1976	B.M. "Ben" Blacklock
1933	John R. Hume	1977	Orrin E. Hart
1934-35	S.J. Henderson	1978	George Earley
1936-37	W.D. Lyon	1979	Neill MacGregor
1938-39	T. Alex Edwards	1980	George M. Perry
1940-41	Roy Ballhorn	1981	Langley Musgrave
1942-43	C.R. Wade	1982	Lawrence Nason
1944-45	Chas. C. Matthews	1983	E. Glenn Good
1946	Frank G. Todd	1984	J.J. Willms
1947	A.E. Foster	1985	John C. Willmott
1948	T. Alex Edwards	1986	James P. Peaker
1949-50	Harry Morrell	1987	Donald E. Atkinson
1951-52	Roy Ballhorn	1988	Larry Walker
1953-54	Cowley H. Webster	1989	Leverett Bradley
1955-56	Thos. Henderson	1990	Dave Wildman
1957	P.R. Pederson	1991	Mel Sisson
1958	T.A. Leader	1992	Bill Jackson
1959	C.H. Norman Hodson	1993	Dr. B.Z. "Dale" Alyward
1960	Malcolm Bailey	1994	Grant Wilson
1961-62	Wilfred Willoughby	1995	Jim Round
1963	W.L. McGillivray	1996	Gary Harron
1964	Douglas G. Anderson		
1965	Alex Lamond		

PRESIDENT'S REPORT

Lori Goodrich

Times have changed. Since I became a director in 1989, the Board and staff have been faced with some major decisions that could have made or broken the Association. So today as I reflect back over all those negotiating meetings with CLRC, ABRI, and Dave Callaway, I can proudly say "Yes!", we as a Board made the right decisions. We have had not one major setback; everything has been full steam ahead.

Without a doubt in my mind, the most positive decision made by our Board was the hiring of our Chief Executive Officer, Mr. Doug Fee. Doug's positive, bubbly personality and dedication to his job have made many dreams of this Association become reality. His ability to negotiate and also to just visit casually with people has allowed this Association to have business doors re-opened to us that we felt were closed forever. He managed to move and hire new staff for our happy office in Calgary with no setbacks whatsoever.

And what about our staff? They have gone above and beyond their duties many times for the Association, thus moving us to the position by registrations of the #1 breed in Canada.

Our move to Calgary has boosted our exposure in the beef industry 100%. Beef organizations and our Association have actively worked together in the promotion of beef.

On a personal note, I would like to thank Doug and staff and directors who filled my shoes at the time of my father's ill health. I am happy to report that he has fully recovered from his surgery and he tells everyone he feels like he is 60 again!

Thanks especially to my always supportive husband, Ed, son Darcy, and all my family who looked after the ranch, and my dear sister, Bonnie, who has so patiently run the store this past year while I was travelling.

Thank you, Angus members, for allowing me to represent you this past year. It has truly been an unforgettable experience and I will be content to sit back and watch Angus continue to charge on! You have a Board who will ensure this.

I would like to leave you with a little of my grandfather's wit which I have never forgotten:

If you want to be successful in life, find something you like to do that makes money, then get really good at it.
If what you like to do is raise cattle, get really good at something else too!
P.S. Grandpa did not raise Angus!



Financial Statements of

CANADIAN ABERDEEN ANGUS ASSOCIATION

Year ended December 31, 1997



KPMG
Chartered Accountants

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

Telephone (403) 691-8000
Telefax (403) 691-8008
<http://www.kpmg.ca>

AUDITORS' REPORT TO THE MEMBERS

We have audited the balance sheet of the Canadian Aberdeen Angus Association as at December 31, 1997 and the statements of operations and operating fund, capital and special purpose fund and changes in financial position 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, 1997 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 6, 1998

CANADIAN ABERDEEN ANGUS ASSOCIATION

Balance Sheet

December 31, 1997, with comparative figures for 1996

	1997	1996
Assets		
Operating Fund:		
Current assets:		
Cash and term deposits	\$ 337,263	\$ 135,236
Marketable securities	110,605	50,000
Accounts receivable	34,842	64,415
	<u>482,710</u>	<u>249,651</u>
Capital assets (note 2)	140,529	158,992
	<u>\$ 623,239</u>	<u>\$ 408,643</u>

Liabilities and Fund Balance

Operating Fund:

Current liabilities:

Accounts payable and accrued liabilities	\$ 36,875	\$ 44,948
Members accounts	69,277	94,377
Due to Canadian Angus Foundation Inc. (note 3)	-	2,691
	<u>106,152</u>	<u>142,016</u>
Fund balance	517,087	266,627

Commitments (note 4)

\$ 623,239 \$ 408,643

See accompanying notes to financial statements.

On behalf of the Board:



President



General Manager

CANADIAN ABERDEEN ANGUS ASSOCIATION

Statement of Operations and Operating Fund

Year ended December 31, 1997, with comparative figures for 1996

	1997	1996
Revenue:		
Registration, membership and transfer fees	\$ 1,152,500	\$ 995,993
Bloodtyping	88,673	83,455
Interest and other	24,402	21,169
Licensing revenue	21,000	13,244
Grants	9,383	30,622
	<u>1,295,968</u>	<u>1,144,483</u>
Expenses:		
Wages and employee benefits	278,073	268,960
Advertising	144,732	141,297
Office	134,360	166,609
Provincial activity grants	102,240	87,896
Blood typing	70,750	68,068
Subscriptions and memberships	67,452	62,521
Directors and committees	58,294	57,982
Travel	55,014	40,056
Registry	32,700	20,329
Professional fees	27,780	14,335
Field service	13,755	3,628
Genetic evaluations	11,747	18,744
Bank charges	9,787	6,880
Export grant	2,106	-
Miscellaneous	-	1,181
CLRC processing levy	-	789
Depreciation	36,718	43,436
	<u>1,045,508</u>	<u>1,002,509</u>
Excess of revenue over expenses	250,460	141,974
Operating Fund balance, beginning of year	266,627	97,069
Transfer from Capital and Special Purpose Fund	-	27,584
Operating Fund balance, end of year	\$ 517,087	\$ 266,627

See accompanying notes to financial statements.

CANADIAN ABERDEEN ANGUS ASSOCIATION

Statement of Capital and Special Purpose Fund

Year ended December 31, 1997, with comparative figures for 1996

	1997	1996
Capital and Special Purpose Fund balance, beginning of year	\$ -	\$ 26,750
Interest earned	-	834
Transfer to Operating Fund	-	(27,584)
Capital and Special Purpose Fund balance, end of year	\$ -	\$ -

See accompanying notes to financial statements.

CANADIAN ABERDEEN ANGUS ASSOCIATION

Statement of Changes in Financial Position

Year ended December 31, 1997, with comparative figures for 1996

	1997	1996
Cash provided by (used in):		
Operations:		
Excess of revenue over expenses	\$ 250,460	\$ 141,974
Items not involving cash:		
Depreciation	36,718	43,436
Transfer from Capital and Special Purpose fund	-	27,584
Change in non-cash operating working capital	(6,291)	(109,005)
	280,887	103,989
Investing:		
Purchase of equipment	(18,255)	(57,825)
Increase in cash and cash equivalents	262,632	46,364
Cash and cash equivalents, beginning of year	185,236	138,872
Cash and cash equivalents, end of year	\$ 447,868	\$ 185,236

Cash and cash equivalents include cash, term deposits and marketable securities.

See accompanying notes to financial statements.

CANADIAN ABERDEEN ANGUS ASSOCIATION

Notes to Financial Statements

Year ended December 31, 1997

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) Marketable securities:

Marketable securities are stated at cost which approximates quoted market value.

(d) Depreciation:

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

(e) Member accounts:

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

2. Capital assets:

	1997		1996	
	Cost	Accumulated depreciation	Net book value	Net book value
Computer hardware	\$ 91,462	\$ 63,704	\$ 27,758	\$ 39,181
Computer software	133,501	38,723	94,778	97,289
Furniture and equipment	40,321	22,328	17,993	22,542
	\$ 265,284	\$ 124,755	\$ 140,529	\$ 158,992

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, Page 2

Year ended December 31, 1997

4. Commitments:

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

1998	\$	45,386
1999		44,891
2000		43,772
2001		5,016
2002		1,254

The Association is committed to capital expenditures for the continuing development of its computer software system. Such expenditures are estimated at \$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 ending in 2001.

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

CEO'S REPORT

Doug Fee

Nineteen ninety seven was another banner year for our breed and your association. Our competent staff entered over fifty thousand new animals into our database. Although some ten thousand of these were not registered, we still processed more registrations than any other purebred association and are recognized as having Canada's largest purebred registry.

The wisdom of accepting responsibility for our own registry was proven as our staff capably handled our registrations, transfers and performance data. Turnaround time has vastly improved and for most of the year, properly completed work was finished and in the return mail within two working days. Our staff remained at six full-time employees throughout the year, supplemented with a student who worked during the summer to cover for staff vacation.

We ended the year with a significant cash surplus, which has been allocated to reserves. The Board of Directors has been able to plan for enhanced services in the coming year with no increase in any of the fees or costs.

Blood Typing and Parentage

We continued the practice of requiring complete parentage verification of every 500th animal registered.

Two animals tested under this program in 1997 did not qualify. One did not match to his stated sire, and for the second, neither parent qualified. Both animals were later registered when the proper parents were identified by blood test. In two other cases, we had to select alternate animals for the random test and one case was never tested when the animal selected had already been shipped and no alternate was available.

In addition to our 115 parentage tests, an additional 2,547 blood tests were conducted on walking sires by the Saskatchewan Research Council. Routine comparisons were done to verify sires in all cases where that sire's blood type was on record.

Archives

The Association has received gifts of memorabilia and records and is working to establish an archival collection. As a first step, we had two attractive display cases made for the front office. These displays allow us to protect these materials, while allowing members to see them.



Elections

The terms of three directors were completed in 1997. Barney Creech was re-elected by acclamation in Saskatchewan and Don Fraser was acclaimed in Ontario to replace Gary Harron. An election scheduled for British Columbia was canceled when their director was named to a protected position as President-Elect. Under our present bylaw, the next election in British Columbia will be in 1999 when Mr. McHaffie's protected position expires.

Elections are scheduled in four regions in 1998: Alberta, Quebec, Manitoba and the Maritimes. An amendment has been proposed by the Board of Directors that if approved, will reschedule future elections so that directors' terms run from annual meeting to annual meeting rather than on an annual basis. Should this bylaw pass, elections normally held in the fall of 1999 would be rescheduled for the spring of 2000.

