



## **2009 Annual Reports**

**APPENDIX 1 – MINUTES OF THE 2008 ANNUAL GENERAL MEETING**

**APPENDIX 2 – FINANCIAL REPORT AND NOTES TO FINANCIAL STATEMENT**

**APPENDIX 3 – INCOME STATEMENT, JANUARY 1 – SEPTEMBER 30, 2009**

# **Alpaca Canada 2009 Annual General Meeting**

Friday, 6 November 2009  
Edmonton, Alberta

## **AGENDA**

1. Call to Order and counting of members present
2. Approval of the Minutes of the last AGM held Friday, 26 September 2008
3. Presentation of Administrative and Committee Reports
  - a) Board of Directors Report – Catherine Simpson – President
  - b) Advertising/Marketing – Catherine Simpson on behalf of Caecilia Goetze – Board Liaison
  - c) Communications – Rob Blom - Board Liaison
  - d) Fibre/Product Committee – Catherine Simpson on behalf of Caecilia Goetze – Board Liaison
  - e) Show Committee – Scott Sillito – Board Liaison
  - f) Futurity Committee – Catherine Simpson on behalf of Casey Dewit & Caecilia Goetze – Board Liaisons
4. Presentation of Financial Reports
  - a) Unaudited Financial Statement (01 January to 31 December 2008)
  - b) Income Statement (01 January to 30 September 2009)
5. Appointment of Auditor
6. Announcement of newly elected directors
7. New Business
  - a)
  - b)
8. Adjournment



## **Alpaca Canada 2009 Election Report**

In accordance with Alpaca Canada bylaws, I put out a call for nomination of candidates to replace the six directors whose terms expire this fall, namely: Catherine Simpson, Rob Blom, Casey Dewit, Caecilia Goetze, Scott Sillito and David MacDonald. We received five nomination forms on or before 04 September 2009. Catherine Simpson, Rob Blom, and Casey Dewit did not seek re-election. Caecilia Goetze and Scott Sillito were officially appointed to the AC board in December 2008, and David MacDonald was appointed to the board in July 2008. Caecilia Goetze did not submit nomination papers. Effective May 2009, Roy Carreiro and Ken Frost resigned from the board citing work conflicts.

Five AC members submitted nomination papers. They include:

Daryl Krause, Spruce Grove, AB  
Bob Bijou, Morinville, AB  
Jeffrey Watt, Roland, MB  
Scott Sillito, Beiseker, AB  
David MacDonald, Erin, ON

Two AC members contacted the AC office after nominations had closed expressing their interest in running for the AC Board. Their names and contact information were passed on to the new board for follow-up.

Due to the shortfall of Board members, the new board intends to call for volunteers and appoint members to fill the vacant positions. If anyone would like to offer their skills and service on the board, please let one of the above-mentioned board members know.

Respectfully submitted,

Catherine Simpson  
President



## 2009 Alpaca Canada Board of Directors Report

In 2009, your board consisted of members from BC, Alberta, Saskatchewan and Ontario. We held a face-to-face re-organization meeting in Halifax, NS after the AGM in September 2008, to elect officers for the following year. We also appointed board liaisons for each of the existing AC committees. Your board has met 14 times by teleconference since the Conference and AGM in Halifax. During the period October 2008 through to October 2009, there were no face-to-face meetings save for the informal meeting of several board members at various alpaca events held throughout the year (i.e. AC Futurity & Sale, CNASF, etc.).

Following is a summary of your Board's activities during the past year.

In late August 2007, a funding application was submitted to the Investment Agriculture Foundation of British Columbia seeking funds to develop a *Canadian Alpaca Fibre Industry Strategic Plan*. In total, \$52,165 was approved by ACAFF through three provincial councils, namely: BC, Alberta and Ontario. A contract was signed with the George Morris Centre, a Canada-wide, not-for-profit organization. An independent think-tank, the George Morris Centre provides industry decision-makers with critical information and analysis on issues affecting the Canadian agri-food sector. Over a six-month period, project team members (Martin Gooch, MAgriBus, Dr. Larry J. Martin, and Nicole Marenick) performed a literature review, developed and implemented survey instruments, hosted focus groups across Canada, developed a historical overview of the Canadian alpaca sector and CCFC, documented the history of other alpaca fibre producing countries, and met with representatives from each of the three affected organizations (CLAA, CCFC and AC) to present their findings. The final report, titled: *Proposing Strategy and Governance Models Suited to Enhancing Canada's Alpaca Fibre Industry* was presented to the AC Board in January 2009 and posted to the AC website for membership review in late January.

On 24 January 2009, the AC Board contacted both the Canadian Llama and Alpaca Association (CLAA) and the Canadian Camelid Fibre Cooperative (CCFC), requesting a meeting of the three boards to discuss the findings and recommendations contained in the George Morris Centre report. An initial teleconference meeting was held on 10 February 2009. Not only was this meeting the first time all three organizations had "met" but was also the first time the three organizations had collectively set about to define, discuss and compare their various roles and responsibilities with a view to identifying both gaps and overlaps in services. Additionally, we also looked at how we might work together more collaboratively. To ensure that everyone was on the same page, each organization was charged with defining 'commercialization' as it relates to the development of a commercial fibre industry in Canada.

Our second 'tripartite' meeting was held in early March 2009. For the most part, the meeting focused on the development of a commercial fibre industry in Canada, including identification of key components necessary to develop and sustain a market for both animals and products. Two key components of commercialization include: (1) a place or entity that will buy fibre from producers; and (2) a market for cull animals. Committee members agreed that organizations as opposed to individuals should be driving this initiative as, without a cull market, there will be no fleece industry. It was noted that only solid coloured fleeces – pure white and black (no contamination) and some colours of fawn are considered commercially viable from a textile perspective. Grey and multi-coloured fleeces are not considered to be commercially viable. Clearly, educating the membership is a key to developing a commercial industry. In conclusion, the meeting focused on the role of individual organizations re 'commercialization'. Both the



CLAA and AC board agreed to support and develop a meat and hide industry in Canada, increase educational opportunities for members, particularly around commercialization, and implement a marketing program designed to attract non-member alpaca owners. It was further agreed that the CLAA and Alpaca Canada would produce a Bi-Annual Industry Newsletter and Alpaca Canada would form a By-Products Committee. Committee volunteers include Catherine Simpson, Rob Blom, Scott Sillito and Stan Eckstrand. The committee will also seek further information from the Canadian Food Inspection Agency concerning llama/alpaca meat. At the time of writing, this committee had yet to meet.

The 'tripartite' committee met for a third and final time in May 2009. At the meeting, it became apparent that the future of CCFC was in question and further discussion of the 'fibre' side of the equation and the role of CCFC were unproductive. As such, plans to invite participation from provincial and regional alpaca organizations across the country were put on hold and the committee agreed to suspend meetings until such time as the future of CCFC and/or its replacement organization might be known.

Shortly before the 2008 AC Conference & AGM in Halifax, NS your AC board noted a sharp decline in membership support for various organizational initiatives. More particularly, registration and sponsorship for the 2008 conference was much lower than anticipated and fiscal support for marketing initiatives, particularly the 2009 Canadian Alpaca Guide had also declined. This dwindling support is troubling indeed as these projects are designed to 'turn a profit' so that we may continue to implement new projects and expand marketing initiatives. In an attempt to further curtail spending, the board also determined that *The Canadian Orgler* (Winter 2008) edition would be the last official printing of this publication. Henceforth, *The Canadian Orgler* would become an 'electronic' publication with only limited mail-out to AC members who do not have email addresses. Declining resources also led to the cancellation of the CBC television campaign effective 31 August 2008.

