

2023 ANNUAL REPORT





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Vision

Alberta Beef Producers is a strong, clear, and representative voice speaking and working on behalf of cattle and beef producers in Alberta, contributing to a vigorous and profitable beef industry.

Mission

To strengthen the sustainability and competitiveness of the beef industry for the benefit of beef producers in Alberta.

MESSAGE FROM THE CHAIR



Brodie Haugan, ABP Chair

As I look over this past year, and my first seven months as Chair, it's hard to know where to start. Writing from the Southeast Zone, I am distinctly aware of the challenges this past year has thrown at the province – from compounding years of drought and extreme weather events to unprecedented wildfires this spring. Yet, I see optimism in the demand and value of our product, enhanced multi-stakeholder collaborations, and a strong unified voice representing the Alberta beef industry.

On business risk management (BRM), ABP, together with the Government of Alberta, and Agriculture Financial Services Corporation (AFSC), continues to explore potential augmentations to available programs. BRM programming needs to be timely, consistent, and reliable, with all segments of the cattle industry being adequately supported.

Part of that discussion includes making AgriStability more relevant to livestock producers, specifically the cow-calf sector. For example, relatively simple changes to eligible expenses and changing how feed is assessed year-to-year could go a long way in more adequately and equitably supporting the cow-calf sector.

Finding the best path forward requires open dialogue. Over my time on ABP's Board of Directors, we have had hard conversations. But through them, we found important and significant ways to decrease costs and increase efficiencies – from simple solutions like office downsizing to transparent check-off funding discussions and most importantly enhanced relationships and collaboration within the industry.

One of the changes we made through discussions with Canadian Cattle Association (CCA) and provincial producer groups was to redirect funding to CCA based on retained dollars, rather than assessed marketings. The result was a collaboratively developed ABP-CCA Three-Year Funding Agreement, which was approved by CCA Board Members in March. This agreement allows Alberta cattle producers to sufficiently fund CCA's annual budget while ensuring adequate provincial funding for the continued improvement of both organizations.

The change allowed this year's budget to accurately reflect ABP's provincial funding achievements. You'll see some of those changes in the financial section, and the resulting opportunities in the reports from ABP staff that follow.

We are on the verge of a drastic shift in our industry's makeup. The average age of producers continues to increase, with many operations making difficult decisions to mitigate recent severe weather events and plan for the future. Change is inevitable but with change comes opportunity. As this transition occurs it is critical to ensure our industry's voice is strong and offers opportunity to the next generation of cattle producers.

Over the next year, we will be exploring ABP's potential and the future direction of the commission with Alberta's cattle producers. Starting this fall at a series of engagement sessions, we will look closely at what makes ABP relevant and accountable, and what a fully funded industry could achieve.

To do that, we need the cattle community to come together. We need you to share your vision for the organization and the industry. ABP is producer-led and producer-driven, and as producers, it is our responsibility to offer feedback, solutions, to be engaged, and to continue to drive the industry forward.

I look forward to seeing you at the upcoming Engagement Sessions, Producer Meetings, and Annual General Meeting.

Sincerely,
Brodie Haugan

MESSAGE FROM THE GENERAL MANAGER



Brad Dubeau, ABP General Manager

This year, ABP increased its investment in programs that support beef producers in Alberta. These programs centre around the commission's priorities – government relations and policy; research and extension; marketing and communications; environmental stewardship; and stakeholder relations.

As a result, we saw some exciting initiatives develop. One of those initiatives was the recently launched consumer campaign, which saw collaboration and investment between ABP and Canada Beef. All Ways Alberta Beef showcases the variety of ways cattle are raised and beef is prepared and enjoyed. It offers beef consumers a chance to explore different perspectives along the supply chain, while inspiring creativity in cooking and appreciation for the premium product our province is known for.

We've also recently added an area of focus with the development of a new staff role in environmental stewardship. By creating this distinct focal area, ABP is ensuring producers have a voice in the ever-growing conversations around environment and wildlife. This role will also help us strengthen our partnerships with conservation organizations and government agencies while promoting sustainable beef production practices.

We are committed to ensuring that ABP continues to strengthen its value to cattle producers in the province. And to achieve that, we need to hear from cattle producers directly. That's why this fall and winter, ABP is engaging with cattle producers across Alberta through various engagement sessions. These sessions will provide an opportunity for producers to share their thoughts on the current and future direction of ABP.

After hearing from producers at events in Lethbridge, Red Deer, Edmonton, Medicine Hat, and Grande Prairie, we will share the feedback at our annual Producer Meetings in January and February before planning a second round of engagement opportunities in 2024.

We will also share the progress of these sessions as we welcome new and returning delegates at our Annual General Meeting, which will be held in conjunction with the Alberta Beef Industry Conference (ABIC).

Hosting our AGM at ABIC was a strategic decision by the board. It makes sense both logistically and collaboratively, and we are excited to be moving forward with it.

On that note, ABP continues to work towards enhanced collaboration with other organizations in the industry. This year, our Board of Directors invited Western Stock Growers' Association (WSGA), Alberta Grazing Leaseholders Association (AGLA), Alberta Auction Markets Association (AAMA), Feeder Associations of Alberta (FAA), and Alberta Veterinary Medical Association (ABVMA) to join in a similar arrangement that we already had with Alberta Cattle Feeders' Association (ACFA), as non-voting guests at the board table. This has helped us gain valuable insights into various issues affecting the industry and fostered a positive environment for collaboration.

ABP continues to improve as a commission based on your involvement, building community among the beef industry as we work to better represent your interests.

Sincerely,
Brad Dubeau

GOVERNMENT RELATIONS AND POLICY

The Alberta beef industry is one of the largest economic drivers within the ag sector with an over \$5 billion dollar return to GDP per year. It is diverse with cow-calf, backgrounding, finishing, and packing sectors all within the province.

The sectors are unequivocally interconnected, which makes collaborative policy and program development essential. With that in mind, ABP has taken on several initiatives focused on helping the at-risk cow-calf sector. Specifically, working to 1) support producers impacted by severe weather conditions, and 2) maintain their access to land and property rights.

2023 was a complicated year for many Alberta producers. The record-setting May heat knocked back the usual spring grass, causing some producers to rely on winter feed early, or graze pasture longer than they should. The rains did come in mid-June, but it was too late for some parts of the province, and hay and grass production was notably down in some

areas. Therefore, ABP worked with the Government of Alberta to develop a disaster relief framework to support producers' ability to maintain breeding stock that are not covered under AgriStability.

In late October, the Government of Alberta and Government of Canada announced the 2023 Canada-Alberta Drought Livestock Assistance Program, or AgriRecovery. ABP is hopeful this program will support drought-affected producers where other programs do not.

The intent of AgriRecovery is to offer disaster relief that could be triggered every 10-15 years. But there's been a need for AgriRecovery in two of the last three years, highlighting the importance of a more effective risk management program. ABP is working with Agriculture Financial Services Corporation (AFSC) to enhance the Livestock Price Insurance (LPI) program and AgriStability. LPI does a good job of mitigating price risk for producers; however, right now we are seeing dramatic fluctuations in input costs such as feed. Therefore, ABP is working closely with AFSC to explore how AgriStability can be augmented for cow-calf producers. There are two main suggestions: 1) accepting more allowable costs, and 2) removing the price inventory adjustments of non-market feed as it makes purchasing feed in drought years much harder.

Producers, especially those utilizing crown land, are being impacted by recreational access – specifically hunting. Even within some departments of government, multiple-use mandates have taken attention away from supporting agriculture, instead refocusing on residential, recreational, and perceived conservation.

To reprioritize grazing on public land, ABP also worked closely with Western Stockgrowers' Association (WSGA), Alberta Grazing Leaseholders Association (AGLA), and Northern Alberta Grazing Association to develop the [Rangeland Grazing Framework](#). The framework highlights the importance of ranchers in ecosystem health and recognizes that producers need to be supported by policy to maintain the landscape.





The Alberta Beef Industry Stampede Summit brought cattle producers and political officials together to celebrate achievements, network, and enjoy the spirit of Stampede

For the second time, ABP led the organization of the Alberta Beef Industry Stampede Summit, with co-hosts Alberta Cattle Feeders Association, Alberta Auction Markets Association, AGLA, Alberta Veterinary Medical Association, WSGA, and Canadian Cattle Association. The event saw around 200 attendees, including Federal and Provincial Ministers; Members of Parliament; Members of Legislative Assembly; political staffers; representatives of the beef and cattle industry; and members of the media.

Events like Stampede Summit build and strengthen relationships with political representatives. These relationships put a face to names and issues, so when legislation passes a desk, the respective politician may think of the individuals who are impacted by the decision.

This year, the entire beef industry celebrated a win with the announcement of funding towards a Foot and Mouth Disease (FMD) vaccine bank. Canada now has dollars committed to secure a supply of vaccine to help control an outbreak if FMD ever enters the country. ABP worked with Alberta Cattle Feeders' Association, Alberta Goat Association, Alberta Lamb Producers, and Alberta Pork to support this vaccine bank's development. We will continue to work with the federal and provincial governments to create a strategic plan for vaccine use.

Beef producers have a growing number of pressures on their operations, from the increasing complex realities of farming to new government regulations. ABP is working hard to ensure the long-term stability of the industry.

 200

Attendees at the Alberta Beef Industry Stampede Summit organized by ABP

BEEF PRODUCTION AND EXTENSION

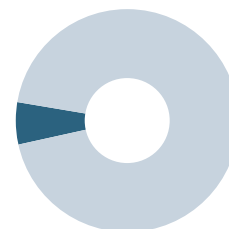
ABP's producer-led research committee makes funding decisions after reviewing proposals received through the [Agriculture Funding Consortium](#). Decisions are guided by the [Five-Year Canadian Beef Research and Technology Transfer Strategy](#), and all full proposals undergo a scientific technical review.

