

Canadian Goat Society

La Société Canadienne Des Éleveurs De Chèvres

NEWS

SEPTEMBER 2023

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Secretary Manager's Report

It is hard to believe that 2 and a half months have passed since I began my role as the new Secretary Manager for CGS. It has been quite the learning curve, but a most enjoyable one as I learn more about the scope of CGS, the intricacies of the programs offered by CGS to its members, and all the day-to-day routines of the office. Many thanks to Russell Gammon for his assistance and to the Board of Directors, (and particularly the Executive), for being so generous with their time and knowledge. Thank you also to all the members who have sent warm welcome messages.

A little about myself – I recently retired from a 39-year career in health care as a Registered Nurse. During those 39 years, I also had strong ties to agriculture. My husband, daughter, and I live in east central Saskatchewan and run a herd of commercial Black Angus cattle, a flock of primarily North Country Cheviot sheep, (purebred and commercial), a small meat goat herd, and a small herd of Alpine dairy goats. My ties to the goat industry began in 1995 when I purchased my first Alpines. Little did I know when I picked up those first two goats, it would lead to all the opportunities I have enjoyed since that time such as participating on provincial

and national boards representing the goat industry and meeting the many people I now count as friends while attending shows, classification meets, AGM's, and being active in the Industry in general.

The office has been busy catching up on applications for *S, +S, and Select Doe applications as well as processing milk test results. All applications on file have been processed and certificates have been sent out. Improvements to the goat genetics database have recently taken place and *S and +S Sires are now able to be uploaded to the database. Work is taking place on creating an application form for +S and *S animals. Once complete these, will be available on the CGS website. The Show season is in full swing and it is great to see the number of sanctioned shows happening in 2023. At the time of this writing, 35 shows have applied for sanctioning for the 2023 show season. Membership numbers, registry activity, and uptake in all CGS programs remain strong.

– Kerry O'Donnell
CGS Secretary-Manager



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The CGS Newsletter Is Going Electronic!

In an effort to decrease the Society's expenses and improve the timeliness of getting information out to membership, the newsletter will be distributed electronically moving forward from this issue.

All members with an e-mail address on file with CLRC will receive upcoming issues by e-mail. Members with no e-mail on file will continue to receive a printed copy via Canada Post.

We encourage all members to please check that the e-mail addresses you have on file with CLRC are up to date as we do not want anyone to miss out on future issues! If you need to update an e-mail address, please contact CLRC.

If members with an e-mail address on file still wish to receive a printed copy via Canada Post, please contact the CGS office by phone, e-mail, or regular mail so that we can ensure that you receive your newsletters.

New Directors Announcement

Earlier in 2023, elections were held in the following Districts to elect the individuals who will represent their District for a 3-year term on the CGS Board. The newly elected Directors will take office directly prior to the Board of Directors meeting which precedes the Annual General Meeting.

The Board is pleased to welcome back the re-elected returning Directors as well as new Directors who will be joining the Board.

District 1 - Province of British Columbia:

Sandy Howell & Ted Brooks

District 3 - Provinces of Saskatchewan and Manitoba: Susan Frazer

District 5 - Province of Quebec:

Pierre Marc-Tremblay



Canadian Goat Society Annual General Meeting

will be held

MARCH 23, 2024

The 2024 AGM will be held virtually. We hope to see you all there!

SAVE THE DATE



MINUTES Annual Meeting Canadian Goat Society February 18, 2023



This meeting took place on Saturday, February 18, 2023.

The meeting took the form of a Zoom call.

When the meeting began there were more than 30 members online. Quorum is 18.

During the meeting there were time periods when forty members were online.

President Sandy Howell called the meeting to order at 12:07 pm Eastern time zone.

Sandy expressed pleasure at the turnout and thanked everyone for participating.

Identification of members had already been handled via introductions as members had arrived prior to the meeting.

Minutes of the Previous meeting in February 2022

Moved by Mike Dietrich, seconded by Rayman Vella that reading of minutes of the annual meeting in February 2022 be dispensed with as they had been circulated. CARRIED.

No business arising from the minutes.

President Howell noted that with the resignation of Catherine Lord during 2022 Raynald Dube had joined the board as director from the Quebec district. All current board members were present and were introduced by name.