In late 2008, AC and CLAA implemented a joint 'early bird' membership renewal option for 2009. Designed to increase cash flow for both organizations and provide members with a 'membership fee reduction' for early payment, the initiative was extremely successful. This same option is available again in 2010 for renewing members plus a new membership initiative for first-time members. New member applicants who apply for 2010 membership in Alpaca Canada from 01 October through to December 2009 will be eligible for free a membership for the balance of the 2009 calendar year.

The photo competition for the 2009 AC Calendar was a resounding success with a total of 140 photo entries submitted by members. Due to complaints from members that the 2007 and 2008 calendars were primarily an advertising vehicle for individual farms, the board determined that the sale of calendars would cover the cost of production. Unfortunately, ongoing production delays and increased mailing costs associated with the size of the calendar proved challenging and the calendar lost money. Upon review, it was determined that publication of a 2010 calendar (photographs chosen by attendees at the 2008 AC Conference & AGM) would not proceed unless a sponsor had been secured. Although a sponsor was found, the individual in question failed to make the required payment by the pre-established deadline and the 2010 calendar was cancelled effective September 2009.

In early 2009, Robert and Teresa Hilborn (formerly Charbonnel Alpacas) agreed to transfer their URL registration to Alpaca Canada ([www.alpacacanada.com](http://www.alpacacanada.com)). This is indeed good news and we would like to express our sincere thanks, once again, to both Robert and Teresa for their generous consideration and support.



Effective 01 March 2009, Carolyn Moland (Superior Office Solutions) replaced Stephanie Sutton (The Timely VA) as our 'virtual' office administrator. During this same period, bookkeeping duties were transferred to Karen Zerr (4<sup>th</sup>-year CGA student). The decision to move accounting out of the AC office was a difficult but necessary one designed to not only streamline accounting processes but to bring clarity to a somewhat murky situation. As we near the end of 2009, your AC board is confident that the books are now up-to-date, adjusting journal entries are recorded, and all expenditures have been recorded in the correct account or project area.

In April 2009, AC was contacted by Dave Belt who suggested we consider participating in 'National Alpaca Farm Day'. While the board supported participation, we were concerned about the potential costs associated with a joint initiative with our much larger counterpart in the US – AOBA. Opting instead to piggyback on the event by hosting our own Canadian Alpaca Farm Days, we graciously accepted an offer from Dave to create marketing materials for our Canadian event. In June 2009, two URLs were purchased: [www.canadianalpacaфарmdays.com](http://www.canadianalpacaфарmdays.com) and [www.canadianalpacaфарmdays.ca](http://www.canadianalpacaфарmdays.ca). A poster and information about the weekend (September 26 & 27, 2009) were uploaded to the website and AC members interested in participating in Canadian Alpaca Farm Days were invited to list their farm and event(s) on the website for a nominal fee of \$25/farm. Marketing materials, including an English and French press release were created and made available to participating farms. Advertisements were placed on both Facebook and Google. All in all, the first annual CAFD event was a huge success with 74 farms participating from across Canada. Recently, AC received an invitation from AOBA to open a dialog between the two organizations re the development of a potential future working relationship between our two organizations.

The AC Fibre and Product Committee had another productive year. In early 2009, the committee produced a fibre brochure and posted it to the AC website for easy downloading and printing by AC members. Unfortunately, limited funds prevented the committee from printing the brochure for general distribution. Having successfully completed the 2008 'sponsorship' of a Ryerson fashion design student, Colleen Booth, the committee turned its attention to the AC Design Competition for 2009. Open to fashion design students and designers from across Canada, the competition called for the submission of illustrations and technical sketches for each design, including a sample knit swatch. Entries may be: (1) a single garment; (2) an ensemble in Ladies or Men's Wear; or (3) Accessories. The garment(s) must comprise at least 70% alpaca (remaining 30% might include trims, linings, etc., or garment may be constructed from alpaca yarn blends – minimum 70% Canadian alpaca). Upon receipt of all entries, the top three qualifying designs will be produced in materials donated by Alpaca Canada. The chosen garments must be constructed by 01 November 2009 to be eligible to receive cash prizes (1<sup>st</sup> - \$500; 2<sup>nd</sup> - \$300; 3<sup>rd</sup> - \$200). Two entries were received by the prescribed deadline and both were constructed. AC members attending the 2009 AC AGM at Farm Fair International 2009 – A.L.P.A.C.A. Odyssey Show & Sale, Edmonton, Alberta will have an opportunity to see the two entries as they will be showcased at the Fashion Show on Saturday, 7 November 2009. The items will also be displayed at the Alpaca Odyssey Banquet later that same evening.

Similar to 2008, the AC Fibre and Product Committee has sent preliminary information regarding the 2010 AC 'Sponsorship' Program to several Fashion Design Schools inviting students to consider applying for Sponsorship. Through the 2009 Design Competition, we also received preliminary designs from a young fashion designer based in Vancouver, BC who is looking to expand into alpaca. While she missed the deadline for this year's Design Competition, she will be invited to submit a collection of designs (maximum 5 garments entered per participant) to the Sponsorship Program, including illustrations and technical sketches. Yarn



will be supplied by Alpaca Canada. Construction (machine or hand-knit) will be the responsibility of the individual participant.

Little to no progress has been made in finding a suitable sponsor for Alpaca Canada. While several options have been explored no actual applications have been written and submitted. Securing a sponsor would clearly benefit Alpaca Canada; however, board member workloads have been too onerous this past year for any one individual to take on the task. Ideally, 'sponsorship' should be handled by a committee of volunteers rather than one board member.

Over the past year, no new government funding proposals have been authored. Although funding is certainly available from a variety of government sources for key industry initiatives, until the Vote for Dissolution of the CCFC is complete, CCFC holds their AGM in December 2009, and the 'tripartite' group meets again, fibre initiatives have been temporarily placed on hold. The newly formed 'By-Products Committee' may need to seek funding to assist them in their work with the Canadian Food Inspection Agency to: (1) establish inspection criteria for llama and alpaca slaughter at federally-regulated slaughter facilities; (2) establish Canadian llama/alpaca meat cut specifications; and (3) establish inspection and grading criteria for export of llama/alpaca meat products abroad and for interprovincial trade protocols. To-date, only preliminary enquiries have been made in this regard. Funding may enable the committee to hire and pay for a consultant to work with our association to write and implement the new regulations and protocols.

Education of the membership for both new and old members has proven quite challenging. Attempts by Alpaca Canada to bring in the most knowledgeable alpaca experts in the world to provide 'the best training possible' at our annual conferences (alternately moves between eastern and western Canada) has resulted in huge financial losses for the organization due to sheer lack of support from the membership. Additionally, there is little to no support evidenced from some regional alpaca associations who, we believe, should be actively encouraging their members to not only attend nationally sponsored seminars and educational events but also generally support Alpaca Canada initiatives. The Canadian alpaca industry is too small to compete with itself in terms of shows and educational venues. To prevent duplication or double booking of events, it has been suggested that a National Events Committee (sub-committee to the AC Communications Committee) be established. This new committee would be comprised of representatives from each and every provincial and regional alpaca association across Canada. Ideally, this group would meet several times per year via teleconference to discuss proposed events and/or possibly combining or collaborating on events, and ensuring that events do not conflict with one another. All events would be listed on the Alpaca Canada website under Alpaca Events [http://www.alpacainfo.ca/alpaca\\_events-01.htm](http://www.alpacainfo.ca/alpaca_events-01.htm). At the time of writing, Alpaca Ontario had indicated their interest in the committee but no invitations have been sent out to other Provincial and regional alpaca associations seeking their participation. It is recommended that the new AC Board follow-through with this initiative to further prevent duplication or double booking of alpaca events.