- Over the last year, ABP committed \$75,000 to five projects with a total project value of over \$1.2 million for a leverage ratio of \$16.84:1
 - Project topics: improved footrot vaccine, development of a mucosal vaccine against *Mannheimia haemolytica*, the relationship between maternal nutrition and calf immune fitness in extended grazing production systems, breeding more stress tolerant alfalfa, and alternatives to antimicrobials



ABP INTERNAL RESEARCH FUNDING

- 6% ABP investment
- 94% Funds from other sources



 **\$75,000**

Dollars ABP committed to five projects in 2022

 **\$3M**

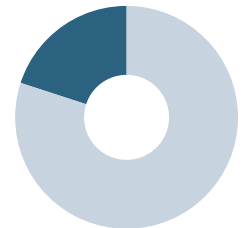
Invested on behalf of the Canadian Agricultural Partnership Program with a total project value of over \$12.2 million



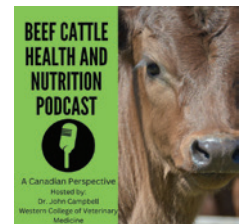
- 2019-2023 Feed and Forage Production and Utilization Call Summary
 - 19 projects supported
 - \$3 million invested on behalf of the Canadian Agricultural Partnership Program, total project value over \$12.2 million, leverage ratio \$4.09:1
 - Selected project highlights:
 - Development of fecal near infrared spectroscopy calibrations for forage intake and digestibility
 - Including higher concentrations of forage early in a finishing ration and decreasing forage proportion as the feeding period progresses can reduce minor liver abscesses to a similar degree as including Tylosin in the ration, and without affecting growth performance, carcass quality, or cost of gain
 - New feed and forage barley varieties released: AB Wrangler, AB Tofield, AB Prime, AB Hague, AB Maximizer, AB Standswell
 - Preliminary investigation of virtual fencing (NoFence technology) shows significant promise
 - Production of the [Beef Cattle Health and Nutrition Podcast](#), hosted by Dr. John Campbell

FEED & FORAGE PRODUCTION & UTILIZATION

- 20% ABP on behalf of CAP
- 80% Funds from other sources



Listen to the podcast at:
www.bchn.transistor.fm



BEEF PRODUCTION AND EXTENSION CONTINUED



ABP is pleased to welcome Dr. Erick Santos to the University of Alberta as Assistant Professor in Forage Science! Investments from ABP and the Beef Cattle Research Council (BCRC) helped to make this long-awaited position a reality. His main areas of focus relate to forage and grassland management and crop-livestock systems. Dr. Santos participated in the [BCRC Mentorship Program](#) and is also heavily involved in the grazing management component of the [Alberta AgriSystems Living Lab \(AALL\)](#).



ALBERTA AGRISYSTEMS LIVING LAB

And speaking of the AALL, we couldn't be happier about the response to this program to date. A huge thank you to our producer participants, our partners and supporters, the AALL contract staff, Canfax Research Services, Nu Nenne Advisian Environmental, and our research leads and their teams from Agriculture and Agri-Food Canada and the University of Alberta for getting us this far!

The AALL is focused on measuring the impacts of beneficial management practices (BMPs) on profitability, productivity, greenhouse gas emission reduction and carbon sequestration in the following areas:

- Cropping systems & crop rotations
- Land use changes
- Nutrient management (fertilizer and manure)
- Grazing management
- Livestock feeding
- Carbon on the whole farm (where can you maximize carbon sequestration on a particular landscape)
- Soil health impacts

29 producers across Alberta have implemented, or will be implementing, one or more of 14 BMPs on their operations.

- Intercropping
- Cover cropping
- Pasture/hayland rejuvenation/improvement
- Adaptive multi-paddock/rotational grazing
- Extended grazing (bale/swath, corn)



Clockwise from left: 4R Fertilizer Management Field Day, Grazing Field Day, Polyculture/Cover Crop Field Day

- Cropland conversion to perennial cover
- Polyculture or polycropping (annual and perennial)
- Forage diversification (legume overseeding)
- Soil improvement via amendments
- Wetland restoration
- Optimization of fertilizer use (includes 4R, EEF, split application, nitrification inhibitor, etc.)
- Manure and compost management/application
- Precision feeding
- Precision farming (seeding and fertilizing)

Baseline measurements are mostly complete with first year soil, forage, and crop measurements and analysis underway. The AALL also held three summer field days, two soil workshops with Indigenous communities and a [webinar](#) so far in 2023. In addition, we are currently analyzing the results of our Adoption Rate Survey which will provide valuable insight into baseline rates of adoption of several of these BMPs. Other data currently under analysis includes cost of production and information required to estimate baseline GHG and carbon storage on these operations using the Holos model. Cost-benefit modelling of selected BMPs is beginning later this year (with more to follow in subsequent years), and we are also examining non-financial drivers of adoption related to producer values and attitudes.

Stay tuned for more AALL online events through the rest of 2023 and join us for more learning opportunities in 2024!

- ABP was very pleased with the [federal announcement](#) made earlier this year regarding funding for a foot and mouth disease (FMD) vaccine bank. ABP continues to work closely with CCA, other commodity organizations and Animal Health Canada to strengthen Canada's ability to prepare, respond and recover in the event of an FMD incursion.
- Proposed changes to the Health of Animals Regulations Section XV – Identification and Traceability were released for comment in March of this year. ABP hosted an industry stakeholder meeting to identify concerns raised by different organizations about the proposed changes and utilized that discussion as well as submissions from other groups to formulate a cohesive response to the proposed changes. While ABP is supportive of improving traceability and recognizes the value of a strong traceability system in Canada, we remain concerned about the costs of, and ability to implement, some of the proposed changes.
- [CowBytes](#) is back! This ration balancing software allows producers to formulate their own feed rations.
- Wondering about whether it's economical to keep and develop replacement heifers? This [calculator](#) can help!

MARKETING AND COMMUNICATIONS

ABP MAGAZINE

ABP magazine is printed and distributed to more than 18,000 producers, auction markets, and industry stakeholders across the province.

2023 marks the third volume of ABP magazine, and based on producer feedback, we have shifted to a true quarterly publication schedule and condensed the page count with more succinct messaging and storytelling. Each issue spotlights a facet of the beef industry – Grasslands; Feedlots; Marketing; and Culinary.

The 2024 schedule will follow the same format, with different spotlights on our industry.

AUCTION MARKET TOURS

The goal of these auction market tours was to re-build the relationship between ABP and auction markets across Alberta, while reframing the use of the markets as a marketing tool to beef producers.

Spring Auction Tour

In March of 2023, we visited 11 locations in person, and the rest received correspondence via mail.

Fall Auction Tour

Between the months of September to December of 2023, ABP will have visited all 21 auction markets.

ABP ONLINE STORE

The ABP store was generated through Wix.com during the 2022 winter months. The idea behind the store was to funnel the merchandise requests that were being submitted through the submission forms on ABP Daily.

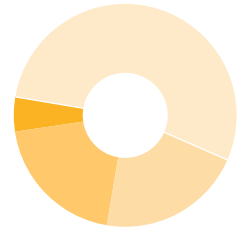
Heading into fall of 2023, we are excited to promote our store through our social media channels and promote our new merchandise offerings ahead of the holiday season.

Visit the ABP Online Store at www.abpdaily.store

2023 SPONSORSHIP AS OF AUGUST 31, 2023

With added funds to the provincial sponsorship budget this year, this has allowed us to diversify our investments into our communities.

- 5% Youth events
- 20% Consumer events and causes
- 21% Education
- 54% Industry events and causes



2022-2023 'HOW DO YOU BURGER?' RECAP

The 22/23 'How do you Burger?' campaign was a great success for ABP, resulting in six awards:

Canadian Agri-Marketing Association (CAMA)

- Best Web Advertising
- Best of Show Web Advertising
- Best of Show
- Top Food Day Canada Event
- Top Multimedia Campaign up to 650k

North American Agri-Marketing Association (NAMA)

- Best Producer Funded/Led Campaign

This campaign was inspired on the heels of our successful lobbying efforts on the front-of-package labeling issue, granting ground beef an exemption from the federal government's program. The success of the campaign is a testament to the approachability of ground beef and marks the achievement of our goal of bringing a good news beef story to consumers.



Clockwise from left: Mathieu Pare from the Canadian Beef Centre of Excellence shows off the amazing beef cuts he prepared for 'Home for Dinner'; chef Xavier Lacaze facing off in our Black-box Challenge at Calgary Stampede; the 'All Ways' consumer campaign

2023-2024 CONSUMER CAMPAIGN

All Ways to enjoy Alberta Beef.

From all the ways producers show steadfast dedication to their work to the ways a chef passionately prepares this essential ingredient and to the ways consumers enjoy it, there's ritual and tradition in every bite of Alberta Beef.

Once again, we have partnered with Canada Beef as a part of their Provincial Marketing Alliance (PMA) program to fund this consumer campaign. This campaign is segmented into four main channels:

1. High-impact visuals, media, and paid digital advertising
2. Events, contests, and activations (Stampede cook-off with Kitchen Theatre and other events throughout the year)
3. Influencer engagement and content creation
4. Educational Hub Website (allwaysalbertabeef.ca)

This campaign was also nominated for four awards from the Canadian Agri-food Marketers Alliance (CAMA).

Watch for the ABP-funded campaign launching winter 2023.

Summer Campaign Summary Results (compared to the 2022-23 campaign)

Billboards

Total impressions **29,355,585**
Overdelivered by **6%**

Awareness Campaign

Total impressions **6,381,273**
Increased impressions by **12%**

Remarketing Campaign

Total impressions **405,198**
Set new benchmark for 27% bounce rate

Contest

Total entries **9,649**
Increased entries by **1,366%**

Micro-Site

Total sessions **10,136**
Increased entries by **98%**

Community Giving

On the heels of the successful engagement with Ronald McDonald House Charities (RMHC) Alberta in April 2022, we continued our participation with their 'Home for Dinner' Program.

In March of 2023, we had many staff and delegates join to host Home for Dinner in both Calgary and Edmonton.

The goal is to expand our programming with the RMHC Alberta Charities to each of the four houses in the province.

STAKEHOLDER RELATIONS

ABP is committed to keeping producers informed and engaged on the issues that affect them. As part of its stakeholder relations portfolio, ABP celebrates producer achievements, encourages producer guidance, and shares relevant and valuable information about the beef and cattle industry.

CBIC TOUR

ABP was pleased to lead the Canadian Beef Industry Conference's pre-tour that highlighted some of the innovative and diverse operations in Alberta. The tour visited Canadian Cattle Identification Agency, Wray Ranch, Rimrock Feeders (Acme), and Sunterra Greenhouse. The tour provided an opportunity for attendees to learn from each other, network with industry partners, and celebrate the achievements of our sector.

ENVIRONMENTAL STEWARDSHIP AWARD

ABP was proud to [recognize Wray Ranch](#) and the Wray families as this year's recipients of the Environmental Stewardship Award. The Wray families are committed to soil health, animal welfare, succession, community, and stewardship. Wray Ranch went on to receive the Canadian Cattle Association's national award at the Canadian Beef Industry Conference in Calgary.

YOUTH ENGAGEMENT

ABP sponsors [4-H scholarships](#) to support the next generation of beef producers and leaders. This program awards six outstanding beef 4-H project members with \$500 each, to support their post secondary achievements.

New this year, ABP investigated other ways to encourage youth, and began inviting Canadian Cattle Young Leaders to board meetings as non-voting members. This provides participants with the opportunity to network, hear perspectives and insights on the industry, and consider themselves in future leadership roles like those of the board.

CRISIS COMMUNICATIONS

Many Alberta producers faced extreme weather conditions this year. While advocating for relief measures and support programs, ABP also focused on keeping producers informed. In the spring, ABP developed a wildfire resources webpage that included a map of offers from agricultural societies and rodeos for evacuated livestock. Over the summer months, ABP shared a similar [drought resources page](#) on ABP Daily. These efforts were guided by ABP's Crisis Communications Plan, and supported by industry training and collaboration in crisis communications.



ABP reaches cattle producers through a variety of platforms – from the quarterly print magazine (covered in Marketing and Communications) to Cattle Country radio spots, producer-facing events to digital platforms like our e-newsletter, websites, and social media.