Reports from Board Members

Reports from Board members had been circulated prior to the meeting. A member had not had the time to read Sandy Howell's report from British Columbia so that reading took place during the meeting.

The only pieces of correspondence received prior to the meeting were requests for the link for the on-line call.

President Howell noted no unfinished business. She

then asked that the financials be presented by the Secretary Manager Russell Gammon.

Gammon noted that the financials represented a draft version of reviewed financials with a review being less extensive and expensive than a full audit.

Carol Clayson asked when the last full audit had been conducted. The answer supplied was that it had been more than five years. There was consensus that a full audit should be held on a regular basis after a set interval of years had passed.

As part of his discussion of the statement of financial position Gammon provided an update of the amounts in the Society's chequing, savings and CIBC account in Ottawa associated with CLRC as of the day of the meeting:

BMO Chequing account \$8728.28
BMO Savings account \$61704.74
CIBC account Ottawa \$4368.59
Total \$74801.31

All investments in GICS are with Bank of Montreal (BMO).

Gammon then explained amounts owed to CGS in the accounts receivable segment of the statements. With regard to accounts payable on the statement of financial position Gammon explained that these liabilities consisted of five credits on account for members; a payable to CLRC for December 2022 activity with that company dated December 31, 2022 and paid in mid-January 2023 and an accrual by our accounting firm for their services in 2023.

At this point 38 members were online.

... continued ...

Tanya McCarthy asked if the financials being discussed were the result of an audit or a review. Thus, the question was an audit conducted for 2022? She noted that the CGS by-laws called for an audit every year.

Sandy Howell commented that David Trus of Agriculture and Agri-Food Canada (AAFC) had approved the use of a review rather than an audit.

Tanya commented that doing a review only was a violation of the by-laws.

Carol Clayson agreed that by-laws must be followed.

Mike Dietrich congratulated the Board and staff on the fact that the financial position/bottom line of the association had improved more than two times from the bottom line of the previous year.

Zoe Thorbergson asked if a review could be accepted over an audit.

Linda Carlson commented that the financial turnaround of the Society in recent years was stunning. She also commented that the Society needed to follow the process to revise by-laws, as outlined in those by-laws.

A motion was made by Mike Dietrich and seconded by Jaki Ayton that CGS engage an accounting company to perform a full audit for the 2023 financial year.

During discussion Tanya McCarthy noted that there was no need for this motion as the Society must do an audit.

Calum McLeod noted that David Trus is an employee of AAFC and not CLRC and thus administers activities of associations who operate under the Animal Pedigree Act.

Zoe Thorbergson asked if the motion on the floor could be amended to read that an audit be conducted on 2022 financial performance and that a review of by-laws take place in 2023.

The mover and seconder of the motion agreed to this amendment.

Two motions were then made. The first by Mike Dietrich and seconded by Carol Clayson was that a full audit of CGS finances for 2022 be conducted by a chartered accounting company. Carried. 38 votes for. None opposed.

Second motion-moved by Mike Dietrich, seconded by Natalie Mitchell that by-laws of CGS be reviewed to determine if the terminology in those by-laws is still appropriate for members wishes and is aligned with government legislation.

During discussion Jonathan Dugdale noted that the formation of a by-law review committee was to be announced later in the meeting.

Mike Dietrich withdrew the second motion in light of the fact that a committee already exists.

After more discussion a motion was made by Mike Dietrich and seconded by Rebecca Lange that the by-laws of CGS be reviewed to ensure that they are current and in line with member wishes and government legislation. CARRIED 39 in Favour.

Discussion of the 2022 draft financial statements continued.

The next portion of discussion was examining revenue and expenditures.

Gammon noted the following yearly performance figures:

- 2019 loss of \$11,000
- 2020 excess of \$2000
- 2021 excess of \$31,050
- 2022 excess of \$65,077

Gammon noted that budgeting for 2022 was challenging as activity in many programs was limited or non-existent in 2020 and 2021 due to Covid restrictions.

A very detailed explanation of revenues and expenses followed – revenues first, with inclusion of some expenditures at the same time to increase understanding of impact on the bottom line.

A few questions for clarification were answered. A donation of \$5,000 for the classification program from Linda Carlson in British Columbia was noted.

... continued ...

After revenue lines had been reviewed the next step was to review expenses. Gammon noted they were \$30,000 higher than in 2021 due to increased processing activity at CLRC and higher expenses for programs which garner both revenue but also create expenses when delivered.