The Government Relations Committee exists in principle but has no members other than the AC Board liaison. Should the need arise for action in a particular area (i.e. Diversified Livestock Fund of Alberta), the board appoints board liaisons and invites AC members to assist.

Detailed information concerning the AC Futurity & Sale may be found in the Futurity Committee report.



The Board is grateful for all comments and correspondence received regarding Association activities during the past year, particularly those which support the ongoing work of the organization. We would like to extend sincere thanks to all those individuals who have given their time by serving on our various committees and would like to ask all members for their continued support and involvement during the up-coming year.

In closing, we would like to acknowledge the dedication and hard work of our four departing Board members – Catherine Simpson, Rob Blom, Casey Dewit and Caecilia Goetze. Catherine and Casey have served on the AC Board for the past four years, Rob for the past three years, and Caecilia for the past year. As we all know, it takes a great deal of commitment and passion to work on a volunteer board for any length of time. Given the lack of volunteers both in terms of the AC board itself and its seven working committees, we would like to extend sincere and heart-felt thanks on behalf of the membership for your past involvement and dedication to the Canadian alpaca industry.

Existing board members, Scott Sillito and David MacDonald submitted nomination papers so will continue on the board for the next two years along with Daryl Krause, Bob Bijou and Jeff Watt. Additionally, there are two board vacancies to be filled and numerous seats available on one or more of the seven AC Working Committees – Advertising/Marketing, Communications, Industry Sponsorships, Research/Education, Government Relations, Fibre/Products and Alpaca Shows. We invite any and all Alpaca Canada members to step forward and volunteer. We need your support and assistance!

In closing, we extend best wishes to the new board. Thank you to the AC membership for allowing us to serve you these past years.

Respectfully submitted, Alpaca Canada Board of Directors  
Catherine Simpson – President; Rob Blom – Vice President;  
Casey Dewit – Secretary-Treasurer, Caecilia Goetze, Scott Sillito and David MacDonald



# Alpaca Canada Marketing Report

## November 2009

### Marketing report 2008/09

#### Objective:

- Increase public and other livestock owner awareness of the alpaca industry,
- Generate revenue through marketing opportunities for members to carry projects for the promotion of the alpaca and the industry,
- Drive visitors to the website for the benefit of subscribers, advertisers and the industry.

#### Action:

#### **Canadian Alpaca Guide 2009**

The purpose of the Canadian Alpaca Guide is many-fold:

- Comprehensive and professional publication showcasing the Canadian alpaca industry.
- Informative package for mail-out for interested people seeking more information.
- Inclusive reference for alpaca breeders.
- Addition to any farm-marketing material.
- Excellent marketing tool for alpaca breeders/owners with 1/3 page advertising space.
- Mechanism to generate marketing funds.
- Editorial content 'About Alpacas' with history of alpacas, alpacas and their care, fiber production, CLAA, CAMCAN, Genetic Evaluation Program, marketing and the tax advantages of alpaca ownership.
- List of affiliated businesses such as Camelid veterinarians, mills, shearers, sorters/ classers and Canadian Judges.
- Directory of Alpaca Canada Members.
- Glossary of alpaca terminology.
- 1/3 page advertising for alpaca breeders/owners.
- Full-page advertising for alpaca related businesses.

1000 copies were printed and each member received one copy. The office mailed the guide to people requesting more information and the balance of copies were distributed at various shows (including the inaugural Quebec Show and the 2<sup>nd</sup> Mayflower Show in PEI).

Presently, marketing is preparing the production of the 2010 issue.

#### **Canadian Alpaca Farm Days**

*Excellent national promotion for alpaca industry and participating farms.*

The 'Open House' weekend on the third weekend of September 2009 saw 74 members' farms open their farm gates to visitors. With their own creative efforts many farms were successful to attract numerous visitors to their farm.

Creation of CAFD poster for use by subscribers. Thank you to Dave Belt (editor of the Alpaca Magazine and a member of AC) for creating the poster as in-kind support.



A webpage to list participating farms was added to the website. A media alert and press release was available for participants to use for their own local promotion.

A Google and Facebook 2 month ad campaign promoted this event nationally.

As a token of appreciation each participating farm will receive an AC T-shirt. See attached CAFD statistics

### **Associate Membership - Canadian Farm Business Management Council (CFBMC)**

The **Canadian Farm Business Management Council (CFBMC)** is the only national organization in Canada devoted exclusively to developing and distributing advanced farm management information. Presence on their site with AC event listings (e.g. CAFD, Futurity & Select Sale, AGM/Conference) and banner ad.

### **Visit a Farm / Shop Alpaca Pages**

*Internet marketing is an effective venue to market one's enterprise/goods.* The website [www.alpacainfo.ca](http://www.alpacainfo.ca) continues to provide members the opportunity to compete in the market place with:

1. Subscriptions to the Visit a Farm page with the added benefit of accessing leads generated through the website and placement of a banner ad,
2. Listing in the Market Place to highlight your farm and businesses,
3. Listing of stud services of prized herdsire(s) on the Stud Service page,
4. Listing of real estate,
5. Classified ads.

Genuine leads created through the website are available for VAF subscribers to make contact directly with these individuals. These leads are a valuable benefit for subscribers. The leads are posted monthly in the member section and are password protected for subscribers.

2009 92 VAF subscribers  
2008 103 VAF subscribers  
2007 120 VAF subscribers  
2006 93 VAF subscribers

AC website is experiencing an average of 4720 visits/month with the VAF page being one among the most frequented pages visited. This is a valuable promotional benefit for subscribers, a fact, which most members do not seem to realize looking at the decreased numbers of subscribers.

### **Increase the website traffic for the benefit of VAF subscribers, Shop Alpaca/CAG advertisers and the industry.**

Lacking the necessary funds for print or media ad campaigns, marketing resorted to other effective ad campaigns, namely:

Alpaca Canada page on Facebook,  
Google ad campaign August-September to promote the CAFD,  
Facebook ad campaign August-September to promote the CAFD,  
Google ad campaign September-November to promote the AC Futurity&Select Sale,



CAFD event listing in Harrowsmith Country Life Magazine- Bulletin Board/ September issue,  
CAFD event listing in Small Farm Canada Magazine – fall issue and online events page,  
CAFD event listing on farmcentre.com,  
AC Futurity and Select Sale listing on farmcentre.com,  
Press release about the CAFD to several print media and CBC.

The website is monitored monthly for the numbers of visitors and resulting requests for information package and generated leads.

Comparing yearly website (Jan-Sept) stats:

2009	42475 visitors	354	246
2008	37824 visitors	470 Info packages	351 leads
2007	33834 visitors	517	357
2006	15,513 visitors	299	210

See attached complete 2009 web stats (Jan-Sept)

**Website**

3 main pages have been added to the website:

- a. Photo Gallery
- b. Canadian Alpaca Farm Days
- c. Links

The home page has been revitalized with visual images of coming AC events to immediately capture the attention of browsers.

Marketing proposed and the BOD agreed to change the by-line on the website to 'Discover the Lifestyle' to 'Discover the alternative Livestock' to better reflect the industry's efforts to promote alpaca farming as livestock farming enterprises.

This year has been a great struggle to mobilize the membership to either volunteer or to advertise. Some comments are critical of the fact that the offered marketing tools all cost extra money. It has to be stressed that the membership fee income covers the expense of running this organization and way more funds are needed to do the expected promotion. It is marketing's objective to generate the necessary funds through the available marketing venues for the national promotion of alpacas while at the same time offering members value for their advertising dollars.