MEDIA

From January to September, ABP saw more than 45 media interviews featuring discussions with directors, delegates, and this year’s ESA recipients.

MONTHLY MINUTE - ABP’S E-NEWSLETTER

7.2% Increase in open rate
5.6% Increase in click rate

SOCIAL MEDIA

89.8% Increase in Facebook reach in the past year
476.3% Increase in Instagram reach
8,029 X followers, up from 7,901 one year ago
1,848 LinkedIn followers, up from 1,212 one year ago

CATTLE COUNTRY

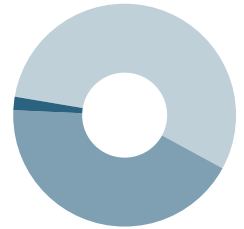
14 Stations
24 Spots annually

Alberta Beef Producers partners with Canadian Cattle Association in youth initiatives like Canadian Cattle Young Leaders and Canadian Cattle Youth Council. This year, those collaborations saw increased opportunities for your involvement with ABP, and the ongoing development of a youth engagement strategy.

ALBERTABEEF.ORG - SEPT. 2022 TO SEPT. 2023

18K+ Users

1.86% Tablet users
42.61% Mobile users
55.52% Desktop users

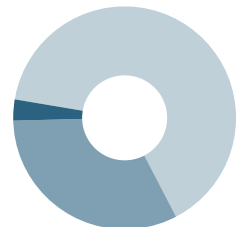


ABP DAILY - SEPT. 2022 TO SEPT. 2023

290K Views, up 8%
17.9% Increase in average engagement time
6.2% Increase in new users

69K Visitors, up 4.3%

2.99% Tablet users
32.27% Desktop users
64.74% Mobile users



CANADA BEEF



Canada Beef is pleased to provide Alberta Beef Producers with a F2022-2023 overview of domestic and international market development and promotion activities to increase demand for Canadian beef while ensuring the maximum value for producer dollars.

The Canadian Beef Information Gateway was relaunched on the new database driven architecture and a branded Gateway created for a national retailer launched in early F2023-24. A poster with takeaway cards was created for butcher shops and producers selling their own beef with linkages to Gateway content. Digital provincial pages were created for the Gateway in partnership with provincial beef producer associations to help communicate regional attributes of the supply chain and its contribution to local communities.

Exciting content and engaging posts fueled growth across Canada Beef's digital marketing platforms this fiscal. The combined results from our social platforms (Impressions 29M+, Engagement 510K and Post Link Clicks 190K) demonstrated consumer interest in our content.

CanadaBeef.ca saw 650K+ users with 1.2M page views. On a 28-day average, this accounted for 68K active users. About 43% of the website traffic came from online searches, with Google the top search engine. The top content pages viewed and searched were Roasting Know How and Recipes.

The French website had 341K+ users. On a 28-day average, this accounted for more than 38K users.

Canada Beef held its first-ever Burger It Forward goodwill campaign in February 2023. The branded consumer marketing initiative was a remarkable success with 29,260 burgers sold by 112 participating community restaurants in 28 days, resulting in over \$53K in donations to local and national food bank efforts.

The campaign will return in February 2024 with a goal to supplement the protein portion of food bank offerings while supporting locally owned restaurants. Outreach and planning began in September; recruitment of restaurant partners is slated for October and November and conversations are ongoing with provincial producer group partners.



CBCE's Cameron Pappel works with recipe developer and cookbook author Sylvia Kong in the centre's Culinary Kitchen and Studio

The Import Levy (collected on beef imports at the equivalent rate of \$1 per head) provides funding for positive beef messaging across Canada. The generic consumer marketing beef demand campaign, Explore the World of Beef, focused on cultural diversity in recipes and engagement. Each campaign element surpassed plan goals by 150%–340%. The contests garnered 24K+ entries in total (the most entries received for a Canada Beef contest) and 2M+ people were reached through advertising and earned broadcast placements.



Explore the World of Beef campaign poster

The health and nutrition team provided research and information to inform industry discussions on two significant policy issues in Canada: Front-of-Pack labelling and a national school food policy and contributed to nutrition and health-related consultations undertaken by the Food and Agriculture Organization (FAO) of the United Nations. Canada Beef submitted more than 100 comments and 19 references not previously identified by the FAO. This and other contributions allowed the FAO to carefully consider the full body of evidence on the topic of animal source foods. Their April 2023 report concludes that 'animal source foods contribute to healthy diets' and could have significant positive policy implications globally.



Food and Agriculture Organization (FAO) April 2023 Report

The Canadian Beef Centre of Excellence (CBCE) reopened in January, but the facility wasn't fully idled during its renovation. The CBCE produced or assisted in producing 681 videos and

440 still images for various media projects to support foodservice, retail, wholesale applications, and nearly a dozen in-person promotional, marketing, or educational presentations and events.

Canada Beef participated in 23 international tradeshows in nine different countries to meet and identify new potential customers. Over 6.8K potential customers visited Canada Beef booths which generated approximately 625 business leads.

About 1.7K international meat trade professionals received technical training and education about Canadian beef products.

Marketing and promotion programs were executed with 24 retail and 13 foodservice clients in 10 countries. In partnership with Canadian Embassies and Consulates, a further 16 promotional events were conducted in eight countries.

The Export Market Development Program provided cost-shared support to Canadian beef exporters and their clients for 14 separate incoming visitor missions from a variety of different markets including Japan, Vietnam, Europe, Mexico, and South Korea. Additionally, one outgoing Export Market Investigation mission, 19 trade show Export Market Diversification activities, 19 Promotion and Marketing initiatives and two Competitive Advantage Benchmarking projects were approved and supported under the program this fiscal.

Succession planning was a priority focus at Canada Beef with President Micheal Young's planned retirement on the horizon, following a five-year term as president. Eric Bienvenue was announced as Incoming President effective October 3, 2023.

Bienvenue is a strategic leader with nearly 30 years of experience in senior leadership roles in the Canadian pork and poultry industries. Bienvenue will complete a six-month transition period and mentorship under Young until his retirement in March 2024. Bienvenue will assume the role and title of Canada Beef President upon Young's retirement.

For detailed information, please read the [Canada Beef Annual Report 2022-2023](#) and subscribe to [Canada Beef Performs](#).

BEEF CATTLE RESEARCH COUNCIL

Our Vision

A transparent, competitive, resilient and sustainable Canadian beef industry supported by strategic and effective research, technology transfer and innovation.

Our Mission

To lead the Canadian beef industry as the most prominent supporter of cattle, forage and beef research with a producer-led Council who invest producer funds into research and technology transfer to support growth in beef demand, increase productivity and earn public trust.

BEEF PRODUCER NATIONAL CHECK-OFF INVESTMENTS IN RESEARCH

The Beef Cattle Research Council (BCRC) is Canada's industry-led funding agency for beef, cattle and forage research and extension. The BCRC is directed by a committee of 16 beef producers from across the country including six members from Alberta and one member at large. It is funded primarily through the research allocation of the Canadian Beef Cattle Check-Off.

In 2022/23, the BCRC received on average \$0.67 (unaudited) of every \$2.50 of the Canadian Beef Cattle Check-Off collected by the provinces.

This funding was leveraged under the Beef Science Cluster program with Agriculture and Agri-Food Canada (AAFC) Canadian Agricultural Partnership funding, where industry contributed 28% (\$666,494) and AAFC contributed 72% (\$1.67 million) in 2022/23.

In addition, the BCRC leveraged the Canadian Beef Cattle Check-Off for an additional \$3.7 million in research funding and \$250,000 in-kind from government and industry partners through initiatives outside of the Beef Science Cluster.



BCRC FUNDING BY PROGRAM AREA

Total Five-Year Funding to All Projects: **\$32.6 Million**



BCRC Project Funding By Program Area



\$3.7M

Research funding the research allocation of the Canadian Beef Cattle Check-Off attracted in 2022/23 in addition to the Beef Science Cluster.



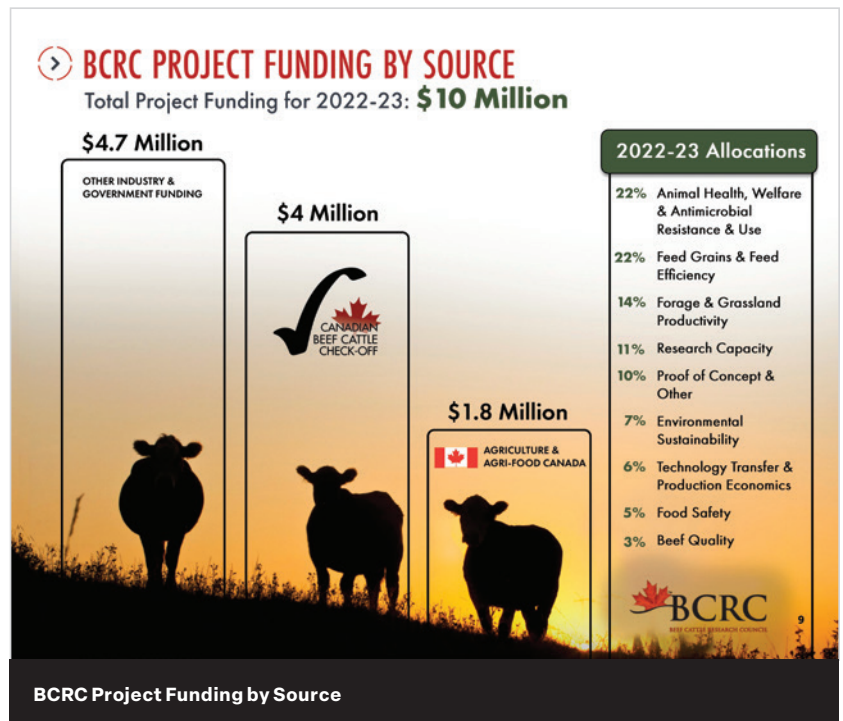
BEEF SCIENCE CLUSTER IV

Cluster III ended March 2023. Cluster IV was announced at the 2023 Calgary Stampede. Canada’s Beef and Forage AgriScience Cluster under the Sustainable Canadian Agricultural Partnership – AgriScience Program, totals \$21.7 million, with \$12.1 million in federal investment and industry contributing \$9.6 million primarily through the Canadian Beef Cattle Check-Off.

Funding will be allocated to 23 projects from April 1, 2023 to March 31, 2028. All projects are focused on three centralized themes: climate change and environment, economic growth and development, and sector resilience and societal challenge.

Cluster IV project objectives include:

- Improved diagnostics and vaccines to manage production-limiting diseases in cattle,
- Development of new forages that have the potential to thrive across Canada,
- Improvement of food safety technologies in beef processing facilities to reduce the use of water and energy, and
- Development of practical, science-based resources and economic decision-making tools to support the Canadian beef industry.