As classification expenses were being reviewed numerous comments were made.

Some members believe more trained classifiers are needed. There was also an expression of the belief that more clarification re the process of training and hiring classifiers is needed.

Gammon extended thanks to member Grant Howley who had been an integral part of working with the 2022 team of classifiers.

There was also discussion that the number of animals and herds to be scored dictates the number of classifiers needed.

Zoe Thorbergson recommended development of a manual on becoming a classifier.

Amanda Lindsay-Peaire asked why only four classifiers were hired when the number could have been six with trainees.

Tanya Vickers expressed support for the concept of a definite classifiers manual.

Office expenses were explained along with the fact that this segment includes the costs of membership renewal work done by CLRC and that CGS had worked with CLRC to find ways to reduce those expenses. Also noted was the fact that with higher activity levels in programs office expenses will increase.

Returning to the subject of classification Adam Scanlan commented on the value of an information piece on the qualifications and roles of a classifier and his support for Zoe's recommendation. As a long-term user of the program Adam sees value for the program, and for classifiers, in a regular rotation of classifiers so that classifiers see a variety of animals and learn more about the amount of variation in the population.

Ted Brooks reiterated that classification delivery must be run like a business with right sizing of the staff component and a close eye on costs of delivery.

There was great support for Adam's comments via the chat function.

Chris Grab suggested that the concept of auditors for classification training could be considered.

Discussion then returned to line-item expenses.

Genetic Evaluation expense – \$3200 of the total amount represents a payment to Lactanet for sending data and information files to CCSI for 305-day milk tested herds.

More data from programs is needed to make genetic evaluations more valuable.

Because of work done with government funding dairy goat evaluations will be moving to a mixed BLUP system. Because of increased activity with the breed and the move to BLUP evaluations, genetic evaluations for the Nigerian Dwarf breed will be available sometime in 2023.

Linda Carlson noted that there is a classification manual available on the CGS website in the Classification section.

Accounting fees will naturally increase with the move to a full audit.

The various elements of Judges Training expenditures were explained.

Returning to classification for a moment Mike Dietrich commented that it is important that enough work be available for each classifier so that serving in the program is worthwhile.

Expenses for the shows line item was higher in 2022 with 39 shows compared to 11 in 2021.

There was a Board decision to seek input from a lawyer in 2022 to ensure that the Society was acting correctly in addressing topics with members.

Regarding extra costs for completion of the Goat Code Of Practice, an explanation was provided and

... continued ...

some promotion done on the code of practice and availability of the code in hard copy from CGS, or online.

Rent costs for January 2021 (\$325.00 for rent and \$25.00 for internet access at our former office location) were explained along with the fact that there had been no charge for office space or internet access since the late February 2021 move to Fergus. As of meeting time this lack of charges to CGS had saved the Society approximately \$8,000.00.

Tanya Vickers asked about planning for access to CGS property in the event of any challenges with availability of the current Secretary-Manager and for succession planning purposes. She also asked if there was a listing of passwords and user names so that easy access could be gained to equipment and bank accounts, processing software, etc.

Gammon noted that the Board had discussed this matter and was at work developing such listings and approvals for appropriate sharing with senior executives in the association.

In leaving the meeting Adam Scanlan thanked the Board for a successful 2022.

Gammon noted zero cost to host the annual meeting as we have an annual zoom connection package.

No questions or comments were made re the statement of cash flow.

Gammon explained the CGS portfolio of \$55,000 in GIC investments with the Bank Of Montreal. He explained current interest rates and the fact that in February 2021 CGS had no money invested in any interest bearing investments.

No motion was made to approve draft statements of the financial performance review.

New Business

Sandy Howell announced that Paul and Sharon Stoll of Woodville, Ontario had won a Silver Master Breeder Award based on performance of their animals.

Susan Frazer of Beulah and Winnipeg, Manitoba,

had earned both a Silver Master Breeder and a Master Breeder Award.

Sandy Howell also announced that beginning with membership renewals due to be distributed in late 2023 for 2024 memberships, and new memberships in the future, it would be necessary for the continuing member or new member to signify their agreement with the CGS code of ethics for their membership to be processed.

Sandy also announced that going forward information on only those members who had renewed by March 31st of any year would be included in the CGS database for "Search The Registry" on the CLRC website. If a member renewed after March 31st their information would appear once they had renewed.