We would like to thank all members who astutely take advantage of the many marketing tools, thus supporting AC's marketing efforts to promote the beloved alpaca for the benefit of all alpaca producers.

Respectfully submitted  
Caecilia Goetze, Marketing  
BOD Liaison Marketing



# Alpaca Canada Communications Committee Report

## November 2009

### Activities

Amongst its most important activities, the Communications Committee is responsible for managing The Canadian Orgler, Alpaca Canada's quarterly newsletter. Everyone on the committee hopes that "The Orgler" is useful to the membership of Alpaca Canada. In virtually every Orgler, additional volunteers are invited to join the committee, which is one perk available to the committee—the advertisement of its own small resource requirements. And further, on the subject of advertising: a business card ad in the Orgler is one of the best promotional deals in the entire alpaca industry. Access to these promotional bargains can be arranged through the AC office.

This past year, the committee oversaw the transition of The Orgler from a print-based publication to an electronic one. The savings resulting from the elimination of printing and distribution costs were very significant and not many Alpaca Canada members expressed disappointment about the change; although the committee did hear from one or two members that they wished they had current 'Orglers' to show potential new breeders that there is a vibrant and growing Canadian association.

Also during 2009, the committee managed a photo competition amongst the membership with the winners having their photos featured for a month in the Alpaca Canada 2009 Calendar. Unfortunately, printing problems resulted in: (i) late production of the calendar (rendering the Christmas market inaccessible) and (ii) a slightly oversized calendar, which substantially increased mailing costs. In future, if the committee has the opportunity to manage production of the calendar again, lessons have been learned from this experience.

The committee also planned a calendar for 2010, including conducting a second photo competition. In order to defray the printing and distribution costs, a single sponsor for the calendar was sought. Although a sponsor was not identified for 2010, this should not be seen as too discouraging, in light of the difficult economic times.

### Join the Committee

If you are thinking of volunteering for one of the Alpaca Canada committees, we hope that you will consider ours. We have had some very lively debates and, yes, some fun as well. Our jolly crew consists of

- Robert Blom (board liaison)
- Cathy Merkley
- Diane Feinberg
- Mary Anne Mounce (chair and Orgler editor).

We would welcome new volunteers and, while we may not be able to promise you fame and fortune, we can promise to broaden your horizons within the world of alpacas and allow you to experience new and remarkable challenges.

Please contact any of the committee members, any of the AC board members, or the AC Office, if you are considering joining us.

Respectfully submitted,  
Mary Anne Mounce, Committee Chairperson



# Alpaca Canada Fibre & Produce Committee Report

## November 2009

Goals of the Fibre & Product Committee:

- Connect AC members and inspire enthusiasm in Canadian alpaca fibre;
- Educate, motivate and motivate the Canadian alpaca fibre industry; and
- Demonstrate the what, where, when, why and how of alpaca fibre.

### AC Fibre and Product Committee Report 2009

To celebrate the International Year of Natural Fibre and to promote alpaca to designers and future fashion 'movers and shakers', the committee organized the Canadian Knitwear Design Competition 2009.

- The Knitwear Design Competition is an effective promotional tool for Canadian ALPACA;
- It introduces designers and future fashion 'movers and shakers' to the attributes of ALPACA; and
- Creates awareness of Canadian ALPACA production.

Judging will be based upon a point system encompassing creativity, marketability, and technical drawing/feasibility of concept and execution of design/workmanship. The winners will create the top three (3) qualifying designs using Canadian ALPACA donated by Alpaca Canada. Alpaca Canada has the exclusive right to showcase the garments/accessories and their sketches and drawings at national alpaca events for a twelve-month term. Photos of winning entries, sketches and drawings will be posted on the website in the Fibre Focus section.

Alexandria Strickler, a Ryerson Fashion Student created a two-piece black sweater/wrap garment (displayed at the AGM 2009) and Alex Twohey and Chloe Angus, both designers from Vancouver, submitted designs for creating outstanding 'one of a kind' fashion pieces.

The AC Fibre & Product Committee called for sponsors from amongst the breeder community to finance the KDC project and we would like to thank the following association for their generous support:

CNASF	\$1,000
ALPACA ONTARIO	500
A.L.P.A.C.A.	500
BC LLAMA & ALPACA ASSOCIATION	100
FRASER VALLEY LLAMA & ALPACA ASSOCIATION	100
PACIFIC COAST ALPACA NETWORK	100
	\$1,000

Other projects the AC Fibre and Product Committee have initiated include:

A printer-friendly Alpaca FIBRE BROCHURE highlighting the attributes of ALPACA and the availability of Canadian produced ALPACA was created and is posted on the AC website in the members-only section. When funds become available copies will be printed for distribution to fibre artists, fibre guilds and yarn retailers for the promotion of Canadian alpaca.



Fashion Design Student Sponsorship for the 2009 / 2010 academic calendar year. Once again, AC will offer sponsorship opportunities to fashion design students at Ryerson and Seneca Colleges. Similar to the menswear collection created by Colleen Booth in 2008, students will apply for sponsorship and the committee will choose the collection that best suits Alpaca Canada's target market, namely, a discerning Canadian Consumer, contemporary, fashion-conscious and appreciative of 100% natural fibre and Canadian-made luxury goods. The sponsored student will receive the yarn donated by AC to create the pieces in their collection. There will be no prize money. Alpaca Canada reserves the right to use the sketches and garments for industry promotion with credit given to the students. The garments will be available for one year for fashion shows and other displays.

Respectfully submitted  
Caecilia Goetze  
BOD Liaison, AC Fibre and Product Committee



## **Alpaca Canada Show Committee Report November 2009**

2008 was the first full year for the new AC Show Rules, which saw 8 sanctioned shows. At the end of the show season, the committee had solicited, and compiled comments from members. These comments formed the basis of the discussion around the changes to the show rules which were implemented in 2009.

The major changes, as well as the reasoning have been outlined below, and it is the intention of the show committee to send the following out as a survey to the membership and request comments to help form the basis of two way communication between the show committee and the membership.

### 1. Do you like having the two show levels, depending on the number of entrants?

Reasoning: The AC Show Committee felt that having another option for smaller shows would encourage more breeders to participate and provide more incentive. Previously, an exhibitor attending a small show might only get to take their alpaca into the ring once and if it was a small class (one or two), that was it for that particular alpaca. With smaller shows now able to award a Best in Show, all 1st place alpacas have another opportunity to move on to the Best in Show category. Also, allowing the combining of sexes for Colour Champions enables more animals to possibly enter the ring more than once for one quick, small class.

### 2. Do you like the new colour classes and designations?

Reasoning: Feedback from breeders indicated that they wanted the colour groupings to remain intact. This way, championship titles would reflect the correct colour group award. For example, a multi could not end up as a "dark champion" even though predominantly light, nor could a grey end up with a "dark champion" title. As well the white class now includes only white, no beige.

### 3. Should only animals that possess a CLAA registration certificate be allowed to show?

Reasoning: The Show Committee felt that shows should showcase Canadian registered breeding stock and maintain common direction with current Canadian initiatives which is clearly spelled out by the Breed Up Program and our own registry requirements. Because we have a Breed Up Program in Canada as recognized by the Animal Pedigree Act, we felt it was important to allow percentage animals in the ring as well. This gives breeders the chance to prove imported bloodlines through their progeny. Also, as indicated by the membership last year, breeders did not wish to recognize (Recognition Vote) non-CLAA registered animals into our registry at this time so the show committee felt this was keeping in line with the current view of the majority of the membership.