 **23**

Projects awarded funding from the Beef Science Cluster IV

 **\$12.1M**

Federal investment in Beef Science Cluster IV

BEEF CATTLE RESEARCH COUNCIL CONTINUED

PRODUCER RESOURCES AND ENGAGEMENT

The BCRC developed several new resources in 2022 including 68 timely posts, 108 research summary factsheets, 12 monthly e-newsletters, 12 articles for the Canadian Cattlemen – The Beef Magazine, an interactive decision-making tool, 11 infographics, five videos, record-keeping courses, and seven webinars. Three new topic webpages were developed covering Calving Seasons, Heifer Development, and Bull Management. BCRC is also proud to share content featured on the new BeefResearch.ca to more than 6,500 email subscribers and over 23,900 combined followers on Instagram, Facebook, YouTube, and Twitter.



Available again for purchase!

CowBytes
Ration-Balancing Software

www.CowBytes.ca

Available from Alberta Agriculture until 2020, CowBytes was assumed by the BCRC in 2023

 >6,500

Number of email subscribers

 68

Timely articles we posted

 108

Number of research summary fact sheets BCRC published in 2022

PROOF OF CONCEPT PROJECTS INFORM RESEARCH INVESTMENT

The BCRC funds short-term projects in a proof-of-concept or clinical trial format to validate the feasibility of pursuing larger, more defined projects in that area. Proof of Concept (POC) projects are funded by the Canadian Cattle Beef Check-Off with some leveraged with government and/or industry partner funding.

A POC project led by Dr. Trevor Alexander at AAFC Lethbridge evaluated the potential to use water-bowls for pen-level surveillance of antimicrobial-resistant bovine respiratory pathogens. The team found that water bowls serve as a reservoir for BRD pathogens and could be an important point of BRD mitigation.



Subscribe to BCRC through the link below:
www.beefresearch.ca/blog/subscribe



PROJECT SPOTLIGHT: CANADIAN COW-CALF SURVEILLANCE NETWORK GUIDES PRIORITIES

Surveillance is important to benchmark and set industry goals and track progress overtime which is a specific challenge for cow-calf herds where there is notoriously limited record keeping and a lot of regional and management diversity. The Canadian Cow-Calf Surveillance Network (C3SN) works with veterinary schools, private veterinarians and 181 cow-calf producers across Canada. The network was funded from 2018 to 2023 through Cluster III and yielded insights regarding antibiotic use, animal health, mineral interactions and deficiencies among other metrics with the goal not of identifying a one-size-fits all management strategy but understand how various factors influence animal health and welfare indicators.

Over the five-year span, the network found producers treat less than 5% with antibiotics, mostly for neonatal scours, BRC in calves and lameness in adults. Vaccination rate for the core vaccines (IBR, BVDV, PI3 and BRSV) has risen to 92% of the beef cow and heifer replacements and 72% of bulls. The survey and reference herds also showed that copper deficiency was most common in SE Saskatchewan but overall, 64% of cattle in the West and 60% of cattle are deficient in copper. It was also revealed that despite most producers offering free-choice mineral cow intake is variable and only 61% currently test their feed.

C3SN has secured funding for another five years through Cluster IV and will study herds of varying sizes across Canada to understand the affect calving seasons and winter management have on pregnancy rates, calf survival, calving percentage, and weaning rates.



Scan the code to view the full [Beef Cattle Research Council 2022-2023 Annual Stakeholder Report](#)



PUBLIC AND STAKEHOLDER ENGAGEMENT

The Public and Stakeholder Engagement (PSE) program delivers national public trust, issue management and proactive content on the societal benefits of raising beef cattle in Canada. PSE is part of the Connectivity and Beef Demand Pillars in the National Beef Strategy and is jointly delivered by the Canadian Cattle Association (CCA) and Canada Beef.

ISSUES MANAGEMENT

Together with the BCRC, the PSE team partnered with Dr. Philip Griebel from the Vaccine and Infectious Disease Organization (VIDO) to write [an article for the Canadian Cattlemen's Magazine about mRNA technology for livestock vaccines](#). Biosecurity guidelines for international visitors were updated and provided to the conference organizers planning on-farm events (IFAJ, BIF). Various letters were written for and on behalf of industry stakeholders in response to misleading information on the climate impacts of cattle and eating beef. This resulted in a retraction of materials from one Alberta online based educational program.



Number of industry stakeholders who received media training in the spring and fall of 2022



Number of provincial and national participants in a crisis communications exercise

BEEF INDUSTRY ADVOCACY

Introduction to Media Training was provided in the spring and fall for 20 industry stakeholders including primary producers, veterinarians, researchers, and academics. PSE held beef advocacy presentations for producers attending public facing events, like the Meet a Rancher series at Save-on Foods. The [Beef Advocacy Canada](#) program, which equips industry stakeholders for public facing events and outreach, marked 100 graduations this year. Lastly, a crisis communications tabletop exercise was hosted by PSE, with over 35 participants from both provincial and national cattle associations. The exercise fostered industry relationships and collaboration, building trust and skill sets to ensure industry preparedness in the future.

PARTNERSHIPS

PSE is a member in the [Canadian Centre for Food Integrity](#) which includes access to the Public Trust Survey each year. 2023 is the third year of partnering with the [Global Meat Alliance](#), which fosters collaboration and alignment on global issues management and events like the United Nations' climate change conference, COP. Amie Peck, PSE Manager, continues to chair the Communications Council at [the Global Roundtable for Sustainable Beef](#) which hosts a Communications Summit each fall.



CONSUMER PERCEPTION RESEARCH

PSE conducted consumer research in July 2023, as part of the three-year strategy cycle, which informs proactive consumer campaigns, identifying must-win audiences and ensuring key messages are resonating. Results included an increase in the percentage of Canadians that have excellent or very good opinions of beef farmers and ranchers, from 68% to 70%. Participants ranked beef as the healthiest source of protein. Consumption levels remained steady from 2020 and 28% of Generation Z respondents said they are looking to increase their meat consumption. A full presentation on the findings can be viewed [here](#).



Percentage of Canadians that have an excellent or very good opinion of beef farmers and ranchers, up from 68% in 2020.

PUBLIC OUTREACH

A grazing simulation game was launched into Alberta classrooms in March of 2023. The [Guardians of the Grasslands game](#), based on the award-winning short film, connects players to the societal benefits of grazing cattle on grasslands. It is curriculum linked for students in grades 7-11 in Alberta.

Currently, 27 schools across Alberta have registered on the game platform and more than 2,700 users have played the game online. In a partnership with Ag for Life, the game is available for classroom workshops and featured in their Know Your Food trailer, estimated to see 25,000 students per year. A shorter version of the game, for public audiences, was exhibited at large events like Aggie Days and the Calgary Stampede. It will be featured at Farm Fair and Agribition this coming winter.



Number of schools across Alberta that have registered on the Guardians of the Grasslands game platform

PUBLIC AND STAKEHOLDER ENGAGEMENT CONTINUED

In earned media, [CTV News](#) ran a story on the game across Canada, garnering an estimated reach of over 12.4 million. CBC News ran an extensive feature which included broadcast television and [radio coverage](#), with a reach of 15 million, while the [print and digital article](#) reach was estimated at 16.2 million. The earned media coverage has helped to raise awareness of the game but also amplified the key messages on the benefits of raising beef cattle with the Canadian public.

 **2,700**

Number of users who have played the Guardians of the Grasslands game online



The Guardians of the Grasslands game has been available to Alberta classrooms since March 2023



A short version of the game allows for play in tradeshow situations on tablets

On social media, a Canada-wide influencer campaign saw chefs, foodies and media visiting farms and ranches to discover the environmental benefits of raising beef cattle in Canada. The campaign was called **Good for You, Great for the Environment** and resulted in close to 700,000 video views across Instagram and YouTube. Another first for the PSE program was the launch of our own **Instagram** and **TikTok** channel aimed at building public trust in the way beef cattle are raised.

Finally, the campaign work of PSE and its partners won several accolades this past year. The **Cooking by Degrees** campaign received Best Public Campaign at CAMA and PSE's Too Close to Home film received a Certified of Merit. Our third short documentary, **Reduce, Reuse, Ruminates**, which will launch publicly in the spring of 2024, has already been selected for the Ceres Food Film Festival in New York City.

For the 2023-2024 fiscal year, PSE will be operating with a \$849,000 budget, of which \$212,000 is allocated to Canadian Beef and the remaining \$637,000 is administered through CCA.

Guardians of the Grasslands Game - Earned Media

12.4M Broadcast tv reach
15M CBC Radio
16.4M Print / Digital articles

Awards

- Reduce, Reuse, Ruminates short documentary chosen for Ceres Food Film Festival in New York City
- Cooking By Degrees wins for Best Campaign, directed at the Public at CAMA 2022

 **100**

Graduates of Beef Advocacy Canada



Influencers visited farms or ranches in six provinces, learning about the benefits of having beef cattle on the landscape



Reduce, Reuse, Ruminates will be released in the Spring of 2024

CANADIAN CATTLE ASSOCIATION



Nathan Phinney, CCA President

It's a privilege to share my first report as President of the Canadian Cattle Association (CCA) with beef producers from Alberta.

This year has brought many challenges for beef producers across the country. It's ranged anywhere from adverse weather conditions to potential impacts of government policies on our sector to disappointing trade negotiations. I am proud of the work that CCA has done to face these challenges, while working in stride with our provincial associations every step of the way, like the Alberta Beef Producers (ABP).

This year has been packed with advocacy initiatives and travel opportunities to represent the Canadian beef industry at key events across the country and globally to share our story. While there has been no shortage of challenges across our key policy files, there are plenty of bright spots that are also important to mention.

ADVERSE WEATHER

Top of mind this past year has been uncertainty due to adverse weather conditions that plague farmers and ranchers across Canada. CCA has monitored the situation closely along with our provincial member associations to better understand the impacts on cattle producers and the support needed.

In late August, the initial regions eligible for the Livestock Tax Deferral (LTD) provision were announced and was welcome news to producers in western Canada. We are aware from conversations around our board table and with provincial member associations that some impacted areas were not included in the preliminary list. Work continues to ensure all impacted producers are eligible for this provision. CCA advocacy efforts moving into the fall session of Parliament will include making the LTD provision a more effective tool for producers and reducing unnecessary delay.

CCA continues to advocate for AgriRecovery support to come through as soon as possible.

ANIMAL HEALTH AND CARE

From an animal health and care perspective, our focus this spring was responding to the proposed changes to the Health of Animals Section XV Regulations on Animal Identification and Traceability. Traceability is a critical component of foreign animal disease preparedness, and it was important to voice the beef sector's concerns with the Canadian Food Inspection Agency (CFIA) through this consultation. Our concerns focused on the high costs associated with implementing these changes and the feasibility for producers. CCA also provided recommendations to enhance these regulations and aid in delivery and compliance. CFIA is now considering all the input they received. CCA continues to engage the CFIA to see what the next steps look like.

We were also pleased to see Federal Budget Day 2023 bring good news for the Canadian beef industry with an investment of \$57.5 million over five years to establish a Foot and Mouth Disease (FMD) vaccine bank and develop emergency response plans. CCA advocated tirelessly over this last number of years for a federally funded FMD vaccine bank and was an urgent advocacy priority in 2022.