Jonathan Dugdale announced the formation of both a By-law Committee and a National Show Committee. He urged anyone interested in serving on these committees to email the CGS office.

Sandy Howell announced that all program fees would stay the same in 2023.

Secretary-Manager's Report

Gammon noted that he would be expanding upon his printed report.

Key elements of his presentation included:

- The central concept of the report was about all that the members had done.
- Registrations 5.5% higher than 2021.
- Transfers 37% higher than five years earlier in 2018.
- Memberships 3.7% higher than in 2021 and at their highest level since 2001, twenty-one years earlier, at 642. In the latest five years membership totals have grown by 21%.
- B.C will have two director positions available in the elections in 2023 based upon the regions 2022 membership total.
- In the last two years 277 new members have joined CGS.

... continued ...

- Units of registry work processed by CLRC for CGS in 2022 were 6.9% above 2021 and 23% higher than in 2018.
- More than 570 head were classified in 2022. Gammon praised the efforts of our four classifiers during the year.
- Classification deadline March 15th, form being revised.
- Since 2019 the Society has attained an excess of revenue over expenditures of \$98,000 with one loss and three years of excess revenue.
- CGS has \$129,000 in resources in our bank accounts and investment portfolio at meeting time.
- Shows 39 in 2022, 11 in 2021.
- National Integrated Genetic Database Initiative funding will support positive changes at CLRC re operating efficiencies.
- National Code of Practice for goats was mentioned again.
- National Shows for 2023 will be held in Edmonton in July and in Toronto at the RAWF in November.
- Productive Board Meetings were held on February 11th and 13th prior to the AGM.

Sandy Howell thanked Russell for his report.

Response to the Secretary-Manager's report

Zoe Thorbergson noted that development of SNP testing must remain a priority in the goat industry. Gammon commented that the National Integrated Database Steering Committee have had introduction and expansion of genomic testing in the Small Ruminant Industry as a priority. Effective testing for Scrapie resistance must become a priority topic in the goat industry. Action on importing bucks to Canada during the temporary period in 2022 when this was possible for Canadian herds on the Scrapie program was very impressive.

Carol Clayson raised the question about opening possibilities for semen exchange between members. She commented on the narrowing gene pool in goat breeds in Canada. While Carol was urged to communicate with Dr. Lynn Tait at OCFlock she

commented that collection at AI centers was very expensive and that on farm collection by vets was much more economical.

Tanya McCarthy encouraged Carol to contact her local CFIA office to investigate changes to the domestic collection program rules.

Proposed By-Law Amendments:

Three proposed amendments had been submitted by members. A by-law review committee (consisting of the full Board) had met to consider whether the proposed by-laws conformed with the Animal pedigree act and were consistent with the rest of CGS by-laws. This meeting had taken place in November 2022.

Minutes of the review committee's meeting had been shared with all those involved in supporting the proposed amendments. The proposed amendments had also been sent to the Animal Registration Officer at AAFC and the Manager of CLRC for comment.

The first proposed amendment related to the current by-law allowing the President to vote in the case of a tie and also vote as a Director, two votes per one person. The proposal was to change wording to "In the event of a tie vote, the vote must be retaken until the tie vote is resolved by additional voting."

The second proposed amendment is to add to the by-laws: No individual may serve as director for more than 2 (two) terms consecutively.

The third proposed amendment is to add to the by-laws that: The role of President cannot be filled by a director who was acclaimed.

Responses from both the ARO at AAFC and the Manager of CLRC had been shared with members before the annual meeting.

... continued ...

Responses from members at the meeting:

Zoe Thorbegson: Common practice is that Presidents only vote to break a tie vote. A local organization she is part of has a policy that a director must have one period of three years not on the Board during any 12-year term, i.e. max of nine years on the Board in twelve year period. Regarding not allowing acclaimed directors to serve as President there does not appear to be a precedent for this in other associations.

From chat-no one should be allowed two votes.

Mike Dietrich-no term limits, no special/different status for acclaimed directors would be his stance.

Callum McLeod-supported one vote only per Board member; noted that it is hard to find willing candidates for director positions now, if acclaimed directors have restricted responsibilities two levels of directors are created. Board members are meant to have equal roles and responsibilities.