### 4. Do you like the new class sizes?

Reasoning: Some members expressed concern over the large size of some classes. Class sizes were reduced in the hopes of awarding more ribbons and allowing more breeders feedback from the judge(s).



5. Do you agree with not allowing "Pending" registrations?

Reasoning: The Show Committee felt that it was important to make certain all animals are registered with our Canadian Registry, the CLAA, prior to entering the show ring to prove parentage through DNA, and to ensure ribbons, etc., were being awarded to registered breeding stock. This, for example, can be especially important in classes such as Get of Sire and Produce of Dam. No other show system (USA, Britain, Germany, France, Australia, New Zealand) allows animals with pending registrations status to be shown.

With the above changes to the 2008 rules in place, 2009 saw 11 sanctioned shows from coast to coast. We would like to applaud the show management of these shows for their hard work and professionalism even in the face of unforeseen issues with delayed DNA results this spring.

As always, we appreciate your constructive comments, and suggestions as our show rules are a continuously evolving, work in progress. We are proud to have taken part in refining a standardized set of rules for the entire country.

Respectfully submitted,

Scott Sillito – Alpaca Canada Show Committee (ACSC) Board Liaison



## **Alpaca Canada Futurity & Select Sale 2008**

**Orangeville, Ontario, November 7-8, 2008**

**Judge: Babs Manion, USA**

Building on the success of the inaugural Alpaca Canada Futurity & Select Sale in 2007, the Alpaca Canada Futurity & Select Sale Steering Committee endeavored to organize another quality event to the benefit of the entire alpaca community.

63 herdsires were nominated and 33 studs received the minimum bid of \$1,000 to allow their offspring between 6 – 24 months to enter the Futurity. The auction raised a total of \$39,252. Participating farms were from AB, MB, SK, ON and NS. The auction was a win-win situation; studs received eligibility to show offspring between 6-24 months old, bidders received stud services at a substantially reduced stud fee and monies generated rewarded winners in the show ring. We would like to thank all bidders who made the Alpaca Canada Futurity Stud Service Auction a great success.

By the end of June 2008, 24 alpacas were selected from 36 submissions for the sale, representing 9 farms from across the country. A total of 1000 Select Sale catalogues were printed and mailed to all AC members and people on the lead list.

Seminars on Friday afternoon offered topics of interest for breeders. The 'Futurity Social' on Friday evening was the opportunity to meet and chat with fellow alpaca breeders. Exhibitors had the opportunity to set up farm showcases and vendors could capitalize on the Pre Christmas Season.

On Saturday, 65 alpacas competed for placing under Judge Babs Manion and over \$22,580 was paid out in prize money. The Supreme Championship was awarded to **HP Hurricane's Ally** with a cash award of \$1,000. The prestigious Alpaca Canada Futurity & Select Sale Trophy went to **High Plains Hurricane**, sire of the Supreme Champion, owned by High Plains Alpacas.

The two-day event culminated with the Select Sale on Saturday evening and was preceded by a banquet dinner with over 105 patrons attending. The sale started at 8:00 pm with a professional auctioneer and Cathy Merkley acted as the pedigree person. New this year was the online bidding service in real time with 16 registered bidders. Seventeen alpacas sold during the auction yielding a sales total of \$70,250. Twelve animals sold to Ontario and Quebec breeders. The average sale price was \$4,132.35.

It was an exciting event. A great big thank you to all the enthusiastic and dedicated volunteers who committed themselves to endless hours of work and their immense interest to make the inaugural AC Futurity & Select Sale such a success.

## **Alpaca Canada Futurity & Select Sale 2009**

Building upon the successful completion of the 2008 ACFSS, planning for the 2009 AC Futurity & Select Sale started shortly after the event. The 3rd Annual ACFSS will be held November 20 – 22, 2009 in Orangeville, Ontario.

In January 2009, 85 studs were nominated and 44 studs received successful bids during the AC Futurity & Select Sale Stud Service Auction in February 2009 for a total of \$44,853. The majority of subscribed studs reside in eastern Canada. This year eligible progeny between 6-36



months old will be eligible to compete for the highest honour. Twenty-two alpacas from well-known breeding programs make up this year's roster of sale alpacas. Eighteen females and 4 males await your bids. The female line-up includes 1 Suri alpaca.

The Select Sale Catalogue was sent to all AC members and the addresses from the lead list for 2008-2009. A Google ad campaign to promote the ACFSS 2009 began in October and a page on Facebook draws attention to the event. At time of writing this report, 101 entries had been received, a tremendous increase over 2008 entries. The AC Futurity & Select Sale Steering Committee is expecting another successful turnout for this prominent annual AC event.

Respectfully submitted  
 Caecilia Goetze, Chair  
 Alpaca Canada Futurity & Select Sale Steering Committee

<b>AC Futurity &amp; Select Sale Statistics</b>			
	<u>2007</u>	<u>2008</u>	<u>2009</u>
<b>Stud Auction</b>			
# nominated studs	51	63	85
# subscribed studs	35	33	44
Total yield	39,200	39,252	44,853
Representation	AB/SK/MB/ON/NS	BC/AB/SK/MB/ON	AB/SK/MB/ON/QC/NS
<b>Futurity</b>			
# participating farms	35	24	
# registration	72	8 no show	65 all shown
# of juveniles	7	1	
# of yearlings	65	64	
Total prize money	22,190	22,580	
Judge	Dr. Sumar	Babs Manion	David Barboza
<b>Select Sale</b>			
# consignments	26	36	22
# consigning farms	13	9	9
# accepted	24	23	22
# males	4	4	4
# females	20	19	18
# sold	17	17	
# sold via on-line	n/a	2	
# sold via telephone		1	
Sales	120,250	70,250	
average/sale	7,308.82	4,132.35	
average/single sale	6,444		
average/dbl. Sale	6,625		
floor bidders	33	29	
online bidders	n/a	16	
<b>Banquet attendees</b>	110	105	



## Your 2009/2010 Alpaca Canada Board of Directors

Bob Bijou  
Alberta Rose Alpacas  
RR 1  
Morinville, AB  
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Scott Sillito  
Box 658  
Beiseker, AB  
T0M 0G0  
(403) 947-2702  
sillito@efirehose.net

Jeffrey Watt  
P.O. Box 16  
Roland, MB  
R0G 1T0  
(204) 343-2019  
jeff@agassizalpacas.ca



## Alpaca Canada - Board of Directors Election 2010

My name is Robert (Bob) Bijou  
Alberta Rose Alpacas

My address is R.R.# 1, 55518 Rge. Rd. 254  
Morinville, Alberta T8R 1P4

My wife Lauraine and myself have lived in the Morinville area all of our lives and have raised our three children, one girl and two boys at this location. We now have three grand children with two more expected in the spring. We built our house on this bare piece of land thirty three years ago.

Our two boys still help out with the herd management and hay storage on their weekends off, whenever they are needed. Our daughter and two eldest grandchildren can always be counted on to do the chores and look after the alpacas when we are attending shows or are away for a few days.

I was involved in the construction industry all of my working days. Lauraine was a school secretary until we started raising alpacas. We purchased our first alpacas in 1995, two females and two males. Lauraine saw a picture of alpacas in an Acreage Living magazine and instantly said we must have some of these. Since then our herd has grown to forty seven Huacayas at the present time. We co-own one female and one yearling male with Sunnyhill Alpacas. We also co-own three herdsires with Amber Autumn and Neville Lake Alpacas, plus one female and one male cria with Neville Lake Alpacas. All of our alpacas and co-owned alpacas are registered except for four crias and two yearling males which are not as yet registered.