With the ongoing threat of FMD remaining high, the establishment of this vaccine bank will help provide our industry with one of the tools needed to regain Canada's export markets if FMD finds its way here. While we hope the bank and emergency response plan is never needed, we welcome its introduction and look forward to working with the CFIA on its implementation.

 **\$57.5M**

Investment from the federal government going towards establishing a Foot and Mouth Disease vaccine bank



FOREIGN TRADE

The trade file kept the CCA board and staff busy for most of the year with issues that can threaten our ability to export Canadian beef – even through the summer months. Exports of Canadian beef bring significant added value to our industry and cattle producers.

Early in the year Bill C-282: *An Act to amend the Department of Foreign Affairs, Trade and Development Act (supply management)* gained momentum and received multi-party support. This Bill, which takes supply-managed sectors off the table during trade talks, has the potential to severely damage our trade relationships and highly constrain the Government of Canada’s ability to launch, negotiate and renegotiate the best deals for all of Canada. The Bill is now in the Senate, and our advocacy efforts against Bill C-282 continue alongside our partners, including the Canadian Agri-Food Trade Alliance (CAFTA).

We also continue to monitor the progress of the proposed amendment to “Product of the USA.” A cohesive “Team Canada” approach was taken as we worked with the Government of Canada and our industry stakeholders, to communicate our concerns with the proposed new requirements for the “Product of the USA” label and ensure that our consultation submissions were complementary.

We remain concerned that the proposed rule states that any beef product labelled as “Product of the USA” must be derived from cattle that are born, raised, slaughtered, and processed in the U.S. If this proposed rule is adopted, exports of Canadian beef and live cattle into the U.S. could be significantly impacted and the integrated nature of our North American supply chain would be threatened.

Our team has also dedicated significant time to defending the interests of Canadian beef producers in current trade negotiations – particularly when it comes to the United Kingdom (UK) and their accession to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

Our strong position when it comes to trade, market access, and the progressive and positive success of CPTPP is the reason why we are opposing the UK accession to the CPTPP. Before Canada ratifies the deal, it is important that the staggering trade imbalance between cattle producers in Canada and the UK is addressed and the non-tariff trade barriers are resolved during the Canada-UK bilateral negotiations.

Last year, we didn’t export any beef to the UK while Canada imported \$C33 million in beef from the UK. We are urging the Government of Canada to remove the UK’s trade barriers before ratifying the CPTPP and ensure meaningful and reciprocal access is achieved for cattle producers in Canada and the UK.

CANADIAN CATTLE ASSOCIATION CONTINUED

In early September, CCA in partnership with the National Cattle Feeders' Association (NCFA) and the Canadian Meat Council (CMC), launched a campaign called **"Say No to a Bad Deal"** so grassroots producers and industry partners can tell our federal government that Canada needs to delay the UK joining the CPTPP until our barriers into the UK market can be addressed.

We are urging cattle producers and industry stakeholders to stand up for a fair trade deal for Canada by sharing their concerns with their Member of Parliament.

It has not been all negative news on the trade front. In recent months, we have seen markets such as Japan and Taiwan lift remaining BSE-era restrictions following Canada's attainment of BSE-negligible risk status by the World Organization for Animal Health (WOAH) in 2021. The decision by Japan and Taiwan to grant full market access to Canadian beef may signal other countries in the Indo-Pacific region to follow suit.

Scan the code or click the link below to view, read an article on the Wray family: www.cancattle.wixsite.com/mysite/post/celebrating-environmental-stewardship-wray-ranch-alberta



Scan the code or click the link below to view the campaign website: www.saynotoabaddeal.ca



THE ENVIRONMENTAL STEWARDSHIP AWARD

This year's national Environmental Stewardship Award (TESA) was awarded to the Wray Ranch located in Alberta. It is very evident how responsible farming practices can go hand in hand with success and play an important role in navigating challenging years of extreme weather conditions.

Wray Ranch is owned and operated by Doug and Linda Wray, in partnership with their nephew, Tim and his wife, Joanne. They have been recognized for their commitment to sustainable cattle production with a focus on practices that enhance soil health and reduce erosion.



Thank you to our sponsor and partners!

Alberta's Wray Ranch was named the national TESA recipient for 2023. From left: Doug and Linda Wray and Tim and Joanne Wray

INVESTING IN OUR YOUNG LEADERS

Over the past 13 years, the Canadian Cattle Young Leaders (CYL) program has seen over 180 graduates from across Canada, who are making positive contributions to the future success of our industry.

This year's graduation ceremony was held at the Canadian Beef Industry Conference (CBIC) and celebrated the successes, experiences, and learnings by program participants.

The Alberta CYL graduates for the 2022-23 program year are:

- Austin Ashbacher (Arrowwood) mentored by Jeff and Lyndsay Smith
- Carling Matejka (Ponoka) mentored by Amie Peck
- Delanie Ferguson (Crossfield) mentored by Clinton Monchuk and Anne Wasko
- Jill Renton (Cayley) mentored by Andrea Stroeve-Sawa
- Nicky Nixdorff (Airdrie) mentored by Sheila Jensen
- Russell Gallelli (Crossfield) mentored by Mike Panasiuk

The Canadian Cattle Foundation also unveiled the Reg Schellenberg Next Generation Legacy Award to support the Canadian CYL Program during the graduation ceremony. Each year, the award will honour a CYL graduate who embodies the same dedication, passion for the Canadian beef industry, and leadership qualities that the late CCA President, Reg Schellenberg did. The first recipient of the Reg Schellenberg Next Generation Legacy Award is Carling Matejka from Ponoka, AB. Congratulations Carling!

With the fall season upon us, we look forward to wrapping up 2023 by continuing our involvement in important policy conversations here at home and in international forums to share our industry's positive story.

Nathan Phinney

President, Canadian Cattle Association



The Schellenberg family presented Carling Matejka with the inaugural Reg Schellenberg Next Generation Legacy Award at the 2023 Canadian Beef Industry Conference. From left: Coy Schellenberg, Carling Matejka, Shannon Schellenberg, and Stacey Schwartz

FINANCIALS



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Operating Expenses

ALBERTA BEEF PRODUCERS OPERATIONS BUDGET

For the year ending March 31, 2024

	Budget Year Ending March 31, 2024	Percentage of Operations Budget March 31, 2024	Actual Expenses Year Ending March 31, 2023	Percentage of Operations Actual Expenses March 31, 2023
Canadian Cattlemen's Association (CCA)				
CCA, Operations Assessment Fee, \$0.48	1,517,003		1,804,794	
CCA, Reserve Fund Assessment Fee, \$0.05	158,021		187,999	
	1,675,024	29.41%	1,992,793	41.84%
ABP Governance and Oversight				
ABP Board of Directors	70,000		96,866	
Audit and Governance Committees	4,000		374	
Executive Committee	50,000		45,324	
TAT and IMC Committees	5,500		818	
	129,500	2.27%	143,382	3.01%
Government Relations and ABP Policy				
Board Appointed Representatives	5,000		449	
Environment	75,000		25,553	
Federal and Provincial Initiatives	55,000		9,059	
Projects and Programs	83,000		71,402	
Provincial Advocacy	35,000		32,311	
Resolutions Committee	3,000		-	
Wildlife	10,000		-	
Working Groups	30,000		1,016	
	296,000	5.20%	139,790	2.93%
Marketing and Communications				
ABP, The Platform	16,000		5,047	
ABP, The Magazine	263,000		231,618	
Canfax Membership and Services	67,150		53,400	
Marketing & Education Programs	445,600		182,916	
On Line Communications, internal tools	50,000		25,109	
Sponsorships and Other Initiatives	152,000		22,247	
Magazine Cost Recovery, conservative estimate while we develop it	(50,000)		(83,029)	
	943,750	16.57%	437,308	9.18%

For the year ending March 31, 2024

	Budget Year Ending March 31, 2024	Percentage of Operations Budget March 31, 2024	Actual Expenses Year Ending March 31, 2023	Percentage of Operations Actual Expenses March 31, 2023
National Policy, Trade Advocacy and Legal				
ABP Representation on National Organizations	30,000		10,504	
CCA Legal Assessment	120,000		114,372	
U.S. and International Initiatives	35,000		23,493	
	185,000	3.25%	148,369	3.11%
Stakeholder Liaison				
Communications Initiatives, external tools	45,000		42,783	
Industry Initiatives	35,000		31,183	
Media Monitoring and Analytics	12,000		10,981	
Media Training	5,000		3,500	
Producer Liaison	134,500		108,425	
Producer Engagement Sessions	50,000		-	
Townhalls and Webinars	5,000		5,424	
Youth Initiatives	34,500		24,770	
Working Groups	10,500		7,031	
	331,500	5.82%	234,097	4.91%
Research & Animal Health				
Animal Health and Welfare	30,000		7,295	
Research	218,000		80,231	
	248,000	4.35%	87,526	1.84%
Salary and benefits related to programs				
	867,561	15.23%	798,346	16.76%
Administrative Expenses				
Amortization of furniture & Equipment, non-cash	12,000		12,028	
Rent, office supplies and equipment	508,055		406,643	
Salary and benefits	344,433		245,743	
Legal and audit, and consulting	155,000		117,245	
	1,019,488	17.90%	781,659	16.41%
Total ABP Operations Budget				
	5,695,823	100.00%	4,763,270	100.00%
Capital Assets Budget				
	10,000			
Total Budget				
	5,705,823			

ALBERTA BEEF PRODUCERS REFUND REPORT

Refund Period	Number of Refund Requests	Number of Marketings Refunded	Net Amount Refunded	Refunded to Cow Calf		Refunded to Feedlots	
				No Requests	Net Amount Paid	No Requests	Net Amount Paid
July to Dec, 2022	466	991,584	\$ 1,572,951	359	\$ 305,191	107	\$ 1,267,691
Jan to June, 2022	410	945,721	\$ 1,602,568	282	\$ 344,169	128	\$ 1,258,399
	876	1,937,305	\$ 3,175,519	641	\$ 649,361	235	\$2,526,090
July to Dec, 2021	527	1,042,238	\$ 1,707,684	403	\$ 335,337	124	\$ 1,372,346
Jan to June, 2021	435	828,793	\$ 1,536,576	308	\$ 311,036	127	\$ 1,225,469
	962	1,871,031	\$3,244,260	711	\$ 646,373	251	\$ 2,597,815

INDEPENDENT AUDITOR'S REPORT



KINGSTON
ROSS
PASNAK LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

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September 18, 2023
Edmonton, Alberta

INDEPENDENT AUDITOR'S REPORT

To the Directors and Delegates of Alberta Beef Producers

Opinion

We have audited the financial statements of Alberta Beef Producers (the ABP), which comprise the statement of financial position as at March 31, 2023, and the statements of operations, changes in net assets and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the ABP as at March 31, 2023, and the results of its operations and cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for 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 the ABP in accordance with 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.

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 ASNPO, 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 ABP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the ABP or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the ABP'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.