Tanya McCarthy-The American Institute of Parliamentarians Standard Code of Parliamentary Procedure, which is the manual CGS works from, supports continued retaking of votes in the case of a tie.

Ted Brooks-Chair only votes in the case of a tie, no term limits should be applied.

Rebecca Lange-Chair or President only votes in the case of a tie, disagrees with term limits, hard to find volunteers to be directors and new and experienced directors should be able to work together effectively, directors elected by acclamation should not be discriminated against.

In other business Zoe Thorbergson suggested the concept of a mentorship program for director prospects whereby they would work with a current director and obtain training in how the Society and Board work and would understand the role better.

Tanya McCarthy raised the topic of opening up Board meetings to any members who wished to attend them.

Jonathan Dugdale commented that he would have appreciated sitting in on at least one board meeting, after his election and before his term began, so that he could learn how the meetings were con-

ducted and the type of business addressed.

Ted Brooks spoke in support of open meetings so that members knew how processes worked.

Susan Frazer returned to the matter of Presidents not voting and only in the case of ties and how this impacted their role as director from their own district/region.

From the chat function the following comments were gleaned:

- Drop districts
- Develop a What to Expect as a Director Manual.
- Member would like to join meetings.
- Transparency is important and allowing members to see actions at Board meetings expands it.
- The president is not always the Chairperson.
- With the exception of In Camera sessions members should be allowed to attend Board meetings.

Ted Brooks live comment:

In the case of ties the motion is regarded as failing in some parliamentary guides. He disagrees with the concept of no director districts.

Susan Frazer commented that directors represent their region and all of Canada. There should be an equitable solution to allows directors to serve regions if they are also President.

Linda Carlson agreed with this stance.

Sandy Howell noted that the Board will vote on moving forward with the three proposed by-law amendments.

Zoe Thorbergson addressed the topic of their being differences between the classification scorecard and the show ring scorecard.

She asked if the Society planned to address these differences.

Jonathan Dugdale commented that in the show ring animals are being compared one to the other while in classification each animal is analyzed as an individual.

... continued ...

Zoe noted that changes came about when Holstein was involved in classification—changes were made in the classification scorecard while the Showing card remained the same. Before the classification changes the scorecards were identical. Her question was: Which card recognizes a more structurally correct animal?

Ted Brooks indicated he agreed with Zoe, and also noted that genetic diversity is markedly limited in Canada. He believes there should be more correlation between the show ring and classification. There were multiple expressions of agreement with Zoe that the scorecards should be the same. Comment was made that this alignment work would be a good project for Classification and Show committees to work on.

Tanya McCarthy reminded members of the new Youth Program. She and Jonathan Dugdale indicated that a lot of hard work had been done on the yearbook and that it should be published within a month.

Amanda Lindsay-Peaire asked for an update/explanation of the letter of intent to withdraw from use of CLRC services. Gammon noted that the letter had been sent to the Manager of CLRC and the Animal Registration officer at AAFC. CGS would not be able to withdraw from the business relationship with CLRC until the end of 2024 to avoid severe financial penalties for leaving early.

As CGS represents about 7% of CLRC's units processed CLRC would want to continue working with us and would definitely "take us back" if CGS left and any new solution re provision of registry services did not work out for CGS. The CLRC Manager received the letter from CGS in a very good manner and regards it as a spur for CGS to perform at a higher level. CLRC regards 2023 as a "make or break" year in that they must land of ways in which work can be processed efficiently on a more cost-effective basis.

Sandy Howell announced the 2023 Executive: Second Vice President-Jonathan Dugdale; First Vice President-Chris Grab and herself, Sandy Howell as President.

Sandy thanked members for the growth in activity CGS had enjoyed in 2022 in registry work and programs.

Numerous expressions of congratulations to the new Executive were received via the chat function.

Carol Clayson asked when the Board would address the question of members attending meetings. Sandy replied that the board would address this matter at an upcoming meeting.

Meeting was adjourned at 3:43 pm Eastern on a motion by Joanne Battersby.

Minutes taken by Russell Gammon

We are looking for bids for 2024 Judge's Licensing Conferences.

Applications are currently being accepted for both East and West JLC's to be held in 2024. More information and application forms can be found on the CGS website: <https://www.goats.ca>, or contact the CGS office for more information.