I feel the number of nominations for the Alpaca Canada Board of Directors was very disappointing. In order for Alpaca Canada and the Alpaca Industry to grow, we need cooperation from the breeders across this beautiful country of Canada. We should all pool our resources and ideas for the future of the Alpaca industry as well as the fibre industry. We must continue to build on the foundation previous boards have set for us. I am hoping that my years of experience in the alpaca and fiber industry will make an impact.

To the best of my knowledge I have no conflict of interest relative to my duties as an Alpaca Canada Director.

Sincerely

Bob Bijou



## Alpaca Canada - Board of Directors Election 2010

Statement of Candidacy – Daryl Krause

Address: 26519A Twp. Rd. 530, Spruce Grove, Alberta, T7X-3L5

Number of years in the business: 12 years

Number of alpacas owned: Approximately 250 Huacaya.

Currently co-own approximately 40 Huacaya alpacas with Neville Lake Alpacas, 2 Huacaya herd sires with Alberta Rose Alpacas, 1 herd sire with Pucara International and Humming Herd Alpacas, 1 herd sire with Vintage Llamas & Alpacas.

My wife Shirley and I have been raising alpacas on our 32 acre farm near Spruce Grove for the past 12 years. We have been active members of A.L.P.A.C.A., CLAA, ARI and AOBA since we started in the business. The majority of our herd is CLAA and ARI registered. As well we have been strong advocates and supporters of the Canadian Camelid Fiber Cooperative since the inception. We actively show our animals and support all of the alpaca shows held across Canada.

On behalf of A.L.P.A.C.A. I was asked to initiate and to negotiate a working agreement that would allow our alpaca club to hold an annual alpaca show in November of each year in conjunction with the Canadian Finals Rodeo at Northlands. That was accomplished successfully and has been a very positive event for our industry. I was the show chair person for the first (5) years of this event. As well during that time I was President of A.L.P.A.C.A. for (1) year. I have remained actively involved with this annual event in various volunteer roles since resigning from the show committee.

We also operate a heavy equipment rental business off of the property as well. I have been involved in the heavy construction business and oilfield construction and rentals for the past 40 years.

### **Vision for the future of Alpaca Canada and the Canadian Alpaca Industry:**

- 1) **Objective #1:** To sustain the financial viability of Alpaca Canada as the voice and marketing and information vehicle for all alpaca breeders in Canada. Serious thought and discussion must begin immediately to determine creative and long term business initiatives that will help Alpaca Canada raise the monies necessary to be a strong advocate for our industry. These initiatives must include the support by all breeders across Canada in order to be successful.
- 2) **Objective # 2:** In order for any livestock industry to survive and thrive, a strong exciting show system is vital. This is even more so in the alpaca industry as our major products are genetics and fiber. The alpaca industry does not have the built in by-products that most livestock industries have such as milk, meat, hides and other products too numerous to mention. It is vital that the show system encourages everyone in the alpaca business to get out and show off their breeding program. Our alpaca industry is very fragile at this moment in time and all efforts need to be made to ensure that it has the means to grow and thrive. No one vehicle accomplishes this better than a strong show



system. It encourages good healthy competition and encourages new people to join and to try to upgrade their own breeding programs.

- 3) **Import / Export Protocols:** Discussion should begin immediately to better stream line the Canadian breeder ability to move alpacas to and from our biggest market, the United States. Whether to attend and compete in U.S. shows or for breeding purposes, the protocol currently in place is far too cumbersome and expensive. We were successful in the past in getting the CFIA to drop (1) tuberculin shot requirement and to shorten up the quarantine time. There is no valid reason in my mind that we currently need to conduct so many tuberculin shots nor should it be necessary for such long quarantine times when bringing animals back to Canada. Presently, the U.S. requires (1) tuberculin shot, draw blood to test for Brucellosis and Blue Tongue and no quarantine period in the U.S.A. Why can our protocol not be similar? Canada has imported thousands of alpacas over the past 15 years. The data should show that there is no valid reason or inherent risk to livestock health in Canada by making these rules less cumbersome to our industry.
- 4) **Registration Certificates:** Presently, under the current breed up program, if a breeder breeds a 50% alpaca to a 0% recorded herd sire or dam, the registry does not issue a registration certificate for the resulting offspring and it is recorded at 0%. This is wrong. Pedigree is pedigree. The resulting offspring should be issued a 25% purebred registration certificate from the CLRC. I am not sure of the reasoning or the thought behind this decision but if elected, I intend to find out and to do whatever is necessary to have this changed as soon as possible and to have all offspring that has been subject to this rule, issued proper pedigreed certificates.
- 5) **The fiber Industry:** In order for our industry to become recognized as a viable agriculture industry, we need to establish the fiber industry and the finished products necessary to finance it. This has not been accomplished to date in Canada or the U.S.A. Genetic sales alone will not sustain the industry long term. In order for breeders to be financially successful enough to want to remain in and to grow their alpaca business, it is crucial that steps be taken to establish this part of the business. Australia is taking the lead in this regard but Canada can lead this initiative in North America.

In closing, if you feel you can support me with your vote, it is very much appreciated. I do not feel that there are any actual or perceived conflict of interest issues that will prevent me from successfully representing you on this board or that will prevent me from performing my duties as a director.

Daryl Krause



## Alpaca Canada - Board of Directors Election 2010

### Statement of Candidacy

As per Alpaca Canada Bylaws [6.04(a)], each candidate must provide a Statement of Candidacy no later than forty-two (42) days before the annual general meeting (18 September 2009). The Statement must include the following:

- Name

David Mac Donald

- Address

RR# 2 Erin, Ontario, N0B 1T0

519-833-2933

- Number of years in the business

One year researched prior to purchasing our alpacas, six years actively involved with initial purchase of six alpaca to today's herd of over 150 alpacas under our care.

- Number of alpacas owned

We have approximately 150 plus animals.

- Number of registered alpacas owned

Approximately 20 plus not registered, as of this time all 2009 babies have not been born.

- Type of alpacas (Huacaya and/or Suri)

Herd includes two llamas and approximately 150 plus Huacaya.

- Please provide the names of individuals owning animals in conjunction with the candidate (please indicate number of registered and unregistered animals jointly owned)

Our partnership team includes Aldo and Jean Marasico, my wife Margie Mac Donald and me, as a joint partnership of Blood Moon Alpacas and Sally's Grove Alpacas forming "Alpaca Central".

- Biography

My professional background is medial with over 10 years experience clinically, more than 25 years in the medical commercial field, experienced in national and international clinical applications, teaching, product management, sale and marketing. Had four years involvement in assisting two organizations and a qualified animal nutritionist, in the evaluation and development of feeds and mineral supplements for eastern Canada Alpacas and Llamas.

- Election platform – your vision for the future of Alpaca Canada and the Canadian alpaca industry

It is my belief that Alpaca Canada needs to be a strong organization with a mandate to support the Canadian alpaca industry from coast to coast, ensure our industry be second to none in quality of products from quality of animals raised to the end products and its promotion. Whether it is a small backyard herd, to the large fibre herds I believe we can produce in Canada, that there is a voice for all and all fairly treated.

- Please include a disclosure statement indicating any actual or perceived conflict of interest relative to the performance of your duties as an Alpaca Canada board director.

I am unaware of any connections actual or perceived that would be deemed a conflict of interest to this position and the duties as an Alpaca Canada board director.



## Alpaca Canada - Board of Directors Election 2010

### Scott Sillito- Statement of Candidacy

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I, along with my wife Samantha and two sons, Riley and Nicolas operate Vida Loca Alpacas. We began our adventure in 2006 with the purchase of 6 animals. As of today, we have 39 huacaya alpacas. We have joint custody of 1 male with Beinuks Alpacas, as well as 1 female with cria that we own with Tiger Lily Ranch. Our herd currently consists of about half CLAA only registered, and half dual registered. All but one of our animals is, or will be registered.