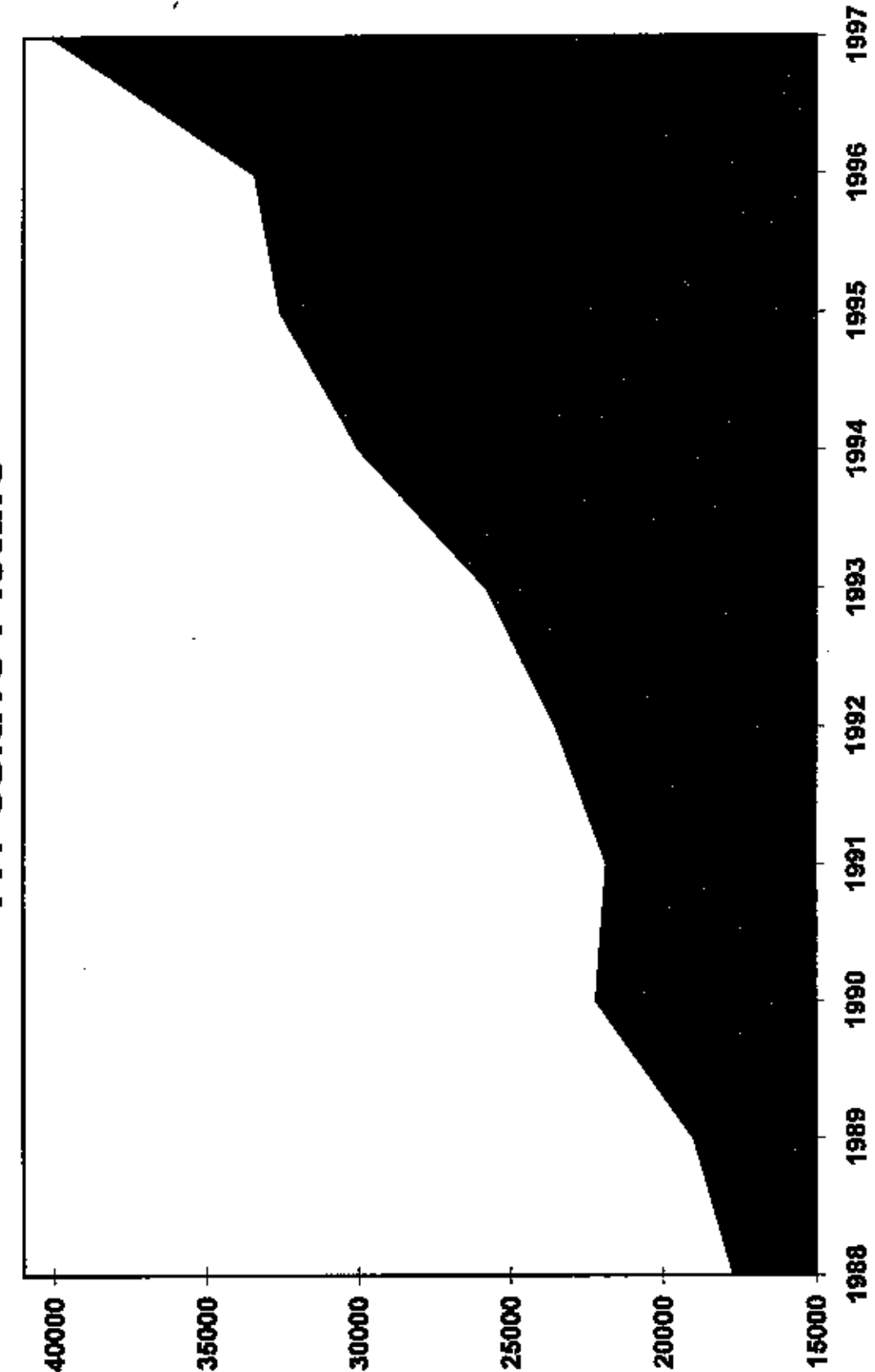
World Angus Forum

Thirty-four Canadians, including our President, attended the 7th World Angus Forum in Australia. Over one thousand Angus breeders from around the world met at the Forum in Sydney to discuss the breed. The Aberdeen Angus Society of Australia did the breed proud with a first class meeting and tour. The Forum was officially opened by the Governor General and greetings from Her Majesty the Queen Mother were presented by Martin Leslie.

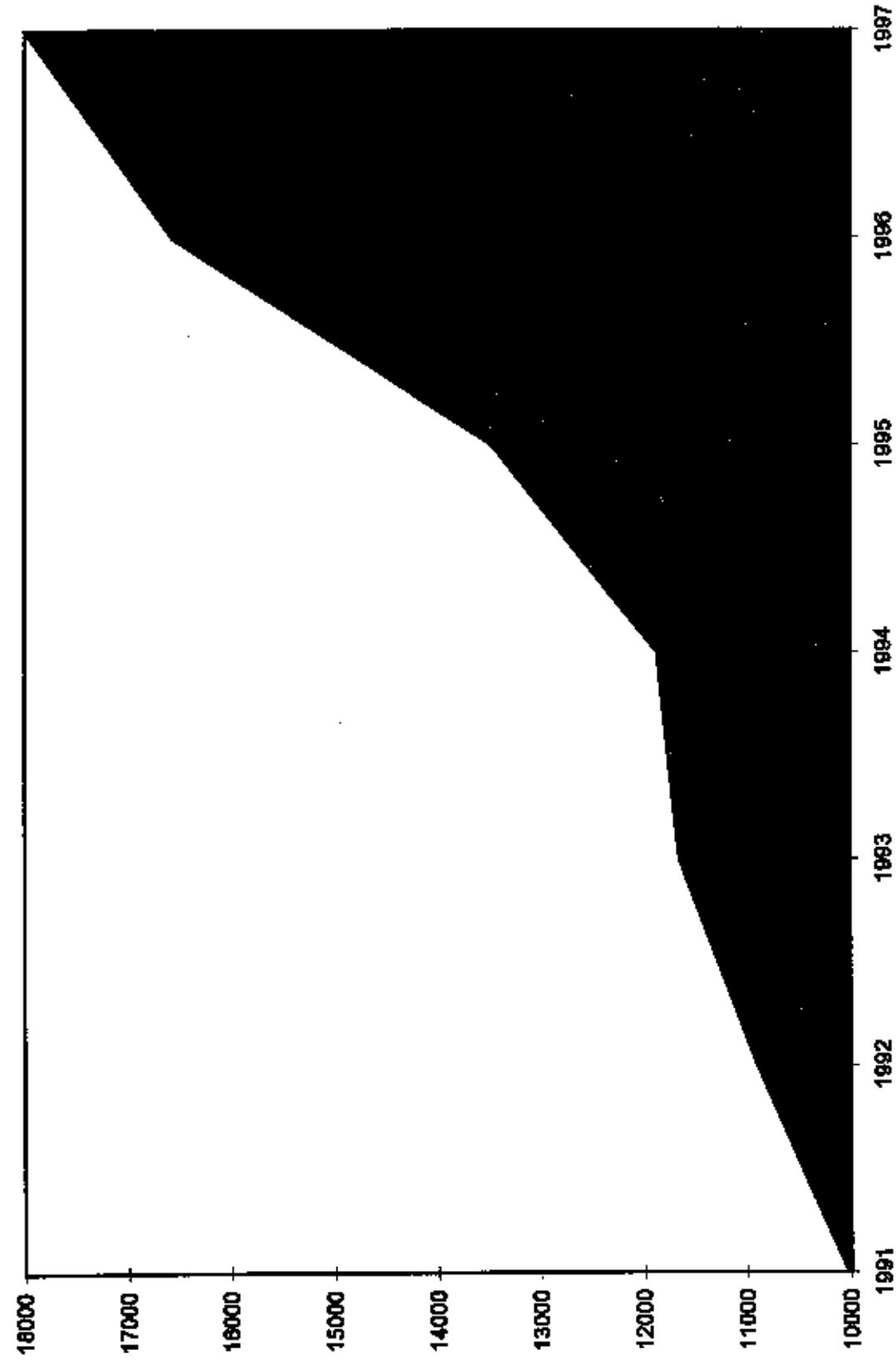
In addition to the Forum, fourteen countries and societies were represented at the formal meeting of the World Angus Secretariat. The Secretariat discussed many items of significance to our breed, including the emergence and success of Angus beef programs, health regulations, the status of BSE in Great Britain, and the merits of DNA testing. Canada has invited the World Secretariat to Calgary in 1999 and Scotland will host the next World Forum in 2001.

In conclusion, 1997 was an excellent year and I have every confidence that the future of our breed will be equally promising.

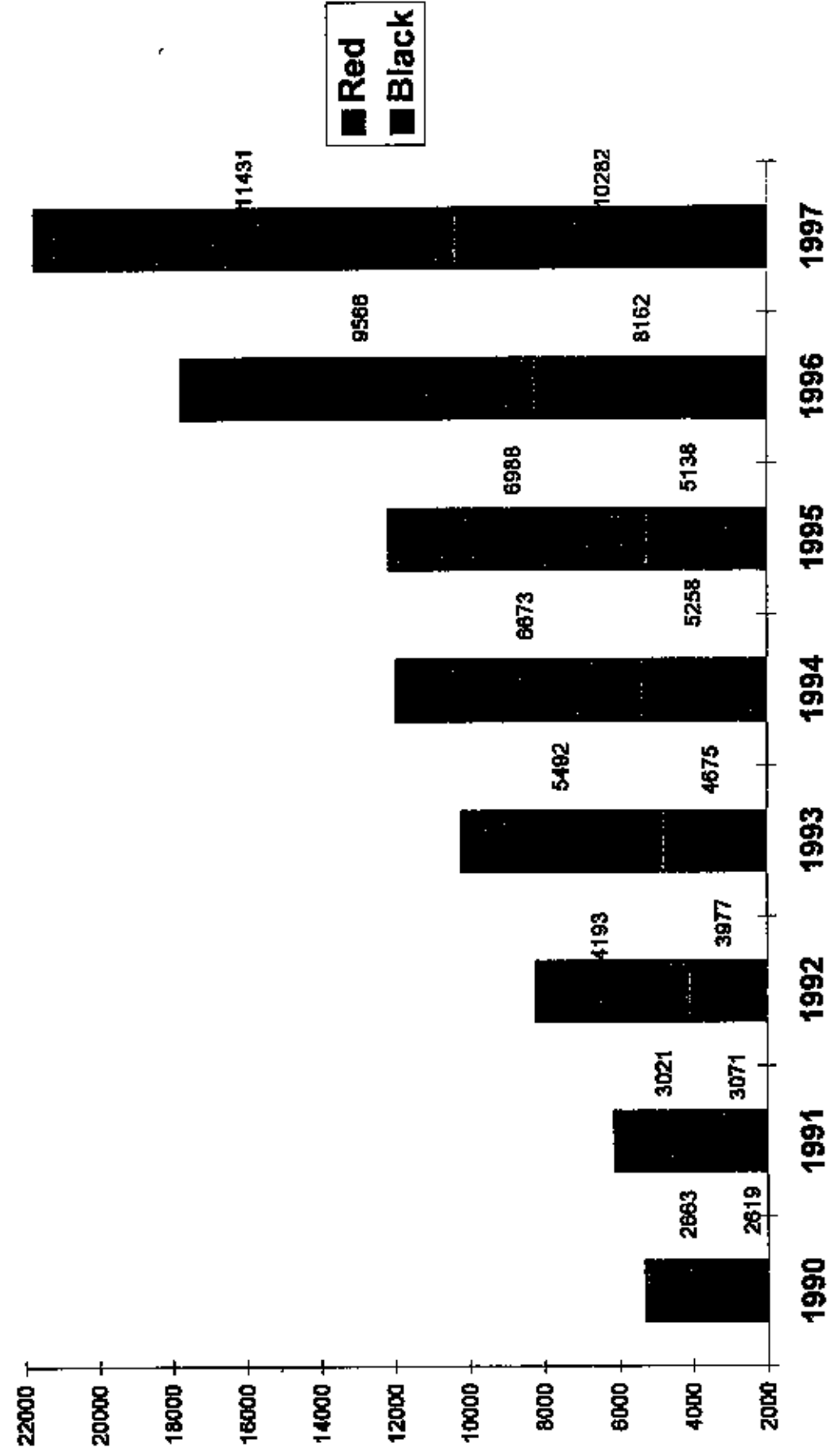
Canadian Angus Registrations: A Positive Picture