**CANADIAN GOAT SOCIETY
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2022

**CANADIAN GOAT SOCIETY
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YEAR ENDED DECEMBER 31, 2022**

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INDEPENDENT AUDITOR'S REPORT

To the Members of: Canadian Goat Society

Opinion

We have audited the accompanying financial statements of Canadian Goat Society, which comprise the statement of financial position as at December 31, 2022 and the statements of changes in unrestricted net assets, revenues and expenditures and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Canadian Goat Society as at December 31, 2022 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not for profit organizations.

Basis of Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Canadian Goat Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

The corresponding financial statements are unaudited.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Guelph, Ontario
June 21, 2023

Chartered Professional Accountants
Licensed Public Accountants

**CANADIAN GOAT SOCIETY
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2022**

	2022	2021
ASSETS		
CURRENT		
Cash	\$ 53,628	\$ 12,700
Investments (note 4)	55,000	30,000
Accounts receivable	5,427	3,176
Government remittances receivable	137	1,130
Prepaid expenses	<u>2,210</u>	<u>0</u>
	\$ <u>116,402</u>	\$ <u>47,006</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 16,413	\$ 9,172
Deferred income	<u>828</u>	<u>394</u>
	17,241	9,566
NET ASSETS		
UNRESTRICTED NET ASSETS	<u>99,161</u>	<u>37,440</u>
	\$ <u>116,402</u>	\$ <u>47,006</u>

See notes to the financial statements

CANADIAN GOAT SOCIETY
STATEMENT OF CHANGES IN UNRESTRICTED NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2022

	2022	2021
UNRESTRICTED NET ASSETS, beginning of year	\$ 37,440	\$ 6,390
Net surplus for the year	<u>61,721</u>	<u>31,050</u>
UNRESTRICTED NET ASSETS, end of year	<u>\$ 99,161</u>	<u>\$ 37,440</u>

See notes to the financial statements

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CANADIAN GOAT SOCIETY
STATEMENT OF REVENUES AND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2022

	Budget 2022 (note 6)	Actual 2022	Actual 2021 (note 7)
REVENUES			
CLRC registry services	\$ 160,300	\$ 193,773	\$ 164,347
Dairy classifications	10,000	18,093	0
Shows	7,000	7,702	4,210
National integrated genetic services	5,000	7,000	4,288
Classification program donations	0	5,000	0
Renewal judges licenses	0	3,523	0
Milk testing	1,500	2,147	1,351
Yearbook advertisement	1,000	1,650	0
Judges' training	2,000	975	0
Semen sales	500	342	992
Interest revenue	0	242	6
	<u>187,300</u>	<u>240,447</u>	<u>175,194</u>
EXPENDITURES			
Canadian Livestock Record Corporation - levy	62,000	69,884	62,855
Personnel costs	45,000	46,060	44,547
Dairy classification expenses	15,000	20,865	0
Genetic evaluation - C.C.S.I.	8,500	9,794	8,391
Accounting fees	5,500	8,500	5,475
Office	6,000	7,606	6,092
Canadian Livestock Record Corporation - other	5,500	5,150	5,016
Judges' training	6,000	3,750	0
National integrated genetic services	2,500	2,500	5,000
Shows	1,200	1,260	663
Quarterly magazine expenses	3,000	1,186	2,832
Telephone	800	915	867
Legal fees	0	560	1,360
Interest and bank charges	500	449	435
Advertising	0	247	0
Rent	0	0	349
Milk testing	200	0	212
Annual meeting	8,000	0	0
Canadian National Goat Federation code of practice	1,200	0	0
	<u>170,900</u>	<u>178,726</u>	<u>144,144</u>
NET SURPLUS for the year	<u>\$ 16,400</u>	<u>\$ 61,721</u>	<u>\$ 31,050</u>

See notes to the financial statements

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CANADIAN GOAT SOCIETY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022

	2022	2021
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Net surplus for the year	\$ 61,721	\$ 31,050
Changes in non-cash working capital		
Accounts receivable	(2,251)	(120)
Government remittances receivable	993	727
Prepaid expenses	(2,210)	1,647
Accounts payable and accrued liabilities	7,241	(4,091)
CGS Youth Scholarship payable	0	(3,421)
Deferred income	<u>434</u>	<u>(2,209)</u>
	65,928	23,583
CASH (USED IN) FINANCING ACTIVITIES		
Investments	<u>(25,000)</u>	<u>(30,000)</u>
NET INCREASE (DECREASE) IN CASH	40,928	(6,417)
NET CASH, BEGINNING OF YEAR	<u>12,700</u>	<u>19,117</u>
NET CASH, END OF YEAR	<u>\$ 53,628</u>	<u>\$ 12,700</u>