I was born in Calgary, but grew up in the United States, spending time in Spokane, Baltimore, and 11 years in Anchorage. I came back to Canada, attended University of Lethbridge, and began my working career in the field of consumer finance. A short time later, I met my beautiful bride, we were married (10 years ago in August), and had our sons. In 2004, I decided to become self employed as a Mortgage Broker, and in 2005, we had decided to move to an acreage where we could raise our children. We purchased our first animals with no prior knowledge of the species, but we knew that we enjoyed the serenity that we felt being in their presence. The learning curve has been steep, but over the last three years, we have become more and more involved in the alpaca industry, and last summer I agreed to sit as a director on the Board for Alpaca Canada. The past year has been an eye-opening experience in a number of different ways.

Alpaca Canada needs to survive. In order to do that, we are going to have to make some tough decisions. There is no doubt that the industry, the economy, and the world are changing. As with anything else, we will need to adapt to the changes, or get left behind. I am not sure that I have an actual "platform," however, I will continue to make myself available in whatever capacity I can, and I would encourage all of you to do the same.



## Alpaca Canada - Board of Directors Election 2010

### Statement of Candidacy – Jeffrey Watt

My name is Jeffrey Watt and I operate Agassiz Alpacas based at Roland Manitoba. I have been in the alpaca business for 11 years and have had upwards of 50 Huacaya alpacas, however I currently own 35 all of which (except for this years' cria) are registered.

I co-own two alpacas, one with Amber Autumn Alpacas, and one jointly with Penny Lee Alpacas & Turtle Mountain Alpacas. I have no actual or perceived conflicts of interest which may impact my performance as a board member.

I grew up on a beef and horse farm in Northwestern Ontario and I hold a Master's degree (MSc) in Agricultural Economics. I have worked in both the public and private sectors in economic and agricultural areas. Since my occupation is raising alpacas I have been actively involved in the alpaca sector for a number of years serving as Director on Canadian Alpaca Breeders Association and as President of the Manitoba Alpaca Club and the Show Chair for Manitoba Alpaca Club for 5 shows. Additionally I served as a School trustee on the local School Board and on its finance committee (division budget of \$15 million).

With the current economic conditions and with the continued fledgling status of the alpaca sector, there needs to be a broader emphasis by Alpaca Canada and alpaca breeders moving towards a viable livestock business. While selling alpacas to new breeders and existing breeders is a plan for the initial stages of this sector, it alone is not a sustainable business practice. Additionally, no other livestock sector in Canada is as protectionist and as Canadians we must have a global perspective. Consequently, we must explore all avenues of production and usage in order to compete internationally.



**Minutes of  
Alpaca Canada Annual General Meeting  
Friday, September 26, 2008, Exhibition Park, Halifax, NS**

President Catherine Simpson called the meeting to order at – 5:07 PM Atlantic time

Directors Present: Catherine Simpson, Stella Beniuk, Rob Blom, Roy Carreiro,  
Ken Frost. Recording Secretary: Stephanie Sutton.

There were 33 people representing 28 memberships in attendance.

Catherine Simpson welcomed members to the third annual general meeting and introduced fellow Board members.

Catherine Simpson recommended the following Agenda Amendments:

- “7. New Business
  - b) AOBA Letter
  - c) 2009 AC Conference and AGM Location”

**Motion:** Moved by Ernie Gamroth, seconded by Brenda Urquhart that the above two agenda items be added to the agenda. CARRIED

**Motion:** Moved by Gary Beniuk, seconded by James Jarvis to accept the minutes of the 2007 Annual General Meeting. CARRIED

## **Presentation of Administrative and Committee Reports**

### **Board of Directors Report**

Catherine Simpson presented the Board’s written report and asked for any questions.

Further, Catherine provided an update on relations with the Diversified Livestock Fund of Alberta (DLFOA) – according to James Jarvis and Stella Beniuk, each attended last 2 DLFOA meetings. DLFOA has received new funding ranging from \$ 3 million up to \$300 million.

### **Advertising and Marketing Report**

Roy Carreiro addressed the group providing valuable feedback he received while conducting a sales phase for selling the 2009 AC Guide Ads. Roy did not read the committee’s report written by Catherine Simpson, but encourages AC to utilize new technology in order to move forward. Catherine Simpson reported that the Board made the decision to temporarily hold off on the CBC advertising campaign due to typical low response in the fall and the high cost. Roy explained the rationale regarding the potential of upgrading the website due to the high visitor response rate and for future marketing purposes.



Caecilia Goetze presented the possibility that it is the TV that directs traffic to the AC website rather than the website itself. It was suggested that AC possibly re-word/revise the online form that explains how the individual was directed to Alpaca Canada to request more information for future clarity.

### **Communications**

Mary Ann Mounce provided an overview of the Communications report reporting that the committee's main goal was to focus on facilitating communications between AC membership, the AC Board, and the alpaca industry. She further encouraged membership to provide feedback to committee on an ongoing basis. She introduced committee members, reporting that Oona Porter has resigned and that Stella Beniuk has agreed to serve on the committee for another year.

Mary Ann reported that the Orgler is a large part of the committee's work focusing on what AC is trying to do as an organization. She asked the membership for ongoing input concerning newsletter ideas/articles or business card sized ad purchases.

Additionally Mary Ann presented other projects that the committee assisted with including coordination of a new printer, and development of the 2009/10 AC Calendar contest. 2009 Calendar photo contest winners were provided during the break in a PowerPoint presentation.

### **Fibre/Product Committee**

Catherine Simpson addressed the meeting stating that a past goal of this committee was to organize the AC Conference and the committee had decided this couldn't continue due to time constraints and work overload. She stated that then Caecilia Goetz arrived to re-motivate the committee, adding that there is still a lot to cover in the role of this committee.

The Design Competition and Ryerson Sponsorship are going well, with the help of Gail Vance. This will continue as the committee is working closely with the Canadian Camelid Fibre Co-operative to make this happen. The total investment was \$680 for great exposure with the winning designer. Catherine spoke of the ongoing need to find quality, consistent yarn.

Catherine reported that the committee is currently working on design of new fibre brochure, with the design and sponsorship components involved. She extended a warm welcome to new members who have joined the committee: Arden Jenkins, Heidi Bacon and Diane Lee.

### **Joint Membership Committee AC/CLAA**

Rob Blom provided an overview of the work of the committee to date. He reported the struggle with the initiative to increase membership and explained different options that the committee has explored. He encouraged current members to spread the word to other Alpaca breeders to join the organization and together to support this initiative. Rob spoke of a going focus towards building a more cohesive membership in order to take the alpaca industry forward. He closed by asking the membership to forward the committee feedback/suggestions of ways to provide additional membership value.



## Show Committee

Jane Tellier introduced the committee and added that they will miss Stella Beniuk's participation on the committee. She reported the committee was busy in 2007 as they developed a set of show rules and 2008 was the first year when these show rules were implemented. The committee welcomes input based on members' experience in shows as competitors or as vendor participants. October is the last opportunity to provide feedback before revising 2009 show rules.

Jane reported that the points evaluation question is currently under debate and that will continue for the next several months. It will not be incorporated in 2009 but the committee welcome feedback so a final decision can be reached at a later date.

## Futurity Committee

Casey Dewit was not in attendance therefore Caecilia Goetz offered to answer membership questions. She noted one revision in the committee report that the futurity 2007 didn't net \$9000; instead the net was \$6000 due not receiving a grant.