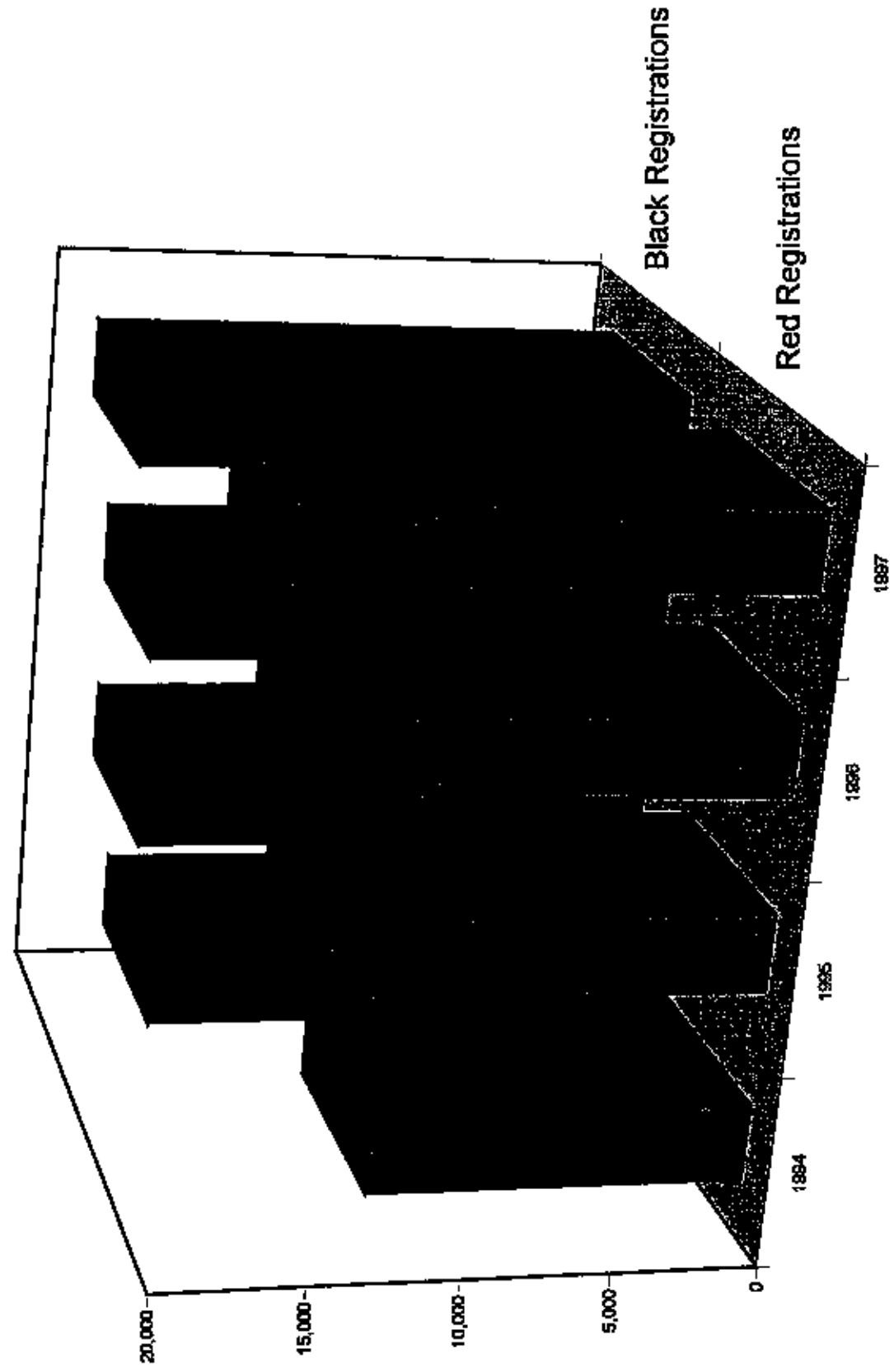
Angus Papers Transferred in Record Numbers



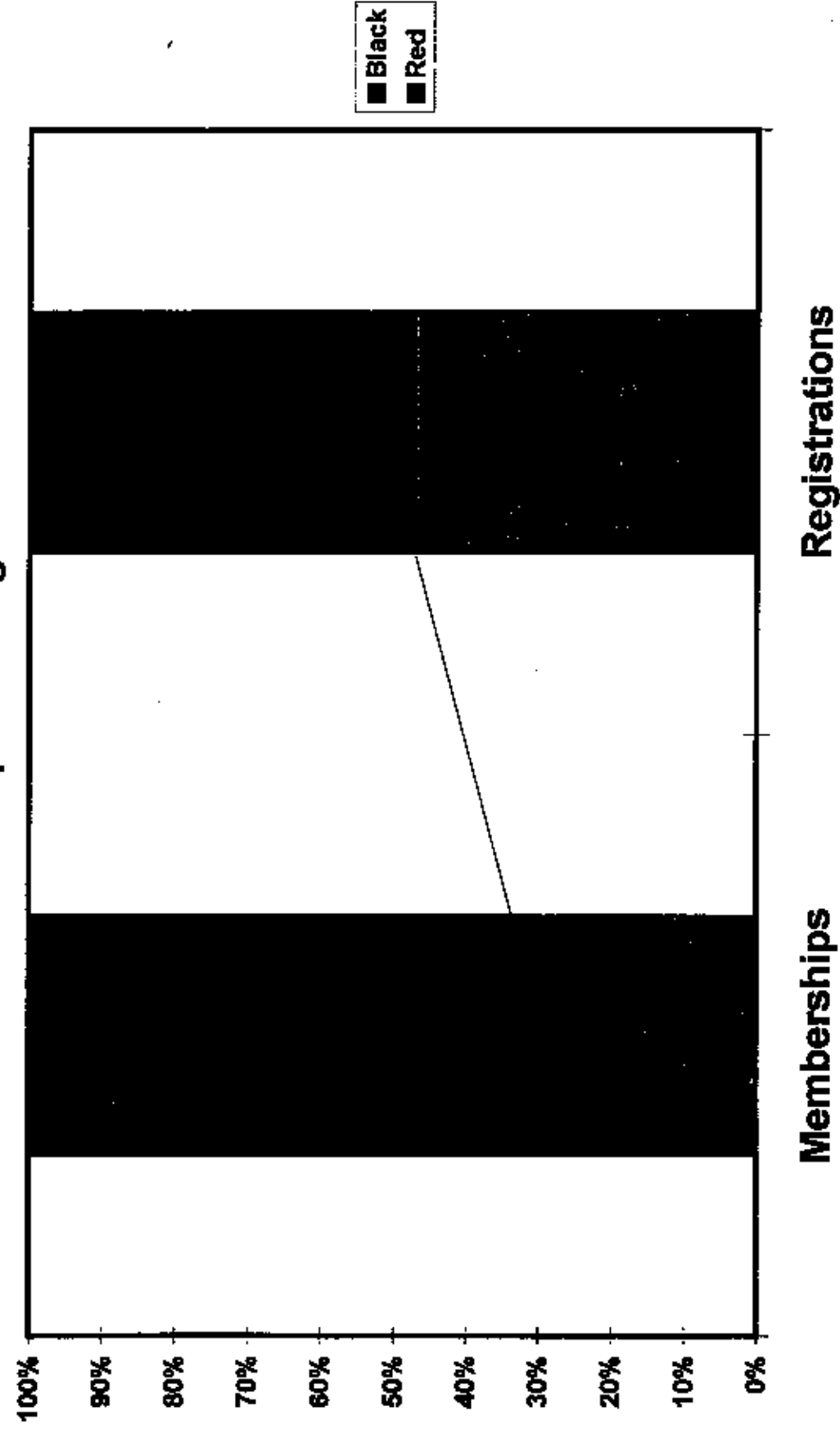
Performance Data Base Continues to Grow: 205-Day Weights by Year and Colour



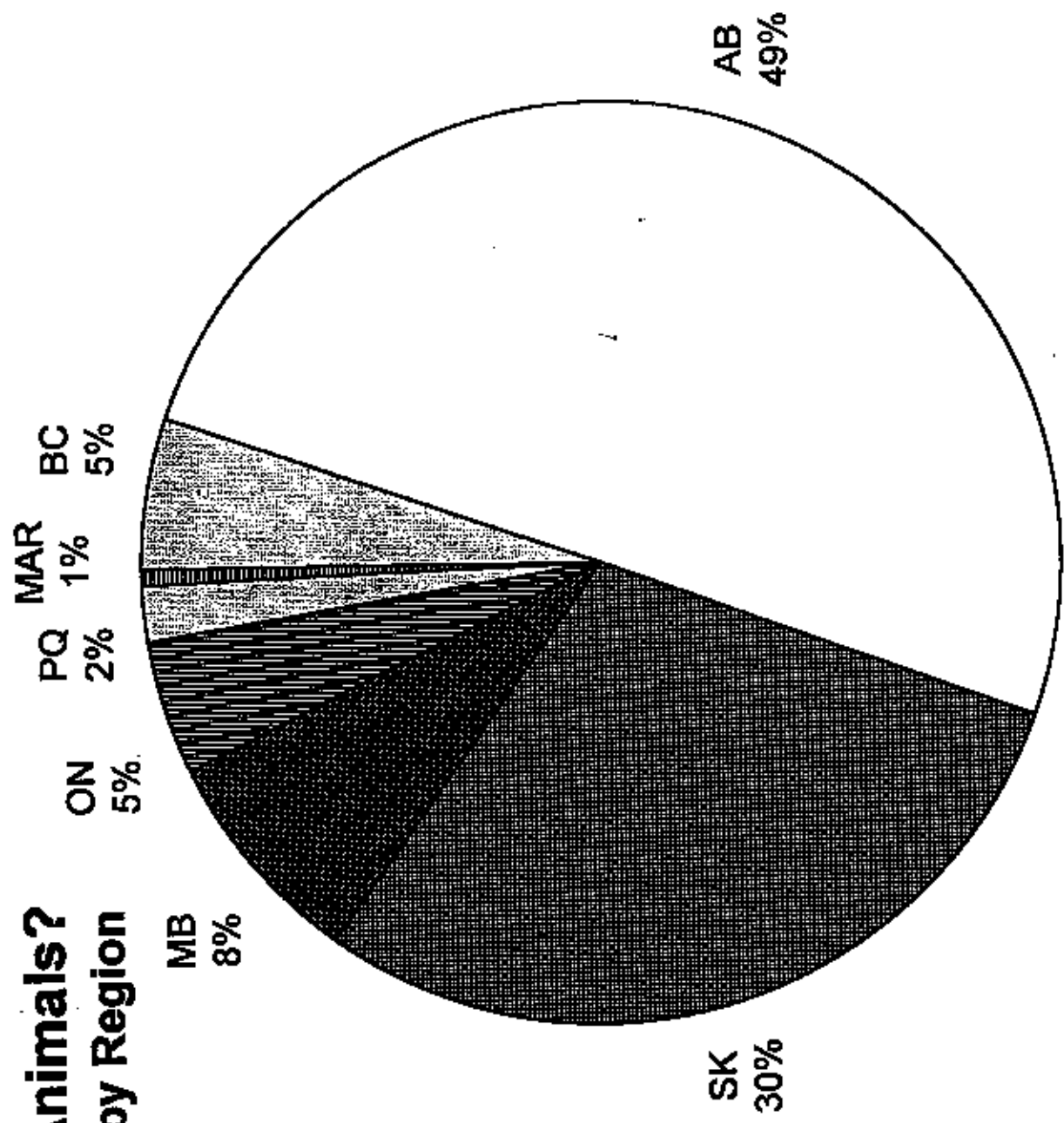
Red and Black: The Trend is UP!