(continues)

Independent Auditor's Report to the Directors and Delegates of Alberta Beef Producers
(continued)

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment 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 the 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 ABP'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 ABP'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 ABP 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.


Kingston Ross Pasnak LLP
Chartered Professional Accountants

ALBERTA BEEF PRODUCERS
Statement of Operations
Year Ended March 31, 2023

	2023	2022
REVENUE		
National Levy (Note 2)	\$ 10,010,753	\$ 9,966,420
Alberta service charge (Note 2)	7,455,240	7,816,374
Plus voluntary contributions to CCA (Note 3)	588,477	430,025
Interprovincial marketings	238,172	288,376
Plus recovery of dealer rebate and voluntary contributions	110,583	68,183
Less dealer rebate	(200,215)	(199,328)
Less Alberta service charge refunded	(3,878,298)	(3,742,567)
	14,324,712	14,627,483
Canadian Beef Check-Off Agency (Notes 2, 8)		
Canada Beef	5,896,333	5,870,221
Beef Cattle Research Council	2,986,207	2,972,983
Public and Stakeholder Engagement	627,674	624,895
The National Agency	501,550	498,321
	10,011,764	9,966,420
Net revenue before the undernoted	4,312,948	4,661,063
OTHER REVENUE		
Grants	1,451,058	2,658,612
Interest and other income	115,496	554,221
Producer Loyalty Partnership Program	83,029	52,300
	1,649,583	3,265,133
OTHER EXPENSES		
Grants (Note 8)	1,451,058	2,655,335
EXCESS OF REVENUE OVER OTHER EXPENSES FROM OPERATIONS	4,511,473	5,270,861
OTHER EXPENSES		
Operating Expenses (Schedule 1)	4,834,270	4,990,175
Amortization of furniture and equipment	12,028	11,506
	4,846,298	5,001,681
(DEFICIENCY) EXCESS OF REVENUE OVER OTHER EXPENSES	\$ (334,825)	\$ 269,180



ALBERTA BEEF PRODUCERS
Statement of Changes in Net Assets
Year Ended March 31, 2023

	Trade Advocacy Reserve (Note 3)	Operating Reserve Following year (Note 3)	Operating Reserve Future years (Note 3)	CCA Assessment Fund Following year (Note 3)	Unrealized Gain on investments (Note 3)	Invested in Furniture and Equipment (Note 6)	Unrestricted	2023 Total	2022 Total
NET ASSETS - BEGINNING OF YEAR	\$ 4,336,000	\$ 3,155,405	\$ 906,479	\$ 1,505,657	\$ 419,453	\$ 26,510	\$ 2,195,792	\$ 12,545,296	\$ 12,276,116
Transferred to current year operations	-	(3,155,405)	-	(1,505,657)	-	-	4,661,062	-	-
Internally restricted for following year operations	-	2,777,866	-	1,535,080	(371,200)	-	(4,312,946)	-	-
Internally restricted transfers	-	-	93,521	-	-	-	277,679	-	-
(Deficiency) excess of revenue over other expenses	-	-	-	-	-	(12,029)	(322,796)	(334,825)	269,180
NET ASSETS - END OF YEAR	\$ 4,336,000	\$ 2,777,866	\$ 1,000,000	\$ 1,535,080	\$ 48,253	\$ 14,481	\$ 2,496,791	\$ 12,210,471	\$ 12,545,296

ALBERTA BEEF PRODUCERS
Statement of Financial Position
March 31, 2023

	2023	2022
ASSETS		
CURRENT		
Cash	\$ 1,360,561	\$ -
Operating Reserve Fund, Following year (Note 3)	2,777,866	3,155,405
CCA Assessment Fund, Following year (Note 3)	1,535,080	1,505,657
Investments (Note 4)	8,823,804	8,937,120
Service charge receivable	2,099,085	2,701,020
Interest and other receivables	502,422	52,526
Goods and Service Tax recoverable	143,103	58,099
Prepaid expenses	85,888	25,848
Inventory	12,815	8,550
	17,340,624	16,444,225
OPERATING RESERVE FUND, FUTURE YEARS (Note 3)	1,000,000	906,479
FURNITURE AND EQUIPMENT (Note 6)	14,481	26,510
	\$ 18,355,105	\$ 17,377,214
LIABILITIES AND NET ASSETS		
CURRENT		
Bank indebtedness	\$ -	\$ 23,398
Accounts payable and accrued liabilities (Note 9)	2,916,578	1,947,023
Goods and Services Tax payable	77,492	62,754
Alberta marketings held in trust	2,422,716	1,864,500
Deferred revenue (Note 7)	727,848	934,243
	6,144,634	4,831,918
COMMITMENTS (Note 10)		
NET ASSETS		
Trade Advocacy Reserve (Note 3)	4,336,000	4,336,000
Operating Reserve Following year (Note 3)	2,777,866	3,155,405
Operating Reserve Future years (Note 3)	1,000,000	906,479
CCA Assessment Fund Following year (Note 3)	1,535,080	1,505,657
Unrealized Gain on investments (Note 3)	48,253	419,453
Invested in Furniture and Equipment (Note 6)	14,481	26,510
Unrestricted	2,498,791	2,195,792
	12,210,471	12,545,296
	\$ 18,355,105	\$ 17,377,214

ON BEHALF OF THE BOARD

 Director
 Director

ALBERTA BEEF PRODUCERS
Statement of Cash Flow
Year Ended March 31, 2023

	2023	2022
OPERATING ACTIVITIES		
(Deficiency) excess of revenue over other expenses	\$ (334,825)	\$ 269,180
Items not affecting cash:		
Amortization of furniture and equipment	12,028	11,506
Gain disposal of investments	(81,406)	(131,389)
Change in unrealized loss (gain) on investments held at year end	371,200	(161,387)
	(33,003)	(12,090)
Changes in non-cash working capital:		
Service charge receivable	601,935	(1,107,382)
Interest and other receivables	(449,896)	14,908
Prepaid expenses	(60,040)	(14,452)
Inventory	(4,265)	3,591
Goods and Services Tax payable	(70,266)	(10,536)
Accounts payable and accrued liabilities	969,555	(646,277)
Alberta marketings held in trust	558,216	171,582
Deferred revenue	(206,395)	(2,366,073)
	1,338,844	(3,954,641)
Cash flow from (used by) operating activities	1,305,841	(3,966,731)
INVESTING ACTIVITIES		
Purchase of investments	(2,402,944)	(3,587,759)
Proceeds from sale of investments	2,226,467	3,410,231
Purchase of furniture and equipment	-	(9,005)
Internal transfer (to) from Operating reserve fund, future years	(93,521)	193,522
Cash flow (used by) from investing activities	(269,998)	6,989
INCREASE (DECREASE) IN CASH	1,035,843	(3,959,742)
CASH - BEGINNING OF YEAR	4,637,664	8,597,406
CASH - END OF YEAR	\$ 5,673,507	\$ 4,637,664
CASH CONSISTS OF:		
Cash	\$ 1,360,561	\$ -
Bank indebtedness	-	(23,398)
Operating Reserve Fund, Following year	2,777,866	3,155,405
CCA Assessment Fund, Following year	1,535,080	1,505,657
	\$ 5,673,507	\$ 4,637,664

ALBERTA BEEF PRODUCERS
Notes to Financial Statements
Year Ended March 31, 2023

1. DESCRIPTION OF BUSINESS

Alberta Beef Producers ("ABP") was incorporated under the Marketing of Agricultural Products Act for the purpose of initiating and carrying out projects and programs to stimulate, increase and improve the production and marketing of cattle and cattle products. Effective since April 1, 2018, ABP is authorized under its Plan Regulation and Commission Regulation to collect a \$2.00 refundable Alberta service charge and a \$2.50 non-refundable National Levy from producers who sell or who are in the business of feeding and slaughtering their own cattle ("Alberta Service Charge and National Levy").

The National Levy is paid to the Canadian Beef Check-Off Agency ("the Agency"). The National Levy is paid to the Agency by all the provincial cattle associations to fund research, market development and promotion projects for the benefit of Canadian producers.

Effective April 1, 2022 until March 31, 2023, the ABP Board of Directors allocates the National Levy as follows: an Agency fee of 5% (2022 - 5%) is withheld to enable the Agency to operate and thereafter the net funds are allocated 62% (2022 - 62%) to Canada Beef ("CB"), 31.4% (2022 - 31.4%) to Beef Cattle Research Council ("BCRC"), and 6.6% (2022 - 6.6%) to Public and Stakeholder Engagement.

ABP meets the qualification of a not-for-profit organization as defined in paragraph 149(1) of the Income Tax Act, Canada and as such is exempt from income taxes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for Not-for-Profit Organizations. Significant accounting policies observed in the preparation of the financial statements are summarized below.

Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit, less cheques issued, and internally restricted cash reserves for the following year.

Financial statement presentation

ABP has chosen to continue to present net assets invested in furniture and equipment as a separate category of internally restricted net assets.

(continues)

ALBERTA BEEF PRODUCERS
Notes to Financial Statements
Year Ended March 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue recognition

The Alberta Service Charge (Note 1) collected is held in trust until such time as the refund period is complete. When the number of marketings retained is known, the revenue is recognized. The revenues reported represent Alberta Service Charge collected and management's best estimate of uncollected fees. Due to the uncertainties in the industry reporting, there may be adjustments in future periods and such adjustments may be material to the financial position of ABP.

ABP pays a dealer rebate of \$0.05 per head to those who collect and remit the Alberta Service Charge and National Levy collected on behalf of ABP.

ABP follows the deferral method of accounting for contributions, which includes government grants. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income includes interest and realized and unrealized gains and losses on investments. Revenue from investments and other income is recognized on an accrual basis as it is earned.

Budgeting process

The net revenues remaining from the Alberta Service Charge and National Levy collected less refunds of the Alberta Service Charge and payments to the National Agency in one year are to be used for the following year's draft budget. This process of collecting net revenue one year for the following year's expenditures enables ABP to budget effectively and ensure there are funds available for core operations. The budget is finalized once the total amount available to be spent is known.

Refunds

The Alberta Service Charge and National Levy is payable by producers who sell cattle and by producers who feed and slaughter their own cattle. The Alberta Service Charge paid by or on behalf of a producer is refundable to that producer on request of that producer. A producer could request a refund of all or a portion of the \$2.00 Alberta Service Charge. The National Levy is non-refundable. The refund is only available to Alberta residents selling or feeding and slaughtering cattle in Alberta.

Interprovincial marketings

When non-Alberta residents sell cattle in Alberta, the purchaser or livestock dealer is deducting and remitting a \$4.50 (2022 - \$4.50) Federal Levy and not the Alberta Service Charge and National Levy. The \$4.50 (2022 - \$4.50) Federal Levy is collected by ABP on behalf of the Canadian Beef Check-Off Agency. Payments of the Federal Levy are forwarded to the Agency for national beef cattle research, marketing and promotion projects for the benefit of Canadian producers. The Agency pays a portion of the Federal Levy to the provincial cattle association in the province where the seller resides. When an Alberta resident sells cattle in another province, the provincial cattle association in that province is, in turn, collecting the Federal Levy from the Alberta producer. The Federal Levy is non-refundable.

