

**CANADIAN SHEEP BREEDERS ASSOCIATION**

**FINANCIAL INFORMATION**

**DECEMBER 31, 2025**

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## Compilation Engagement Report

To the directors:  
Canadian Sheep Breeders Association

On the basis of information provided by management, we have compiled the statement of financial position of Canadian Sheep Breeders Association as at December 31, 2025, the statements of operations, changes in net assets and cash flows for the year then ended, and note 1, which describes the basis of accounting applied in the preparation of the compiled financial information ("financial information").

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, Compilation Engagements, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

*MORRISON CPA*  
*Professional Corporation*

Innisfil, Ontario  
March 25, 2026

MORRISON CPA Professional Corporation  
Authorized to practice public accounting by the  
Chartered Professional Accountants of Ontario

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# CANADIAN SHEEP BREEDERS ASSOCIATION

## Statement of Financial Position As at December 31

	2025	2024
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 246,906	\$ 73,073
Short term investment	278,261	375,000
Accounts receivable	1,983	3,570
Prepaid expenses	<u>2,954</u>	<u>2,505</u>
	530,104	454,148
<b>Other assets</b>		
Investments	<u>4,600</u>	<u>4,600</u>
	<u>\$ 534,704</u>	<u>\$ 458,748</u>
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 71,657	\$ 37,020
Deferred revenue	<u>60</u>	<u>200</u>
	<u>71,717</u>	<u>37,220</u>
<b>NET ASSETS</b>		
Restricted (Research)	180,930	148,188
Unrestricted	<u>282,057</u>	<u>273,340</u>
	<u>462,987</u>	<u>421,528</u>
	<u>\$ 534,704</u>	<u>\$ 458,748</u>

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# CANADIAN SHEEP BREEDERS ASSOCIATION

## Statement of Operations

For the year ended December 31

	2025	2024
<b>REVENUES</b>		
Registrations	\$ 341,532	\$ 289,016
Interest	20,416	22,340
Dividend	<u>322</u>	<u>775</u>
	<u>362,270</u>	<u>312,131</u>
<b>EXPENDITURES</b>		
Advertising and promotion	42,846	27,994
Donations	106	-
Insurance	5,024	4,360
Interest and bank charges	470	205
Management fees	41,000	41,686
Memberships, dues, and fees	3,649	4,665
Miscellaneous	25,796	10,275
Office and general	24,218	22,420
Professional fees	9,246	4,817
Research and development	-	14,750
Supplies	95	-
Taxes and licenses	167,911	162,133
Telephone and utilities	450	648
Travel	<u>-</u>	<u>3,449</u>
	<u>320,811</u>	<u>297,402</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>\$ 41,459</u>	<u>\$ 14,729</u>

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# CANADIAN SHEEP BREEDERS ASSOCIATION

## Statement of Changes in Net Assets For the year ended December 31, 2025

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	Restricted (Research)	Unrestricted	Total 2025	Total 2024
<b>BALANCE, BEGINNING OF YEAR</b>	\$ 148,188	\$ 273,340	\$ 421,528	\$ 406,799
Excess of revenues over expenditures	26,730	14,729	41,459	14,729
Allocation to restricted	<u>6,012</u>	<u>(6,012)</u>	<u>-</u>	<u>-</u>
<b>BALANCE, END OF YEAR</b>	<u>180,930</u>	<u>282,057</u>	<u>462,987</u>	<u>421,528</u>
<b>BALANCE, above</b>	<u>\$ 180,930</u>	<u>\$ 282,057</u>	<u>\$ 462,987</u>	<u>\$ 421,528</u>
<b>CASH EQUITY</b>	<u>\$ 180,930</u>	<u>\$ 282,057</u>	<u>\$ 462,987</u>	<u>\$ 421,528</u>

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# CANADIAN SHEEP BREEDERS ASSOCIATION

## Statement of Cash Flows

For the year ended December 31

	2025	2024
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenditures	\$ 41,459	\$ 14,729
Change in non-cash working capital items		
Short term investment	96,739	68,365
Accounts receivable	1,587	(1,088)
Prepaid expenses	(449)	1,838
Accounts payable and accrued liabilities	34,637	(35,076)
Deferred revenue	<u>(140)</u>	<u>200</u>
	173,833	48,968
<b>INVESTING ACTIVITY</b>		
Decrease in investments	<u>-</u>	<u>2,703</u>
<b>NET INCREASE IN CASH</b>	173,833	51,671
<b>CASH, BEGINNING OF YEAR</b>	<u>73,073</u>	<u>21,402</u>
<b>CASH, END OF YEAR</b>	<u>\$ 246,906</u>	<u>\$ 73,073</u>

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# CANADIAN SHEEP BREEDERS ASSOCIATION

## Note to the Financial Information

For the year ended December 31, 2025

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### 1. Basis of accounting

The basis of accounting applied in the preparation of the statement of financial position of Canadian Sheep Breeders Association as at December 31, 2025 and the statements of operations, changes in net assets and cash flows for the year then ended is on the historical cost basis and reflects cash transactions with the addition of the following:

- ◆ Investments have been recorded at fair value as determined from the broker's statement
- ◆ Accounts receivable are recorded on an accrual basis
- ◆ Prepaid expenses are recorded on an accrual basis
- ◆ Accounts payable and accrued liabilities are recorded on an accrual basis
- ◆ Registration revenue is recognized when received
- ◆ Interest revenue is recognized when earned
- ◆ Government grants are recognized when received (or approved)

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