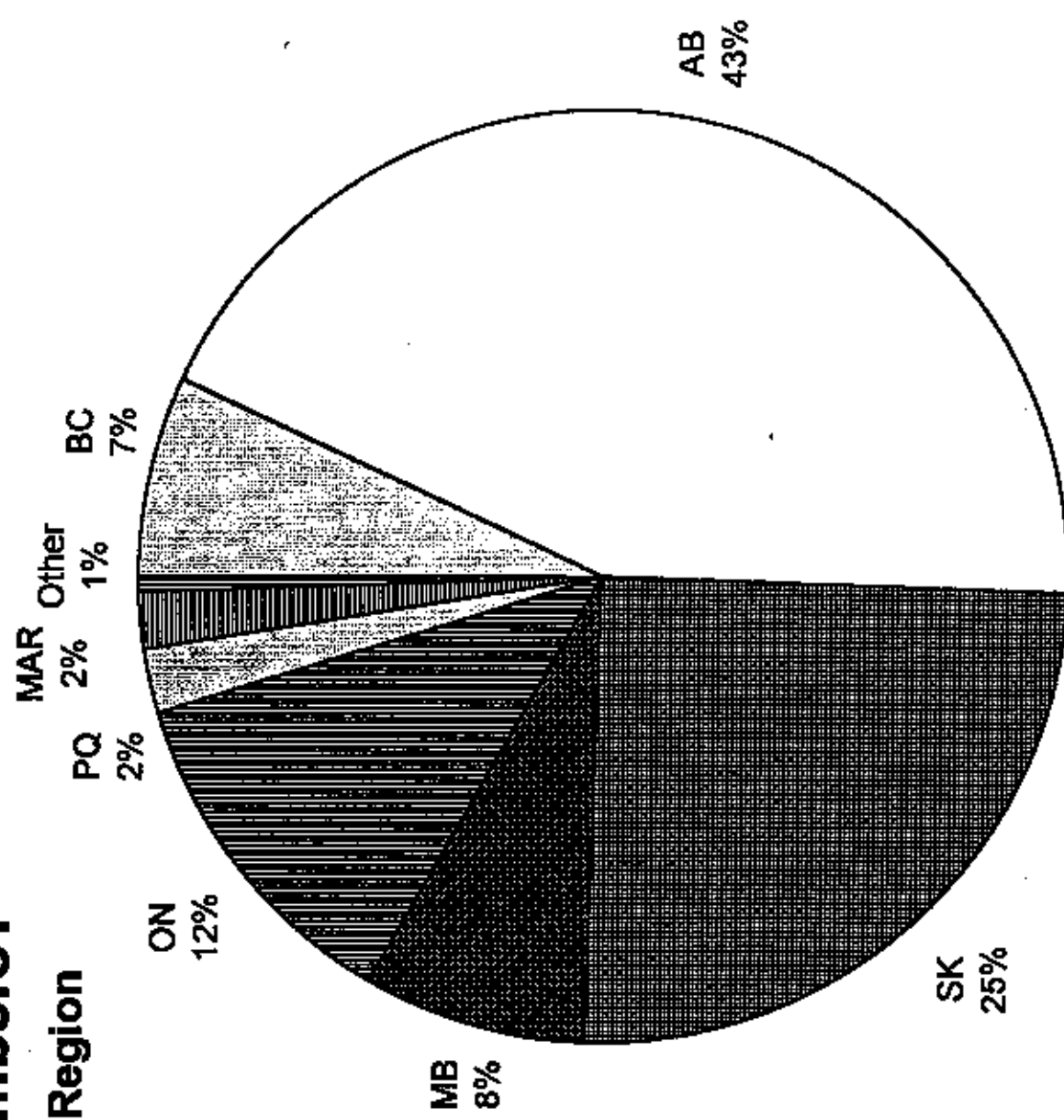
BLACK AND RED: 1997 Memberships and Registrations



23 **Where Are Our Animals?
1997 Registrations by Region**



**Where are Our Members?
1997 Membership by Region**



Members with Most Calves Registered During 1997

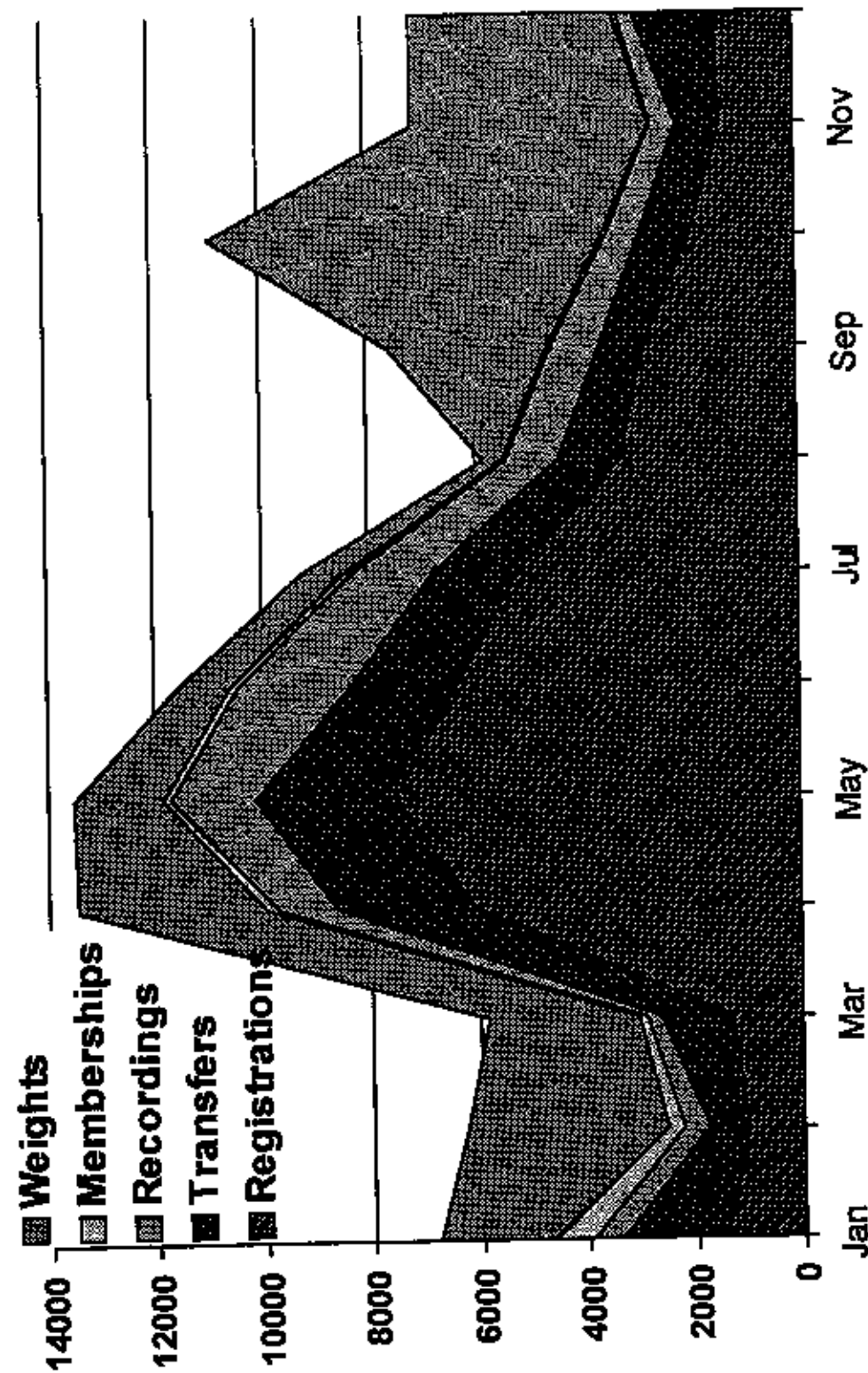
> 300	Geis Angus Farm, Alberta	100 - 125	R. Lee Smithson, Alberta O.H. Ranch, Ltd, Alberta R. Dale Ohler, Alberta David Bolduc, Alberta Wilbar Farms, Saskatchewan Alan E. Sander, Alberta Royal Valley Cattle Company, Alberta T.W. Armitage, Alberta Mountain View Farm, Manitoba Flint & Flint, Alberta Wild Rose Red Angus, Alberta Sewall Bros, Alberta Colin A. Sauder, Saskatchewan Handford Red Angus, Saskatchewan George Baxter, Alberta Charles I. Lamb, Saskatchewan Grant Doolittle, Saskatchewan Ian Macdonald, Alberta Patricia Volke, Saskatchewan Clayton and Corinne Gibson, Saskatchewan Benchmark Farms Ltd, Alberta Breton Red Angus, Alberta Fertile Valley Farms, Saskatchewan La Ferme Sage, Quebec Donn & Faye Trowbridge & Sons, Alberta Ronald M. Drinnan, Saskatchewan Ray & Glenn Ippolito, Saskatchewan
201 - 299	Dillabaugh Bros, Saskatchewan Prairielane Farms Ltd, Manitoba		
176 - 200	KBJ Round Farms, Alberta Shoderee Ranch, Alberta Monty & Lucille Metzger, Alberta M C Quantock Livestock Corp, Saskatchewan		
151 - 175	John Frank, Saskatchewan Lee J. Brown, Alberta Willabar Ranch Ltd., Alberta Jay Davis, Alberta Towaw Cattle Co. Ltd, Alberta Jack A. Hart, Manitoba Fred Noad, Alberta Saskaita Farms Ltd, Saskatchewan 266002 Alberta Ltd, Alberta Bar-X Ranch, British Columbia Sandy Bar Ranch, Saskatchewan Peak Dot Ranch Ltd, Saskatchewan		
126 - 150	Blue Spruce Stock Farm, Alberta Bickford Farms Ltd, British Columbia Mark Merrill, Alberta Jim Grills, Alberta Crowfoot Forks Cattle Company, Alberta Michael G. Rodgers, Alberta Ron Inglot & Sons, Saskatchewan Brian Edwards, Saskatchewan		

AI and ET ANIMALS BY YEAR OF BIRTH

YEAR	AI	PERCENT OF TOTAL	ET	PERCENT OF TOTAL	Non-AI & Non ET
1993	6,795	22	465	1.53	23,671
1994	7,367	21	593	1.73	26,893
1995	8,510	23	717	1.97	27,830
1996	9,044	23	802	2.08	29,472
1997	8,223	20	559	1.39	32,024

Please note that these are by year of birth, NOT year of registration, so may not agree with total recorded registrations for a calendar year, and it is likely 1997's numbers are not complete.