(continues)

ALBERTA BEEF PRODUCERS
Notes to Financial Statements
Year Ended March 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Investments

Investments are recorded at market value. The Board of Directors passed a motion to invest up to 20% of funds available in low risk stocks and the balance of the funds in short term, low risk government secured investments.

The portfolio is managed by a third party investment manager and is subject to an investment policy set by the Board of Directors and which has as its main objective the growth and preservation of capital. Transition costs are recognized immediately in the statement of operations.

Inventory

Inventory is valued at the lower of cost, determined on an average cost basis, and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less estimated selling costs. Cost of inventories includes materials and other costs incurred in bringing the inventories to their present location and condition.

Furniture and equipment

ABP provides amortization on its furniture and equipment using the straight-line method at the following rates:

Furniture and fixtures	10 years
Computer equipment	4 years
Audio-visual equipment	5 years

In the year of purchase, amortization on furniture and equipment is taken at one half of the normal amount.

Financial instruments

All arm's length financial instruments are initially measured at fair value, and, unless otherwise noted, ABP subsequently measures its financial instruments at amortized cost.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for Not-for-Profit Organization requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the reporting period in which they become known. Actual results could differ from these estimates. These estimates included the useful lives of the furniture and equipment, collection of Alberta Service Charge, collectability of accounts receivable and inventory obsolescence.

Disclosure of allocated expenses

ABP has chosen to continue to classify their expenses by function and allocate their expenses to a number of functions to which the expenses relate. ABP has allocated salary expenses to Operational Expenses and to Administrative Expenses (Note 13).

ALBERTA BEEF PRODUCERS
Notes to Financial Statements
Year Ended March 31, 2023

3. INTERNALLY RESTRICTED NET ASSETS

Trade Advocacy Reserve Fund

In 2005, the Board of Directors passed a motion to establish a reserve fund for the purpose of future trade advocacy and legal defence projects. Countervail trade actions are almost always accompanied by an anti-dumping investigation. While the government can and will defend their programs from countervail action, the responsibility for a defence against an anti-dumping action rests almost entirely with industry and industry organizations such as ABP.

	2023	2022
Balance, beginning of year	\$ 4,336,000	\$ 4,336,000
Balance, end of year	\$ 4,336,000	\$ 4,336,000

Operating Reserve Fund

On April 30, 2009, the Board of Directors passed a motion to establish a reserve fund for the purpose of allocating operational funds for the following budget years.

	2023	2022
Balance, beginning of year	\$ 3,155,405	\$ 3,016,872
Transfer from unrestricted net assets	146,055	175,178
Transferred from the fund for operations in current year	(3,301,460)	(3,192,050)
Retained check off funds allocated to the following year ABP operations	2,777,866	3,155,405
	\$ 2,777,866	\$ 3,155,405

Operating Reserve Fund, Future years

In 2010, the Board of Directors established this fund to cover budget shortfalls caused by short-term declines in cattle marketings during the cattle cycle. The purpose of this fund is to allow ABP to maintain a high level of services for the benefit of producers during these periods. The cattle herd in Alberta is currently at a low level and the Board of Directors expects that the number of marketings will be low over the next few years as the herd is rebuilt.

	2023	2022
Balance, beginning of year	\$ 906,479	\$ 1,100,000
Motion to transfer funds to (out) of the fund	93,521	(193,521)
Balance, end of year	\$ 1,000,000	\$ 906,479

(continues)

ALBERTA BEEF PRODUCERS
Notes to Financial Statements
Year Ended March 31, 2023

3. INTERNALLY RESTRICTED NET ASSETS *(continued)*

CCA Assessment Fund

Effective July 1, 2018, ABP's annual membership assessment for Canadian Cattlemen's Association (CCA) will be based on the Alberta cattle marketings calculated at \$0.53 per head. The rate of \$0.53 per head, \$0.48 for operations and \$0.05 to build a reserve fund for CCA, for the fiscal years ending June 30, 2019 through to June 30, 2023. The assessment will be revised each year based upon the provincial marketing numbers for the related calendar year's reported cattle sales. ABP Board of Directors passed a motion to hold \$0.53 of the marketings collected in one year to pay the CCA assessment in the following year.

Accordingly, in 2020, the ABP Board of Directors passed a motion to establish a CCA Assessment Fund. Producers who requested a refund were asked to leave \$0.53 of the \$2.00 Alberta Service Charge to be allocated to the CCA Assessment Fund. This Fund would be used to pay the annual CCA Assessment.

Producers who did not ask for a refund are assumed to have left \$0.53 of their \$2.00 Alberta Service Charge as a voluntary contribution and has been allocated to the CCA Assessment Fund.

In February 2021, the ABP Board passed a motion to pay the CCA \$0.48 assessment for operations effective July 1, 2020. ABP has forwarded the funds that producers allocated in excess of the \$0.48 to CCA.

ABP and CCA continue to negotiate on a fair and equitable manner in which to calculate the assessment rate.

	2023	2022
Balance, beginning of year	\$ 1,505,657	\$ 1,138,758
Transfer from Unrestricted Net Assets	487,136	965,849
Transferred from the fund for operations in current year	(1,992,793)	(2,104,607)
Retained check off funds allocated to the following year CCA budget	1,535,080	1,505,657
	\$ 1,535,080	\$ 1,505,657

Invested at Nesbitt Burns at market value, unrealized gain/loss

During the year, the ABP Board of Directors passed a motion to transfer funds from the unrestricted net assets to the unrealized gain/loss to highlight that the funds are not available until such time as they are realized.

	2023	2022
Balance, beginning of year	\$ 419,453	\$ 258,066
Motion to transfer to internally restricted fund	(371,200)	161,387
	\$ 48,253	\$ 419,453

ALBERTA BEEF PRODUCERS
Notes to Financial Statements
Year Ended March 31, 2023

4. INVESTMENTS

	2023	2023	2022	2022
	Cost	Fair Value	Cost	Fair Value
Bonds:				
Provincial government, bearing yield rates ranging from 0.70% to 10.0%, due between June 2023 and February 2027	\$ 7,041,024	\$ 7,013,956	\$ 6,624,733	\$ 6,605,090
Stocks	1,730,077	1,809,848	1,892,934	2,332,030
	8,771,101	8,823,804	8,517,667	8,937,120

Although some of the bonds have maturity dates beyond one year, due to their ability for prompt liquidation, all have been classified as current assets.

Interest and other income is comprised of the following:

	2023	2022
Interest on investments	\$ 179,743	\$ 176,739
Realized gain on investments during the year	81,406	131,389
Change in unrealized loss (gain) in investments held at year end	(371,200)	161,387
	(110,051)	469,515
Interest on bank balance	208,285	37,681
Other income	17,262	47,025
	\$ 115,496	\$ 554,221

5. INVENTORY

	2023	2022
Inventory consists of the following:		
Promotional items	\$ 12,815	\$ 8,550

During the year ended March 31, 2023, ABP expensed \$2,370 (2022- \$4,535) of its inventory in the regular course of operations and had no inventory write-downs.

6. FURNITURE AND EQUIPMENT

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Computer equipment	\$ 28,427	\$ 17,223	\$ 11,204	\$ 18,763
Furniture and fixtures	44,694	41,417	3,277	7,747
	\$ 73,121	\$ 58,640	\$ 14,481	\$ 26,510

ALBERTA BEEF PRODUCERS
Notes to Financial Statements
Year Ended March 31, 2023

7. DEFERRED REVENUE

	Opening	Additions	Recognition of Revenue	2023	2022
Agricultural Plastics Recycling Pilot Project Grant	583,384	143,573	(144,931)	582,026	583,384
Living Labs	26,821	1,007,166	(926,415)	107,572	26,821
Climate Change Extension Initiative	17,005	-	(3,460)	13,545	17,005
Verified Beef Production +	20,902	41,699	(50,312)	12,289	20,902
Beef Competitiveness	69,250	27,600	(87,552)	9,298	69,250
Deferred rental income	5,790	-	(2,672)	3,118	5,790
Feed and Forage Production and Utilization	210,591	-	(210,591)	-	210,591
DSU Expansion	500	27,298	(27,798)	-	500
	\$ 934,243	\$ 1,247,336	\$(1,453,732)	\$ 727,848	\$ 934,243

Refer to Note 8 for details of the external restrictions on these amounts.

ALBERTA BEEF PRODUCERS
Notes to Financial Statements
Year Ended March 31, 2023

8. GRANTS

	2023	2022
Living Labs	\$ 926,415	\$ 71,679
Feed And Forage Production and Utilization	210,593	2,125,061
Agricultural Plastics Recycling Pilot Project Grant	144,931	115,247
Beef Competitiveness	87,552	26,750
Verified Beef Production +	50,310	45,498
DSU Expansion	27,797	28,500
Climate Change Extension Initiative	3,460	51,650
Knowledge Transfer Grant	-	190,950
	\$ 1,451,058	\$ 2,655,335

Living Labs

In August of 2021, ABP received a grant from Agricultural and Agri-Food Canada's (AAFC) Agricultural Climate Solutions (ACS) program to develop a comprehensive proposal that would support the creation of a Living Laboratory in Alberta, where producers, scientists and other stakeholders will co-develop, test and monitor beneficial management practices in real-life situations on farm to improve carbon sequestration and reduce greenhouse gas emissions. \$926,415 (2022 - \$71,679) was recognized as revenue on eligible expenses incurred.

Feed and Forage Production and Utilization

In 2019, Alberta Agriculture and Forestry provided ABP with a \$3,000,000 grant to administer and deliver a call for research proposals in the area of feed and forage production and utilization. \$210,593 (2022 - \$2,125,061) was recognized as revenue and eligible expenses.

Agricultural Plastics Recycling Pilot Project Grant

In February of 2019, Alberta Agriculture and Forestry provided ABP with a grant in the amount of \$1,000,000 for a three-year Agricultural Plastics Recycling Pilot Project that will expand agricultural plastics recycling collection sites and services in Alberta leading to the development of a permanent and sustainable provincial agricultural plastic recycling program. ABP will be the program administrator of the grant for the project, while the Agricultural Plastics Recycling Group will provide advisory and oversight services for the project. \$144,931 (2022 - \$115,247) was recognized as revenue and eligible expenses incurred.

Beef Competitiveness Study

On November 5, 2021, ABP received a grant of \$96,000 from the Ministry of Agriculture and Forestry, for the purpose of studying the following: COVID and shut down of beef packing plants caused the industry to look towards resiliency in the beef processing sector; What imminent risk should one or more of our major processors were to shut down due to aging facilities or lack of access to labour, for example?; Should the province look to diversify beef processing by building more capacity in small to medium processing and what are the challenges and opportunities faced by these plants in comparison to the major plants?; With the recent drought, will we suffer from a reduction of the herd and there for will be able to fill volumes as we work to maintain and increase processing capacity? The grant was originally to end March 31, 2022 and it was extended to November 2022 and \$87,552 (2022 - \$26,750) was recognized as revenue on eligible expenses incurred.