See notes to the financial statements

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CANADIAN GOAT SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

1. NATURE OF ORGANIZATION

Canadian Goat Society is a not for profit organization incorporated under the Livestock Pedigree Act, Canada without share capital. Canadian Goat Society is exempt from income tax. Its purpose is to promote good breeding of goats to obtain higher standards. The majority of revenue for the Society is from membership fees paid by Canadian goat farmers and fees for registering a goat with the Society.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not for profit organizations and include the following significant accounting policies:

(a) USE OF ESTIMATES

The preparation of financial statements in conformity with Canadian generally accepted accounting principles for not for profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Significant areas requiring management's estimates include accrued liabilities. Actual results could differ from those estimates.

(b) FINANCIAL INSTRUMENTS

Measurement of financial instruments

The organization initially measures its financial assets and liabilities at fair value.

The organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments which are measured at fair value. Changes in fair value are recognized in net surplus.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. If an impairment has occurred, the carrying amount of financial assets measured at amortized cost is reduced to the greater of the discounted future cash flows expected or the proceeds that could be realized from the sale of the financial asset. The amount of the write-down is recognized in net surplus. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net surplus.

Transaction costs

The organization recognizes its transaction costs in net income in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

(c) CONTRIBUTED MATERIALS AND SERVICES

During the year, a number of organizations and individuals donate materials to the organization and a number of volunteers contribute a significant amount of their time. Because of the difficulty in determining the fair value, contributed materials and services are not recorded in the financial statements.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) REVENUE RECOGNITION

The organization follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Shows revenue is recognized as revenue when these events occur.

Membership fees are recognized as revenue proportionately over the fiscal year to which they relate.

All other revenue is recognized when earned.

3. FINANCIAL INSTRUMENTS

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest, credit, currency, liquidity, or other price risks arising from the financial instruments.

The extent of the organization's exposure to these risks did not change in 2022 compared to the previous period.

The organization does not have a significant exposure to any individual customer or counterpart.

4. INVESTMENTS

The following investments were on hand as at December 31, 2022:

	2022	2021
BMO GIC with interest (0.55%), due May 19, 2023	\$ 10,000	\$ 10,000
BMO GIC with interest (0.55%), due August 18, 2023	5,000	5,000
BMO GIC with interest (0.50%), due March 28, 2024	5,000	0
BMO GIC with interest (2.50%), due May 30, 2024	20,000	0
BMO GIC with interest (4.75%), due June 3, 2024	10,000	0
BMO GIC with interest (4.05%), due September 8, 2024	5,000	0
BMO GIC with interest (0.35%), due September 7, 2023	0	5,000
BMO GIC with interest (0.35%), due December 1, 2023	0	10,000
	<u>\$ 55,000</u>	<u>\$ 30,000</u>

5. CANADIAN LIVESTOCK RECORDS CORPORATION

The organization engages the Canadian Livestock Records Corporation (CLRC) as a management service for their membership and registration fees. As of year end, CLRC has a net balance of \$6,600 (2021 - \$6,815) of credits held for the organization's members.

6. BUDGET FIGURES

The budget figures are presented for information purposes, and have been reclassified to conform to the current financial statement presentation. They have not been audited or reviewed.

7. CORRESPONDING FIGURES

Certain figures presented for corresponding purposes have been reclassified to conform to the current year's presentation.



2024 National Show Bids

Interested in hosting the East or West National Shows in 2024? CGS is still accepting applications for these shows. Submit your applications to the CGS office and let's make 2024 another great show season!

Calling All Youth!



The CGS Youth Program is open to youth under the age of 20, (as of June 1, 2023) who participate in either CGS Showmanship classes, Classification, or Milk Test programs. Youth participating in the Showman Awards program do not need to be CGS members. Youth in the Honour Roll Program must be CGS members and participate in 2 of the 3 following CGS programs; Show, Classification, or Milk Test. More information and forms can be found on the CGS website, or by contacting the CGS office.

Deadline to apply for this year's program is December 31, 2023.