Keeping the Office Busy: Changes in Work Flow in 1997



OFFICIAL PUBLICATION REPORT

Dave Callaway, Publisher, Aberdeen Angus World

1997 was a record year in the Angus business with registrations and memberships increasing to an all-time high, a trend that shows signs that it will continue for some time. The Angus World office constantly receives phone calls from both existing breeders and new breeders asking where they can obtain Angus breeding stock. The Angus business is certainly strong and enjoyable to be involved in at this time.

We continue to enjoy a good working relationship with your CEO Doug Fee and his staff. This year, in fact, we worked on some joint initiatives which will form the foundation of more co-operative efforts in the future.

Just as points of interest, I have put together a couple of charts for your information. The first chart, which analyzes advertising rates of the four largest purebred beef cattle publications in Canada. The second chart is a breakdown of advertising dollars on a provincial basis.

As always, we invite all provincial groups to contribute news, show and sale results, etc. to us for inclusion in the magazine.

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

Publication	Rate	Difference	Percent
Angus World	\$500	0	100%
Simmental Country	\$675	+\$175	135%
Charolais Banner	\$895	+\$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	.62%
Maritimes	.17%

FINANCE REPORT

Robert McHaffie, Chairman

The trend over the last two years, since we severed ties with Canadian Livestock Records, is holding steady with annual increases in revenues of 9% in 1996 and 13% in 1997.

Consequently, the march towards financial stability for the Association appears to continue unabated. This year's Financial Statement confirms this outlook.

In 1997, we recorded an operating surplus of \$250,460, for a total current operating fund balance of \$517,087.

This is only fitting for the **Number One** beef breed in Canada, and bodes well for the future **security and development** of the breed.

I say "security" from the point of view that in the event of an unpredictable major set-back, the Board of Directors and Management are confident that, given the historical operating expenses of the Association, we now have sufficient financial resources to weather the storm.

I say "development" from the point of view that our income level is such that promotion of our breed in all areas will proceed at a moderately accelerated pace.

The Board of Directors feels that our present financial reserve is realistic for an organization our size. This situation will be closely monitored over the years so that a prudent balance between continued financial security and maximum promotional spending is maintained.

If you take the time to analyze the report vis-a-vis last year's budget, you will find that we ended the year 14% over budgeted revenues and 6.8% under budgeted expenses.

This reflects a conservatism that in turn indicates responsible management, and I would like at this time to express my personal appreciation to our CEO Doug Fee and his capable staff for all their help, and my committee for their efficient management practices.



Budget Comments

Based on year-to-date experience, we have again budgeted for about a 10% increase in Registry Revenue over 1997 actual, and about a 12% total revenue increase.

Major increases in expenditures include a \$60,000 allotment to Canadian Angus Beef, where we plan to expand field services and promotions dramatically.

Wages and salary increase from \$278,000 actual in 1997 to a proposed \$340,000 in 1998, allowing for the extra staff necessary to accompany our growth.

The Finance committee, in consultation with management, believe that we have budgeted conservatively and will have no difficulty reaching our projected revenue.

In 1997, the Board directed that future budgets allocate a contribution of 3% of revenues, less grants, towards reserves. From that point of view, the question of balancing the budget becomes moot, so whereas we show a \$39,328 deficit after reserve contribution, it is actually a small surplus before reserve contribution.

This is, ladies and gentlemen, in my view, a balanced budget.

PROMOTION AND ADVERTISING REPORT

Mabel Hamilton, Chairman

This has been an exciting year for Angus cattle. I would like to think that some of the work of this committee has contributed to the popularity of Angus.

To keep the advertising focused and on strategy, the following objectives were developed:

- 1) To give confirmation to Angus purchasers that they made the correct decision
- 2) To clarify that the trend to Angus is not a fad
- 3) To continue to emphasize the benefits of Angus
- 4) To promote specific Angus incentives i.e. Canadian Angus Beef

Print Advertising

The Cattlemen continues to be our main means of advertising. In order to be read, it is important that the ads are unique. Therefore, the focus was on using some of the old, like the feedlot ad, and developing new ones. The new ones centered around interesting women who have significant roles in their business and could offer meaningful testimonies. Judging by the comments, the ads have definitely been read.

The ads profile the benefits of Angus and suggest why it is the breed of choice. The colour of the animals is not significant but stress rather the positives of all Angus cattle. We will continue to use an agency to help develop and coordinate our strategies for future ads.

Commercial Mailouts

This communication with the commercial sector is one of our most important tools. The purpose is to mix breed information with industry news. Judging by the number of people who enter the contests associated with the newsletters, it must be serving a purpose. The plan is to continue with these incentives.

Booklets

The Quality Beef booklet that was developed last year has been reprinted. The next booklet explaining "Why the demand for Angus" is in the works and should be available for distribution soon. This is another form of communication that seems to be working.



Joint Promotions

Some of you may have seen the ad that was a cooperative effort with the Canadian Hereford Association. The purpose of this joint effort was to promote to commercial cattlemen the benefits of the black and red baldy cows. The ad in the Cattlemen was followed with the "Baldy Cows - Queens of the Range" newsletter, which offered some data regarding the value of the crossbred cow. The response to this newsletter was significant. This initiative will be evaluated and discussed as what the next step will be.

Regional Advertising

Once again the opportunity to access promotion funding was offered to the regions. This is to encourage the regions to advertise in appropriate print media and to advertise specific events.

Consistent, good advertising does not just happen. It takes coordination and dedication to the goals to make it happen. I would like to take this opportunity to thank our staff for their diligence and commitment to this committee. If we all work together for the good of all Angus cattle, we will make a great breed even better!

BREED DEVELOPMENT REPORT

Barney Creech, Chairman

The Breed Development Committee is responsible for performance data and genetic evaluations, and works to ensure that Angus breed development efforts meet the needs of the membership at large and the beef industry as a whole.

Lori Goodrich, Stan Christensen, and Doug Fee represented us at the World Angus Secretariat meetings in Sydney, Australia in October. Discussions were held regarding a world evaluation, but representatives of the various countries present agreed that we may be a few years away from this yet.

In 1997, the Board made the historic decision to replace blood typing with DNA testing, effective January 1, 1998. As the first beef breed in Canada to do so, there have been some growing pains, but long-term, DNA will be the way of the future, and will facilitate international marketing.

The Breed Development committee recommended the printing of a *Calving Booklet*. One was sent with membership renewal notices at year-end, and these have proved very popular with our members and commercial breeders.

Genetic Evaluations

The most frustrating item for the year is the black EPDs. The red EPDs are very close to the US numbers, and breeders are very satisfied. The Black EPDs have become less comparable with each evaluation. They are accurate and are an excellent tool to compare Canadian cattle, but not to compare to US cattle. Partial explanations are:

1. There are fewer dual registered blacks than reds
2. There are more red herds with whole herd reporting
3. There are more new black herds enrolled
4. Colorado State University uses a multi-trait evaluation whereas the AAA uses single trait

Whether this is all or part of the explanation we are not sure, but because the black EPDs vary so much from the American numbers and are getting more so, the Board has decided to stop putting black EPDs on the pedigrees until the problem is resolved. They are still calculated and are on the performance sheets.

Future Directions

This spring, the Association has launched a carcass data collection program. Interest in the program has been encouraging, and several commercial Angus producers have agreed to sign on as cooperator herds, using sires from both "benchmark" and nominated bulls.

By year-end, we expect to have available a Herd Magic for Windows adapted for Canadian use. Early reports on the Windows version are positive, and we expect this version will be popular with many additional breeders.

Many thanks to the hardworking committee members who gave the Board a lot of valuable input: Stan Christensen, Andy Hart, Harold Reich, and Dr. Rob Stables.

CANADIAN ANGUS BEEF REPORT

Gary Harron, Chairman

The purpose behind our Canadian Angus Beef program is to increase demand for Angus seedstock through strong consumer demand for quality Angus beef. Certainly in the large Ontario consumer market, name recognition for Angus is having an impressive effect. Diners and consumers are associating Angus with a quality eating experience, and we are in the interesting position where packers are looking for Angus, not only for our own program, but for other quality beef programs as well.

In 1997, our branded beef program continued its pattern of slow but steady growth. Good news was the expansion of the Canadian Angus Beef Program into the west, with a new packer and distributor in Alberta. With restaurants signed in Newfoundland and British Columbia in 1997, the program is truly national, and the goal now is to ensure a presence and availability in all markets in between.

In the fall, the Association hired Paul Edwards to work as our Program Coordinator. With many years experience in the industry, Paul worked diligently in his first few months to improve monitoring and reporting within the program, and is now working to expand supply as well as our network of distributors.

The committee continued its tradition of holding an all-day meeting with licensed packers and distributors, and the feedback provided at this meeting has been invaluable in helping us expand the program. Several changes were made to tighten up the specifications for the program. Carcass weight of animals accepted into the program are now to be between 550-750 lbs. In addition to grading AAA, all product must be aged a minimum of 28 days before retail.

Members who served on the committee in 1997 include Doug Allen, Bill Jackson, Glen Copeland, Neil Carruthers, and Doug Milne-Smith. I thank them for their valuable input.

EXPORT DEVELOPMENT REPORT

Doug Allen, 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.

Perhaps the most visible export-related event of 1997 was the World Angus Forum in Sydney, Australia. Many Canadian breeders joined our official delegation "down under" for a great networking and promotional opportunity. The Export committee asked the delegation to prepare a package of materials to hand out at these meetings and the popularity of this package was just one indication our Forum delegation received that interest in Canadian genetics is growing worldwide.

We will have an excellent opportunity to follow up on contacts made in Australia in July 1999, when Canada will host the Technical Meeting of the World Angus Secretariat in Calgary. Judging from the favourable reaction from many of the delegates in Australia to Canada's invitation, we should have a good turnout for these meetings. An organizing committee is already at work, and plans will include the opportunity for interested members to meet with the international delegates in a series of workshops and tours.

In 1997 the Export committee also developed a new export promotional brochure and a related poster, and these are now available for the asking from the office. These are being translated into French, Spanish, and Mandarin, and the brochures will complement the videos we already have available in these languages. These promotional materials are available to any member who can make use of them; simply contact the office to order them.

In February 1998, we sent a delegation, along with a booth, to Houston, Texas, to promote Canadian Angus at the stock show there. Houston Livestock Show has a reputation for attracting many international cattlemen, especially South and Central America. According to the number of inquiries and material handed out, it was deemed a successful trip.