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ALBERTA BEEF PRODUCERS
Notes to Financial Statements
Year Ended March 31, 2023

8. GRANTS *(continued)*

Verified Beef Production +

On November 1, 2019, ABP became the provincial delivery agent for Verified Beef Production + (VBP +). ABP received the balance of a provincial Canadian Agricultural Partnership (CAP) grant for Public Trust, \$37,987, that is to be used to provide training and information about VBP + and sustainable beef value chains to Albertans by September 30, 2020. \$50,310 (2022 - \$45,498) was recognized as revenue and eligible expenses. This grant was completed by January 31, 2021. This project will continue and funding is being applied for the upcoming year.

Climate Change Extension Initiative

ABP received a grant from Alberta Agriculture and Forestry (AF) to undertake a two-year Climate Change Extension Initiative. The purpose of the grant is to develop and implement beef cattle climate change practices among cattle and beef producers and increase participation in the project, an extension coordinator will be hired to develop and implement the program while working with AF and ABP staff. ABP will be providing in-kind project management services and in-kind support for the extension coordinator. \$3,460 (2022 - \$51,650) was recognized as revenue and eligible expenses incurred.

DSU Expansion

In 2022, ABP received a grant from the Canadian Agricultural Partnership (CAP) program to investigate the feasibility of expanding the University of Calgary Facility of Veterinary Medicine Diagnostic Services Unit to a full-time diagnostic laboratory. \$27,798 (2022 - \$28,500) was recognized as revenue on the eligible expenses incurred.

ALBERTA BEEF PRODUCERS
Notes to Financial Statements
Year Ended March 31, 2023

9. RELATED PARTY TRANSACTIONS

National Organizations:

The Alberta Beef Producers Plan provides for ABP to be the provincial member of and contribute funds to the national organizations. As a contributing organization, ABP is entitled to representation as follows:

1. Canadian Cattlemen's Association (CCA)
 - a) The number of seats on the Board of Directors of the CCA is based upon the proportionate share of the CCA annual assessment. Effective July 1, 2012, ABP is entitled to seven of the twenty-eight seats.
2. Canadian Beef Check-Off Agency (the "Agency"). As a contributing organization, ABP is entitled to representation as follows:
 - a) The Agency

Alberta is entitled to two of sixteen seats on the Board of Directors of the Agency and by agreement, these seats are divided between ABP and the Alberta Cattle Feeders' Association. Canada Beef is the Marketing and Promotion Committee of the Agency.

Public and Stakeholder Engagement is a national check-off initiative jointly operated by CCA and Canada Beef.
 - b) Beef Cattle Research Council (BCRC)

BCRC is responsible for providing research services for the Agency. A number of representatives to the Beef Cattle Research Council based on its proportionate share of total funding. For the year ending March 31, 2023 ABP was entitled to five of the fourteen seats.

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ALBERTA BEEF PRODUCERS
Notes to Financial Statements
Year Ended March 31, 2023

9. RELATED PARTY TRANSACTIONS *(continued)*

3. Payments

	2023	2022
CCA		
CCA Operations Assessment	\$ 1,804,794	\$ 1,801,748
CCA Reserve Fund Assessment	187,999	302,860
	\$ 1,992,793	\$ 2,104,608
CCA, Other		
CCA Legal Assessment	\$ 114,372	\$ 105,095
Young Cattlemen's Council, membership; included in operational expenses	2,500	2,500
Canadian Round Table for Sustainable Beef Project; included in operational expenses	2,000	2,000
Research project funding, BCRC; included in operational expenses	362,585	362,585
	\$ 481,457	\$ 472,180

ABP made additional payments to the foregoing parties for contracted services as follows, included in operational expenses:

Payments to Canfax, a division of CCA:		
Membership and services	\$ 53,400	\$ 53,400
Communications	-	10,200
	\$ 53,400	\$ 63,600

ABP received payments from the following parties for renting office space as follows, included in administrative expenses:

Canadian Cattlemen's Association (CCA)	\$ 5,273	\$ 5,752
Divisions of CCA:		
Canadian Round Table for Sustainable Beef	5,292	5,752
Public and Stakeholder Engagement	14,060	15,338
	24,625	26,842
Canadian Beef Breeds Council	-	1,510
VBP + Delivery Services Inc.	4,793	5,229
	\$ 29,418	\$ 33,581

ALBERTA BEEF PRODUCERS
Notes to Financial Statements
Year Ended March 31, 2023

9. RELATED PARTY TRANSACTIONS *(continued)*

	%	2023	%	2022
Canadian Beef Check-Off Agency				
The National Agency	5.00 %	\$ 501,550	5.00 %	\$ 498,321
The net balance has been allocated as follows:				
Canada Beef	62.00 %	5,896,333	62.00 %	5,870,221
Beef Cattle Research Council	31.40 %	2,986,207	31.40 %	2,972,983
Public and Stakeholder Engagement	6.60 %	627,674	6.60 %	624,895
		\$ 10,011,764		\$ 9,966,420

These transactions are measured at cost, which is equal to the undiscounted cash flows received, or expected to be received, not including expected interest and dividends, less any previously recognized impairment losses.

	2023	2022
Amounts payable at March 31, 2023 to the following:		
Canadian Beef Check-Off Agency	\$ 1,243,105	\$ 1,532,429
CCA Legal Assessment	28,145	26,929
	\$ 1,271,250	\$ 1,559,358

Amounts receivable at March 31, 2023 from the following:		
Canadian Beef Check-Off Agency	\$ 21,736	\$ 29,284

Amounts receivable and payable at year-end are in the normal course of operations. The amount owing to and from Canadian Beef Check-Off Agency includes the monthly collection of the National Levy and the province of origin amounts.

ALBERTA BEEF PRODUCERS
Notes to Financial Statements
Year Ended March 31, 2023

10. COMMITMENTS

Operating leases:

ABP leases office space and equipment under various operating leases. The future minimum lease payments over the next five years and thereafter are as follows:

2024	\$	166,289
2025		33,429
2026		3,474
	\$	<u>203,192</u>

11. DIRECTOR, DELEGATE AND NON-DELEGATE EXPENSES

With respect to payment of honoraria and the reimbursement of expenses to producers elected as a delegate or a director and to the payment of the daily allowance and reimbursement of expenses to producers not elected as a delegate or director of ABP who worked as a delegate or director of ABP with respect to authorized ABP programs or activities, the following director and delegate honoraria, and non-delegate daily allowances, and expenses are included in each of the categories is as follows:

	2023 2023	2022
ABP Board of Directors	\$ 68,756	\$ 19,587
Executive Committee	44,609	32,346
Annual General Meeting	7,089	19,050
Government Relations and ABP Policy	6,488	8,114
National Policy, Trade Advocacy and Legal	5,525	22,465
Producer meetings	777	3,391
Marketing and Communications	619	550
Research & Animal Health	432	216
Zone Committees	185	724
Audit and Governance Committees	171	-
Industry Initiatives	-	601
Semi-annual Meeting	-	75
	<u>\$ 134,651</u>	<u>\$ 107,119</u>

ALBERTA BEEF PRODUCERS
Notes to Financial Statements
Year Ended March 31, 2023

12. FINANCIAL INSTRUMENTS

ABP is exposed to various risks through its financial instruments. The following analysis provides information about the ABP's risk exposure and concentration as of March 31, 2023. Unless otherwise noted, ABP's risk exposure has not changed from the prior year.

Credit, liquidity and price risk

ABP has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed in investments. The risks that arise from transacting financial instruments include credit risk, liquidity risk, and price risk. Price risk arises from changes in interest rates, foreign currency exchange rates, and market prices. ABP does not use derivative financial instruments to alter the effects of these risks. ABP manages these risks using extensive risk management policies and practices, including various Board-approved asset mix strategies and risk management limits.

Changes in interest rates and credit ratings are the main cause of changes in the fair value of government bonds resulting in a favourable or unfavourable variance compared to book value. Credit risk is mitigated by investing in securities with a rating of BBB or better and diversifying the securities. Interest rate risk is mitigated by managing maturity dates and payment frequency. ABP is also exposed to interest rate fluctuations on its cash balances. A sensitivity analysis for interest rate risk has not been performed for the year ending March 31, 2023 as the effect of a change in interest rates would have been minimal as the interest on the existing cash on hand is not a material amount. ABP limits credit risk associated with accounts receivable by dealing with counterparties that it believes are creditworthy. ABP has a significant number of customers which minimizes concentration of credit risk.

13. ALLOCATION OF EXPENSES

The salaries of the General Manger and Controller have been allocated proportionately as determined by the Board of Directors on an annual basis. Costs that can be directly attributable to the individual programs and functions have been allocated to the specific programs and functions.

	Operational Expenses		Administrative Expenses	
	2023	2022	2023	2022
General Manager	40%	40%	60%	60%
Controller	30%	30%	70%	70%

ALBERTA BEEF PRODUCERS**Operating Expenses****(Schedule 1)****Year Ended March 31, 2023**

	2023	2022
Canadian Cattlemen's Association (CCA):		
CCA, Operations Assessment (Note 9)	\$ 1,804,794	\$ 1,801,748
CCA, Reserve Fund Assessment (Note 9)	187,999	302,860
ABP Governance and Oversight:		
ABP Board of Directors	96,866	28,552
Audit and Governance Committee	374	12
Executive Committee	45,324	32,346
TAT and IMC Committees	818	-
Government Relations and ABP Policy:		
Board Appointed Representatives	449	3,566
Environment	25,553	25,000
Federal and Provincial Initiatives	9,059	2,550
Projects and Programs	71,402	73,708
Provincial Advocacy	32,311	8,479
Working Groups	1,016	1,607
Marketing and Communications:		
Canfax Membership and Services (Note 9)	53,400	53,400
ABP, The Platform	5,047	12,925
ABP, The Magazine	231,618	266,876
Marketing and Education Program	182,916	150,691
Sponsorships and Other Initiatives	22,247	16,121
On Line Communications, internal	25,109	31,471
National Policy, Trade Advocacy and Legal:		
ABP Representation on National Organizations	10,504	14,670
CCA legal assessment (Note 9)	114,372	105,095
U.S. and International Trade Management	23,493	22,832
Stakeholder Liaison:		
Industry Initiatives	31,183	917
Townhalls and Webinars	5,424	5,236
Communications Initiatives, external (Note 9)	42,783	43,998
Media Training	3,500	3,200
Producer Liaison	119,406	93,455
Youth Initiatives	24,770	24,750
Working Groups	7,031	3,840
Research & Animal Health:		
Animal Health and Welfare	7,295	25,175
Research	80,231	84,656
Salaries and benefits related to programs	798,346	715,065
Administrative Expenses: (Notes 9, 13)		
Salaries and benefits	245,742	439,119
Rent, office supplies and equipment	406,643	461,454
Legal, audit, and consulting	117,245	134,801
	\$ 4,834,270	\$ 4,990,175



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