STRATEGIC PLANNING REPORT

Harold Nielsen, Chairman

A long range strategic planning committee was set up in June 1997 to review our old plan which was put in place June 1992. After reviewing the old plan, we felt that we had accomplished most of our goals.

We decided to contact a facilitator by the name of Marcle Andersen of Tandem International in Toronto. In February of this year, the Board of Directors had a full day of "brain storming" with our facilitator. When the day ended, we felt that we'd covered just about everything pertaining to our industry.

A summary of the key decisions made at this session were brought to our committee meeting in April. At this time, we met with the Executive committee and finalized the key points of our new strategic plan. We had decided with our industry changing as it does, we'd go with a three-year plan instead of five years.

The purpose of the strategic plan is to set out goals, objectives and establish policy direction, primarily to guide the Association over the next several years and fulfill its mission, which is:

To serve the members of the Canadian Angus Association and support the development of the breed and its market.

Please review the main elements of the strategic plan, which are set out on the next couple of pages. We invite you to share with us your comments on the Association's strategic plan.

I would like to thank my committee members Stan Christensen and Blaine Canning for their help and time spend on this plan. Also our Executive committee of Lori Goodrich, Mabel Hamilton, Gary Harron and Robert McHaffie. A special thanks goes to the CAA staff for all the extra work they had to endure at the office.

CANADIAN ANGUS ASSOCIATION STRATEGIC PLAN 1998 - 2000

Mission

To serve the members of the Canadian Angus Association and support the development of the breed and its market.

Association Objectives

The Association's long term objective is to achieve sustained growth in registrations, achieving 57,500 registrations by the end of the year 2000.

We will achieve the following pace of registration growth:

	1995	26,000
Actual	1996	33,000
	1997	40,000
	1998	45,000
Objective	1999	51,000
	2000	57,500

Focus of Effort

- Cow/calf operators**
 - encourage competitive breed users to switch to Angus
 - encourage higher bull prices over time by building perceptions of Angus as a more profitable breed
 - introduce a junior program
- Packers/distributors**
 - attract new users to Angus and encourage use of the Canadian Angus Beef program
- Foodservice operators**
 - build demand back to distributors and packers by:
 - creating awareness of Angus' superior consistency and consumer appeal
- Feedlot**
 - secure participation in tagging and enable them in meeting consumer demand for Angus

Allocation of Resources

From a share of total Association effort standpoint (time, money, resources) this will result in the following "shift" in resources:

Rough Cut Percentage Allocation of Total Effort		Past	1998 - 2000
Cow/calf			
• Junior		0	5
• Operators		90	75
Feed lot		0	5
Packer/distributor		8-10	9
F/S operator		0	6
		100%	100%

The Association will not allocate effort directly against the consumer or the food retail operator.

Key Initiatives

I. Focus on Cow/Calf Supply

- Focus on building supply by getting more cow/calf operators to use Angus bulls
- Convince cow/calf operators that there is increased demand for Angus beef
- Intensify our junior development program

II. Focus on Feedlot Development

- Identify and promote feedlot operators who use Angus beef, and work with them to:
 - promote them to packers
 - collect carcass data and make it available to breeders
 - provide information to feedlots to help them manage the cattle in the best way to meet demand for Angus

III. Target Food Service

- Guarantee targeted food-service operators Angus beef by tagging product through the supply chain. Leverage marketing and sales efforts of Alberta beef against food-service distributors and white tablecloth operators

IV. Continue to Enhance Breed

- Identify the "quality" genetics better and track the impact that our improvements have made (e.g. create proof that Angus marbles better)
- Enhance our performance program, adding new traits to EPDs (carcass, maternal traits)

V. Institute a Field Service

- Institute a field service to work with commercial feedlots: enhance quality assurance, attract new commercial members, and inform about "market" for breed

VI. Identify the Brand

- Tag Angus cow/calf right through to packer
- Market Canadian Angus as a key benefit
- The Association will also:
 - Review the Canadian Angus Beef Program
 - Opportunistically consider closer alliance with US

MARITIME ANGUS ASSOCIATION REPORT

Betty Lou Scott, Secretary-Treasurer

Angus breeders in the Maritimes, as in the entire country, had an exciting and rewarding year in 1997. Interest in purebred Angus, both red and black, male and female, was strong throughout the year. With the downturn in the beef industry, prices were a bit weak, but the purebred industry did not seem to suffer as seriously as the commercial end of the business.

On the fair circuit, in New Brunswick numbers were down somewhat in the Angus shows. Prince Edward Island Provincial Exhibition had a very strong Angus show. In Nova Scotia, we did not have a show at the Atlantic Winter Fair in Halifax, but had a really strong show at the E.B.O.A. sponsored show at the Provincial Exhibition in Truro. In the 4-H circuit, we continued to have a good representation of Angus calves.

The Prince Edward Island Association hosted a very successful junior show and field day at Dr. Bill Best's farm in Bonshaw in June. We were pleased to have visitors from Ontario, Manitoba and Alberta at our annual field day.

Christy Bowron was our junior ambassador for the year. At our annual meeting in December, Doug Curry of Wentworth, NS and Peter Estabrooks of Sackville, NS joined Secretary-Treasurer Betty Lou Scott as the executive for 1998. Harold Nielsen was unanimously nominated to serve as our Canadian director for another three years.

We look forward to another strong year in the Angus business in the Maritime provinces.

QUEBEC ANGUS ASSOCIATION

Claude Lavallée, Secrétaire-Propagandiste

Il me fait plaisir de vous présenter mon rapport pour l'année 1997. C'est le moment opportun d'exposer les éléments qui ont composés l'année.

J'aimerais souhaiter la bienvenue et bonne chance à tout les nouveaux membres de l'association pour 1997, dont en voici la liste: Guillaume Normand de St. Valère, Glendon Morrison de Bury, Entreprise Denis Lacoste de L'Ange Gardien, Patrick Noisieux de Marieville, James EW Duffy de Durham, Jason Joss de Low, Stanislas Gachet de Notre Dame de Nord.

J'aimerais remercier l'association canadienne du support financier quelle nous a donné.

Cette année, j'ai participé aux ventes de station d'épreuve. Je tiens à féliciter à nouveau les participants en station d'épreuve. L'indice obtenu était excellent, ainsi que la moyenne de vente pour l'Angus rouge! Toutefois, je suis déçu de voir des taureaux vendus au prix du boeuf et même en bas, peu importe la race. Pourtant, il s'agit de taureaux éprouvés. Il est important d'avoir des sujets représentatifs de la race. De ce fait, je trouve que la réglementation des stations pour le choix des inscriptions le nombre de sujets de chaque race, la définition des critères dont les pourcentage accordés pour les indices ainsi que certaines interprétations devaient être améliorée.

J'ai participé à plusieurs foires agricoles où la race Angus y était présente et dont j'ai animé chacune de ses expositions. Les plus notables sont celle de St-Hyacinthe, Brome, etc. Les exéhibits étaient excellent et plus d'une fois la race Angus est choisit dans les championats suprême. Félicitations aux exposants, qui d'années après années exposent des sujets de qualité.

Évidemment, j'ai rédigé les différents procès-verbaux, ordre du jour et avis de convocations, etc., je donne suite au courrier et appels téléphoniques. J'essais dans la mesure du possible de donner du support "technique" aux éleveurs quant aux règlements, enrégistrement, traduction, conformité, insémination, test sanguin, et autres.

En juin, j'ai représenté le Québec à la réunion canadienne annuelle qui a eu lieu en Ontario.

En septembre dernier, nous avons tenu notre Pik-Nik Angus à la Ferme Claude et François Bourelle, ainsi qu'à la ferme Cowanbrae. Une magnifique journée. Visite des fermes, lunch, trage, etc. Plusieurs personnes étaient présentes. Je tiens à remercier la famille Bourelle et Henderson pour cette merveilleuse journée champêtre et d'avoir accepté en 1997 le Pik Nik Angus!

Pour terminer, j'aimerais remercier toutes les personnes qui s'impliquent dans l'association.

ONTARIO ANGUS ASSOCIATION

Dianne Miller, Secretary-Treasurer

1997 was a very active year for the Association. Strong demand for Angus cattle was seen throughout the province.

In June our province hosted the Canadian Angus Association Annual Meeting with good participation from all the provinces. Thank you to all the sponsors and volunteers, whose contributions made this event possible.

With the implementation of the Ontario Point Show, there was an increase in the number of cattle attending point shows throughout the province. Congratulations to the following winners:

- '97 Supreme Champion Bull
Ascent Fortune 105A: Tullamore Farms, Caledon East
- '97 Supreme Champion Female
Balley Acres Blackfoot Lady 1F: Balley Acres & Stafford Cattle Co., Port Perry
- '97 Champion Heifer Calf
Brantnor Edam 3G: Brantnor Angus, Woodville
- '97 Champion Bull Calf
Brantnor Excel 11G: Brantnor Angus, Woodville
- '97 Junior Champion Bull
Balley Acres Playboy 5F: Balley Acres, Port Perry
- '97 Senior Champion Female
Stalburn Blackcap 14E: Pascoe Farms, Hampton

A new undertaking in '97 was the Sweepstakes Class at the Royal Agricultural Winter Fair. 15 animals were entered for the \$6,000.00 jackpot. 1997 also marked the 75th Royal Agricultural Winter Fair and the National Angus Show.

The 37th Annual Futurity Show and Sale was moved to a new sale facility and date. Strong prices reflected the increasing demand for good quality Angus cattle. The 38th Annual Futurity Show and Sale will be held December 12, 1998.

Fall feeder sales saw good quality Angus and Angus-cross calves topping or at the top of most sales.

In 1998 the Association is printing a new Breeders' Directory and having another Sweepstakes class at the Royal Winter Fair on November 9, 1998. The Association is continuing with a strong emphasis on advertising using the slogan *Advantage: Angus*.

MANITOBA ANGUS ASSOCIATION

Ione M. Anderson, Secretary/Treasurer

The Manitoba Angus Association has enjoyed another busy year. Fall feeders sales were well supported. Something new was the steer trial, which was held at the Douglas Test Station, Douglas, Manitoba. The steers were fed out and slaughtered at Interlake Packers. Carcass data was collected and plans are to continue with the program again in 1998.

Ag-Ex Show was well supported, with good attendance at the show and Beef On a Bun, following the show. The Junior Angus Show was held the next day in conjunction with the other breeds.

Keystone Klassic was held in early December with an added attraction of two fund raising helpers. The sale was well attended.

The annual meeting was held on January 10, 1998 at Brandon, Manitoba with the Maine Anjou Association and Limousin Association. A joint banquet and fund raiser auction followed the meetings.

The early winter beef seminars throughout the province found the Manitoba Angus Booth in attendance. Promotional materials were displayed and the response was very encouraging. The Canadian Angus Booth was well received at the Royal Manitoba Winter Fair in Brandon, Manitoba. The Junior Angus Show was held during the spring fair and was well attended by junior members.

The many test station and private bull sales held throughout the province were strong, with many seeing the Angus breed topping them.

The newsletter has received tremendous support and the mailing list is growing with each cattle function that the Manitoba Angus Association booth is in attendance.

The Manitoba Angus Association is very grateful to all the people who help make the Angus breed in Manitoba a success. Their efforts to work at the display booth, help at the fairs and assist with the day to day business of the association are very much appreciated. Angus cattle are great, but it is the people involved in the breed that make it second to none.

SASKATCHEWAN ANGUS ASSOCIATION

Belinda Wagner, Secretary-Treasurer

On behalf of the Saskatchewan Angus Association Board of Directors, I would like to welcome everyone to Saskatchewan for this year's Canadian Angus Convention and Annual General Meeting.

Thank you to those volunteers who helped to plan and organize the events surrounding the meetings, and a special thank you to Nell Carruthers for his assistance and support.

I would also like to thank and acknowledge the sponsors for the convention and ask that all members and delegates do the same - their participation is what makes the Convention entertaining and successful.

1997 was an excellent year for Angus in Saskatchewan - our membership continues to grow!

Our summer show was held in July in North Battleford with a good number of entries in both the Junior and Gold Show divisions. Canadian Western Agribition '97 was both a challenge and very interesting with all the changes - our "Pick Your Angus" function was once again a huge success with over 130 participants.

The SAA held their 1998 Annual Meeting in Regina on January 24. The Saskatchewan Angus Commercial Producer of the Year, Bill White of Goodwater, was recognized with a commemorative clock, and the Breeders of the Year were named: Young Dale Angus, Barry and Marg Young and family of Carlevalle.

Steve Moleski of Black Ridge Angus Farm, Dysart, was elected Honourary Saskatchewan President and Ted Scandrett of Radlsson the Honourary Canadian President. The "South East Ag Days" will run from August 14-16 with the Gold Show to be held on the 16th. The show will be a "departure" from its traditional format as the hosting committee is running the show completely, rather than working with a fair or Ag. Society.

The 1998 Canadian Western Agribition Show will run from November 22-29 in Regina and is our second designated Gold Show. The "Masterpiece" Sale will be held on Wednesday, November 25, the black and red shows on Thursday, November 26 and "Pick Your Angus" on Thursday evening. The Commercial Show and Sale have moved back into the heart of the breed shows and will run on Friday and Saturday. The Junior Show is scheduled for Sunday the 29th, which will hopefully bring our numbers back up to 1996 levels.

We look forward to a busy summer and fall.

ALBERTA ANGUS ASSOCIATION

Iva Graham, President

The Alberta Angus Association is in the process of moving its office into a private home. Hopefully, by annual meeting time, the move will be complete. The following will be the new address and telephone number:

Alberta Angus Association
c/o Val Miner
Box 24
Kathryn, Alberta
T0M 1E0

(403)935-4485

We hope you will introduce yourself to Val at the various shows, as she will be operating the booth as well as the office.

Our 4-H program continues to grow. We still offer a T-shirt to every 4-Her who show an Angus or Angus-cross project. Also the grand champion and reserve grand at district levels receive \$100.00 and \$50.00 respectively. We still do three draws for \$1000.00 at the provincial 4-H Heifer Show in Bashaw. The winners of this must purchase a female from a club or association sale in the fall.

Our annual meeting this year will be a slightly different format. Included with the meeting will be two different sales. The first sale will be made up of only about twenty cows with proven records. These will be selected from any province. The second sale will be only Alberta cattle. The sales management firm of OBI will handle these two sales, as well as the Superstar Sale. Please contact Rob or Jeff for further information.

The Purebred Breeders are Roger and Jo Hillestad. They are certainly very worthy of this award with their past accomplishments. They reside at Bow Island. Our congratulations to them both.

BRITISH COLUMBIA ANGUS ASSOCIATION

Frank Strimbold, President

The past year has been as exciting in B.C. for Angus breeders as it was in other parts of Canada. Our membership has grown by nearly fifty percent, as has all the other activities, registrations and transfers. The interest in Angus is at an all time high from the ranchers.

Our Thanksgiving Sale last fall was the best one to date with cattle being sold throughout the province and some to out of province buyers. We hope to have another great Sale this fall on the Thanksgiving weekend. We have changed the format for 1998 by having a professional Sales Manager select the cattle on the farm. We are sure this will assure our buyers of the very best that B.C. has to offer all in one place to select from.

The geography of B.C. makes it difficult for directors to meet in one place so we have had two directors' meetings by conference call. This makes it a little more difficult, but we get opinions from all areas of the province this way. We held a general meeting after Bullarama in Kamloops that was well attended and a sit down Directors' Meeting after. It was a long day, but as many directors have an eight hour or longer drive home, we felt it worthwhile.

The B.C. Angus sponsored Fourth Bullarama Sale was a huge success. The stands were overflowing at the Kamloops Agricentre when ninety-three Angus bulls sold for an average of \$2,110. These were mostly yearlings. The high seller received \$4,700. Plans are underway for the Fifth Bullarama at which time we are hoping to also offer open helpers ready to breed.

All the Bull Sales in the province saw Angus bulls sell for a higher average than the year before. I'm sure this trend will continue. Private treaty sales appear to have been good in all areas of the province.

A Field Day was held on May 24 at the Douglas Lake Ranch in southern B.C. An interested group of breeders heard Stan Jacobs, ranch manager, tell how they use Angus in their program.

It's a great time to be in the Angus business.

CANADIAN RED ANGUS PROMOTION SOCIETY

Lynne Scheideman, Secretary

1997 was a milestone year for the Canadian Red Angus Promotion Society, as it celebrated its 25th anniversary. The banquet at Round Up in October was attended by numerous original charter members and past presidents, who were presented with silver pins. The strength in our membership shows why the CRAPS is a continued success for 26 years.

1997 was also historic in that the Society's first woman president, Wendy Schneider, took office.

Being the feature breed at Edmonton Northlands Farm and Ranch Show meant exhibitor numbers were way up. Sponsorship dollars were well over \$30,000.

A successful membership drive to over 800 breeders resulted in many new members.

In 1997 a questionnaire was sent to all members on what we do right and what we can improve upon. It was a great tool to set new goals with.

Key advertising in the Cattlemen focused on the serious commercial cattleman. The magazine covers all of Canada equally and we receive approximately 200 requests for information from this magazine. CRAPS continues to use the CAA logo in all its ads.

A fantastic herd tour was held the August long week end in conjunction with the Alberta provincial association. An excellent 25th annual Red Round Up, Bull Futurity and "Club Red" were held in October. Semen donations raised a record high for fundraising, along with the donation helper. Fundraising put us in a stable financial position for 1998 and 1999.

The annual meeting in December also marked the retirement of our long-term secretary, Sandy Rosevear. Sandy was very dedicated to the breed and the Society, and will be missed. In fifteen years, CRAPS has only had two secretaries.

The plans for 1998 include getting the new secretary up to speed, and developing a new promotion/advertising line. The Society plans to hold two conference calls a year to include all our provincial reps and to ensure we are in touch with all our members in all geographical locations. We will help to promote red influence sales and auctions using our September Cattlemen ad.

No matter the project, the Canadian Red Angus Promotion Society will continue to fulfill our number one mandate on behalf of our members, which is to promote Canadian Red Angus cattle, and to work together with affiliated associations to do the same.

CANADIAN ANGUS FOUNDATION REPORT

Blaine Canning, Chairman

The Canadian Angus Foundation was established in 1993 as a registered charitable organization in order to receive tax-deductible donations to preserve the archives of the Canadian Aberdeen Angus Association, and to fund educational and research efforts for the promotion of the Angus breed in Canada.

The audited statements of the Canadian Angus Foundation are included in this annual report. In 1997, the Foundation made its first disbursement: Chyanne Hawkins, the winner of the junior essay contest, was awarded a \$100 Canada Savings Bond.

In 1997, the Association ordered specially-designed cabinets to house some of the archival material that has been collected on behalf of the Foundation. On display in the office in Calgary are some sales catalogs, trophies and other memorabilia that tell part of the history of the Angus breed in Canada.

A new Board of Directors for the Canadian Angus Foundation will be elected at its 1998 annual meeting, held in conjunction with the annual meeting of the Association. The Board will breathe life into the Foundation, establish fundraising goals, and develop the means to achieve them. With the help of a few volunteers and many benefactors, the Canadian Angus Foundation will have the opportunity to develop from a good idea in theory, to a greatly successful organization in practice.



Financial Statements of

CANADIAN ANGUS FOUNDATION INC.

Year ended December 31, 1997



KPMG
Chartered Accountants

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

Telephone (403) 691-8000
Telefax (403) 691-8008
http://www.kpmg.ca

AUDITORS' REPORT TO THE MEMBERS

We have audited the balance sheet of the Canadian Angus Foundation Inc. as at December 31, 1997 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, 1997 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 6, 1998

CANADIAN ANGUS FOUNDATION INC.

Balance Sheet

December 31, 1997, with comparative figures for 1996

	1997	1996
Assets		
Current assets:		
Cash	\$ 3,801	\$ -
Due from Canadian Aberdeen Angus Association	-	2,691
	<u>\$ 3,801</u>	<u>\$ 2,691</u>
Equity		
Equity	\$ 3,801	\$ 2,691

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, 1997, with comparative figures for 1996

	1997	1996
Donations revenue	\$ 1,210	\$ 650
Expenses:		
Scholarship	100	-
Bank charges	-	23
	100	23
Excess of revenue over expenses	1,110	627
Equity, beginning of year	2,691	2,064
Equity, end of year	\$ 3,801	\$ 2,691

See accompanying notes to financial statements.

CANADIAN ANGUS FOUNDATION INC.

Notes to Financial Statements

Year ended December 31, 1997

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 the archives of the Canadian Aberdeen Angus Association.

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 1998 PROGRAMS

Budget

**CANADIAN ANGUS ASSOCIATION
CONSOLIDATED 1998 BUDGET**

REVENUE

REGISTRATIONS	\$ 1,278,827
DNA TESTING	\$ 110,000
LICENSING	\$ 40,000
OTHER INCOME (Herd Magic, AIMS grants, promotions, etc.)	\$ 53,000
TOTAL REVENUE	\$ 1,481,827

EXPENSES

ADVERTISING	\$ 88,600
PROMOTION	\$ 65,000
PRINTING	\$ 95,700
BANK & INTEREST CHARGES	\$ 10,000
REGISTRY PROCESSING (ABRI)	\$ 50,000
HERD MAGIC	\$ 3,500
PARENTAGE TESTING	\$ 5,000
DNA TESTING	\$ 90,000
GENETIC EVALUATION	\$ 15,000
DEPRECIATION	\$ 45,000
DIRECTORS & COMMITTEES	\$ 70,500
FIELD SERVICES	\$ 65,000
OFFICE EXPENSE	\$ 199,900
PROFESSIONAL FEES	\$ 67,000
PROVINCIAL ACTIVITY GRANTS	\$ 118,950
FOUNDATION	\$ 10,000
SUBSCRIPTIONS & MEMBERSHIPS	\$ 80,000
TRAVEL EXPENSES	\$ 58,000
WAGES	\$ 340,000
TOTAL EXPENSES	\$1,477,150

TOTAL SURPLUS BEFORE RESERVE \$ 4,677

RESERVE (3% Revenue less Grants) \$ 44,005

TOTAL SURPLUS/LOSS \$ (39,328)

PLANNING FOR 1998 PROGRAMS

1998 Gold Shows

REGION	LOCATION	DATE
British Columbia		
	Dawson Creek	AUG. 1-3
	Interior Provincial Exhibition, Armstrong	SEP 2-7
Alberta		
	Chinook Livestock Classic, Lethbridge	OCT. 31
	Farm Fair, Edmonton "National Angus Show"	NOV. 7 - 9
Saskatchewan		
	Summer Gold Show and Junior Show, Arcola	AUG. 14-16
	Canadian Western Agribition, Regina	NOV. 26
Manitoba		
	Brandon Fall Fair, Brandon	NOV. 7
Ontario		
	Ontario Preview Show, Brampton	SEP. 20
	Royal Winter Fair, Toronto	NOV. 9
Maritimes		
	PEI Provincial Exhibition, Charlottetown	AUG.12-15
	Nova Scotia Provincial Exhibition	AUG. 27-29

Congratulations to the 1997 Gold Show Winners

1997 GOLD SHOW BULL OF THE YEAR

DMM Flex 24E

L& D WILSON, H & W SCHNEIDER & R & C
TATE
Bashaw, AB

1997 GOLD SHOW FEMALE OF THE YEAR

DMM Diamond Mist 8F

ANGELA CLAIRE NORTHEY
Bashaw, AB

Congratulations to the 1998 Honourary Presidents

**Les Garbutt of
British Columbia**

Herb Knowles of Alberta

Kenneth McCulloch of Ontario

**William E. (Ted) Scandrett of
Saskatchewan**

**Isaac Smith of Cape Breton,
Nova Scotia**

**Grant and Carol Wilson of
Manitoba**

Les Garbutt - British Columbia
Gardale Angus, Aldergrove, BC

Les Garbutt was born at Bethune, Saskatchewan in 1921, and married Bernice in 1949. His first interest in cattle was helping his brother with his Angus at Belbeck, Saskatchewan. Les was in the jewelry business for forty years. Les and Bernice moved to Milner, B.C. in 1949 and started their own herd and began showing in 1972. Les started with a cow calf pair and two heifers, and the herd grew to 40 cows. The herd has been mostly black, but over the years, there were also a few reds.

Les served as President of the Fraser Valley Angus Club for five years and was a Director of the B.C. Association for two years. They have sold the farm in Milner and moved to Aldergrove, B.C., where Les enjoys gardening and visiting Angus breeders whenever possible. Even in retirement, Les still owns nearly 20 cows that are out on a share basis with other Angus breeders. The Gardale name still appears quite frequently in sale catalogues throughout B.C.

Herb Knowles- Alberta
Sunmound Angus, Stettler, AB

Herb lives at Stettler, but farmed until his retirement at Byemoor. Herb is known to many Angus breeders, and if not, then certainly the "Sunmound" herd name is. Herb, along with his brother, farmed and raised quality Angus cattle for many years. Their father Billy started the Angus herd in 1945. Herb and his brother sold their farm and the Sunmound herd a few years ago. Over the years, the Sunmound cattle made a great contribution to the Angus industry. Herb continues to promote Angus cattle at whatever venue. Guaranteed that if the conversation does not get to cattle soon, Herb will be absolutely certain to steer the conversation in that direction, and Angus will be promoted.

Kenneth McCulloch - Ontario
Heritage Farms, Hanover, ON

Ken was born in 1927 in Bentinck Township, Grey County. Ken received his education in Grey and later attended Staff and Teachers Normal School, graduating in 1948 and returning home to begin a 35-year career teaching in Grey County.

Ken married Donnetta Langrill in 1952, and they became the third generation to farm at the farm location. In 1965 they took over the heritage Angus herd. The first Angus heifers were purchased in 1915 by David and Sarah Donnelly. This herd passed on to James and Mac (Donnelly) Langrill, then to Ken and Donnetta (Langrill) McCulloch. At present through family agreement, the Angus herd is being gradually taken over by daughter DonnaLee and Norman Schreinert, who will be the fourth generation on this property to continue breeding Angus cattle.

Ken has been a strong promoter of Angus cattle and has served as a director and supporter of the Blue Water Angus Club for many years. Ken has used Canadian Angus AI bulls exclusively over the last several years.

Ken and his wife Donnetta and daughters DonnaLee and Sarah are very active caring for their land and Angus cattle. They are great promoters of Angus cattle and strive to serve their community.

William E. (Ted) Scandrett - Saskatchewan
Lamoyle Angus, Radisson, SK

William E. (Ted) Scandrett was born in 1913 in the Lamoyle SD 2292 South of Radisson and has lived there his entire life.

He was in Jimmy Yardiner's Army during the war raising registered Lamoyle Yorkshire pigs. He served on the Great Bend Municipal council; the hospital board for ten years and the Co-Op board as a director and secretary for fifty years.

In 1962 William purchased his first registered Angus cows which increased to about a 50 basic cow herd. As cattle were never vaccinated in those years, often the entire calf crop went to Missouri and Montana. For two years, the cow herd was used to estimate the Cost of Production for the University of Saskatchewan.

Due to extreme dry conditions and lack of water, William was forced to disperse his herd in 1987.

William considered it an honour to be Honourary President in 1988, so 1998 makes it doubly so.

Isaac Smith - Maritimes
Ceilidh Trill Angus, Mabou, NS

In the Maritimes, the name Isaac Smith is synonymous with Red Angus. Sixteen years ago, Isaac bought his first purebred Red Angus heifer, and hasn't looked back since. He maintains a herd of approximately 50 cattle. 90% of them are purebred Red Angus.

Isaac is also well known for his bed and breakfast at Clayton Farm, his family homestead of 165 years. Isaac works as an insurance agent and is a licensed artificial insemination technician, as well as farm and tourism responsibilities.

Red Angus herds in all four Atlantic provinces have been influenced by breeding stock from Ceilidh Trill Red Angus Farm.

A quiet, laid back Cape Breton farmer, Isaac has volunteered his time with the Nova Scotia Aberdeen Angus Association, the Federation of Agriculture and numerous groups in his home community of Mabou, Cape Breton.

A man of few words, Isaac speaks proudly of his Red Angus herd and the satisfaction he receives in raising top notch Red females and of selling Red Angus bulls into many herds across our region.

It is with great pleasure that the Maritime Aberdeen Angus Association nominates Isaac Smith of Ceilidh Trill Farm in Mabou, Cape Breton, to be their Honourary President for 1998.

Grant and Carol Wilson - Manitoba
Lenlook Angus, Lenore, MB

The Wilsons have been associated with Angus and Angus cattle for many years, although Grant acquired his love for Angus long before Carol arrived on the scene!

Grant's first open heifer was purchased in 1951 from Avalawn Angus and Grant and his father became members of the Canadian Aberdeen Angus Association in 1953 as C.H. Wilson & Son with the herd name Lenlook Angus. This love affair with Angus has continued unbroken to this day.

Grant served on the Manitoba Angus board for 13 years, acting on numerous committees. He was co-chair of the first Keystone Classic Sale in 1989 and for many years following. The Wilsons have been contributors to the sale since its inception. Grant was also vice-president and president of Manitoba Angus.

One of the most rewarding experiences for Grant was his six years as the Manitoba representative on the Board of Directors of the Canadian Angus Association. While a director, he served on the Finance, Breed Development and Angus Foundation committees as well as the Executive committee and as Vice-President and President.

Carol served as volunteer secretary for Manitoba Angus for several years as well as representing Manitoba at the CAA Presidents and Secretaries Meeting held in conjunction with the AGM each year.

Both Grant and Carol were part of the planning committees for the 1987 and 1995 CAA Annual Meetings which were hosted by Manitoba Angus in Brandon.

As well as their activities in and around the Angus world, both have been active in their community with 4-H, Community Club, church, curling clubs, hospital, elevator association, minor hockey, baseball and curling.

Grant and Carol currently calve 85-100 females as well as operate approximately 1800 acres of grain and grass. They have two adult children - daughter Julie and husband Dallas, who live nearby in Virden with grandson Tyler, and son Kevin of Winnipeg.

Grant and Carol intend to continue their ongoing efforts to support and promote the Angus breed.

TRIBUTES AND RECOGNITION OF MEMBERS' ACHIEVEMENTS

In 1998, the Canadian Angus Association paid tribute to those individuals and families who have demonstrated a long-time commitment to the Angus breed in Canada by maintaining a continuous membership in our Association for at least 50 years. The recognition of 50 years of membership will become an annual event. The Canadian Angus Association is pleased to recognize the dedication to Angus shown by the following:

MEMBERS WITH 50-PLUS YEARS OF DEDICATION TO ANGUS

B.C.

Alex W. Turner

Alberta

Aberan Angus/Ralph Tate

Argwen Angus Ranch

Corvallis Angus Farms

Dalrene Farms - The Flint Family

David T. Bradshaw - Aberlynn Farm

Fairview College

Happyvale Angus

Harold Spady

Henderson Family

Highland Stock Farm

Riverbend Farm - McBride Family

Sunmound Ranch

Willabar Ranch Ltd.

More...

MEMBERS WITH 50-PLUS YEARS OF DEDICATION TO ANGUS

Saskatchewan

Isla Bank Angus
Kenwaw Angus
Perryville
Switzer Family
Toner Angus Farms

Manitoba

Clearview Angus
Mountain View Farm
Nyssa Angus - John Castle
Prairielane Farms Ltd.

Ontario

Binbrook Angus
Elm Grove - The Bailey Family
Gordon L. Ribey
Hillcrest
Len Mar
Rodney J. Ribey Family
Tullamore Angus

Quebec

Macdonald Campus Farm

TRIBUTES AND RECOGNITION OF MEMBERS' ACHIEVEMENTS

At the Convention and Annual General Meeting of the Canadian Aberdeen Angus Association, it is customary to present the immediate past president with a pin to recognize his or her service to Angus members. At the 1998 and Annual General Meeting in Saskatoon, we will honour:

LORI GOODRICH OF LOR-WIN ANGUS

As a young girl growing up on a farm south of Hardisty, Alberta, Lori was an active participant in milking ten cows, feeding and gathering eggs from 200-plus chickens, tending a ten-acre "garden" and riding range every day. Her day started at 5:00 am and ended at dusk.

Horses were her first love and as a member of the Battle River Light Horse Club, she participated in many gymkhanas with a high achievement rate. She was rodeo queen of the Killam Stampede. 4-H was also high on her list from a very young age and she was in 4-H at six years of age. Lori was called upon many times to judge 4-H shows and Angus competitions because of her "eye" for recognizing quality beef.

Lori and her husband Ed have been involved in the Angus industry for 24 years as LorWin Angus and now have their son Darcy as an active partner. Lori served on the Alberta Angus Association Board for many years, before being elected to the Canadian Board, where she has served for nine years. At one time or another, Lori has served capably on nearly all of the various committees of the Board.

This past year Lori had the prestigious honour of serving as the first woman president of the Canadian Angus Association. Lori has been an instigator of many changes in the Angus Association, for the betterment of all.