Gary Umscheid asked why there was no financial report for the 2007 Futurity. The Board agreed that this report should be made available and Catherine Simpson offered to follow-up. Caecilia reported that the 2007 prize money has been paid, but 3 cheques have not yet been cashed. Gary stated that he had not yet received his prize money. Caecilia offered to follow-up. Caecilia reported that 2008 Futurity has already generated income and that the expenses will be the same as last year.

Gary requested also the posting of updated Board minutes on the website and it was agreed that this done first opportunity. A general discussion followed re the initial establishment of the Futurity and possible alternatives.

**Motion:** Moved by Rob Woods, seconded by Ernie Gamroth to accept the committee reports as presented. CARRIED

## Presentation of Auditor's Report and Financial Statement

In the absence of Casey Dewit, Ken Frost provided an overview for the membership. He spoke of dollars and the need to have all AC projects fund themselves such as the newsletter. A conversation followed regarding AC marketing.

Mike Urquhart addressed the Board stating that he does not believe AC should be charging for HST and questioned this practice. Stella Beniuk responded that she had personally contacted Revenue Canada and AC is within its legal guidelines.

**Motion:** Moved by Ernie Gamroth, seconded by Garry Beniuk to accept the auditor's report and financial statement as presented. CARRIED



## Appointment of Auditor

Catherine Simpson recommended a change of auditor to facilitate increased communication and professional services.

**Motion:** Moved by Ron Woods, seconded by Caecilia Goetz that AC change auditor for the 2008 calendar year. CARRIED

## Announcement of newly elected Board Directors

Catherine Simpson introduced new Director Roy Carreiro to the membership and encouraged other potential Directors to step forward as there are still two (2) vacant seats.

## New Business

- a) **Canadian Alpaca Fibre Industry Strategic Plan** – an overview was presented by Catherine Simpson. She encourages the membership to be patient until this final report goes to the government by end of October. At that time the recommendations in report form will be presented and available on website. After reviewing this report questions can be forwarded to Catherine.
- b) **AOBA Letter** – Catherine provided background to this letter and read it for the group; a copy will be included within these minutes.
- c) **Next AC Conference & AGM 2009** – Stella presented Edmonton Northlands bid to host the 2009 Alpaca Conference and AGM. The Board will announce decision at a later date.

**Motion:** Garry Beniuk moved to adjourn the meeting at 7:37 PM.



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Suite 297  
Nashville, TN 37211

Phone: 615-834-4195  
Fax: 615-834-4196  
Web site: [www.alpacainfo.com](http://www.alpacainfo.com)

Ms. Catherine Simpson  
President, Alpaca Canada  
Kensington Prairie Farm  
1736 - 248 Street, Langley, BC,  
V4W 2C3 Canada

Dear Catherine:

I am writing to apologize for our inattentiveness to your event and annual meeting this coming weekend in Halifax. Our President, David Barboza and I learned of it yesterday from Dave Belt who will be attending. I have been so involved with our own website problems I have not been keeping up with your site.

Neither David nor I are able to rearrange our schedules to attend at this date and I will miss talking with you. Please consider Dave Belt, Editor *Alpacas Magazine*, our designated representative to the Alpaca Canada Conference and AGM.

I will be phasing out of the Executive Director position most likely by years end as we are actively looking for a permanent person. Until then, feel free to let me know if you need any information from AOBA.

Warm Regards,



Gordon A. Anderson CEBS  
Executive Director

**ALPACA CANADA CORPORATION**

SUITE 1178 7620 ELBOW DRIVE SW CALGARY ALBERTA T2V 1K2

PHONE: (403) 250-2171 FAX: (403) 255-3285

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April 18, 2008

Attention: JAMES YEE, CGA  
JAMES YEE & CO.

Dear MR. YEE:

We are providing this letter in connection with your review of the financial statements of ALPACA CANADA CORPORATION for the year ended December 31, 2007, for the purpose of determining whether the financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles. We acknowledge that we are responsible for the fair presentation of the financial statements in accordance with Canadian generally accepted accounting principles, and for the design and implementation of internal control to prevent and detect fraud and error.

We understand that you have performed a review of the financial statements. We also understand that your review procedures consisted primarily of enquiry, analytical procedures, and discussion, which are not designed to identify, nor can they necessarily be expected to disclose, fraud, shortages, errors or other irregularities should any exist.

Certain representations in this letter are described as being limited to matters that are material. An item is considered material, regardless of its monetary value, if it is probable that its omission from or misstatement in the financial statements would influence the decision of a reasonable person relying on the financial statements.

We confirm, to the best of our knowledge and belief, as of the date noted above, the following representations made to you during your review.

**Financial statements**

1. The financial statements referred to above present fairly, in all material respects, the financial position of the ALPACA CANADA CORPORATION as at December 31, 2007 and the results of its operations and its cash flow for the year then ended in accordance with Canadian generally accepted accounting principles.

2. We have reviewed and approved all:

- journal entries prepared or changed by you,
- account codes determined or changed by you,
- transactions classified by you, and
- accounting records prepared or changed by you.

All misstatements identified by you and discussed with us, in the course of your review, have been recorded (except for those summarized in the attached schedule of proposed journal entries). It is our opinion that the effects of not recording such identified misstatements are, individually and in aggregate, immaterial to the financial statements as a whole.

## **Completeness of information**

1. We have responded fully to all enquiries made to us and have made available to you all financial records and related data and all minutes of the meetings of shareholders, directors, and committees of directors.
2. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.
3. We are unaware of any known or probable instances of non-compliance with the requirements of regulatory or governmental authorities, including their financial reporting requirements.
4. We are unaware of any violations or possible violations of laws or regulations the effects of which should be considered for disclosure in the financial statements or as the basis of recording a contingent loss.
5. We have identified to you all known related parties and related party transactions, including guarantees, non-monetary transactions, and transactions for no consideration.

## **Recognition, measurement and disclosure**

1. We believe that the significant assumptions used in arriving at the fair values of financial instruments as measured and disclosed in the financial statements are reasonable and appropriate in the circumstances. All material financial instruments, including derivatives, held at year-end are reported on the balance sheet.
2. We have disclosed to you, and the company has complied with, all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.
3. All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.
4. The company has satisfactory title to all assets, and there are no liens or encumbrances on the company's assets.
5. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.
6. All related party transactions have been appropriately measured and disclosed in the financial statements.
7. The nature of all material measurement uncertainties has been appropriately disclosed in the financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial statements.
8. We have informed you of all outstanding and possible claims, whether or not they have been discussed with legal counsel.

9. All events subsequent to the balance sheet date up to the date hereof that would require recognition or disclosure in the financial statements have been disclosed to you and are appropriately disclosed in the financial statements.

10. We have obtained all consents that are required under applicable privacy legislation for the collection, use, and disclosure to you of personal information.

Sincerely,

[Signed] \_\_\_\_\_  
[Name of Chief Executive Officer or equivalent and title] [Date]

[Signed] \_\_\_\_\_  
[Name of Chief Financial Officer or equivalent and title] [Date]

**JAMES YEE & CO. CGA**  
**#10 1015 CENTRE STREET NORTH CALGARY ALBERTA T2E 2P8**  
**TEL: (403) 277-7172 FAX: (403) 277-7576**

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April 10, 2008

Attention: The Directors of  
ALPACA CANADA CORPORATION

Dear Client:

This letter confirms the terms of my engagement to review the financial statements of ALPACA CANADA CORPORATION ("the Society") for the year ending on December 31, 2007.

**My objectives and responsibilities**

I will perform a review, not an audit. My engagement should not be referred to as an audit since it will not fulfill any statutory or other audit requirement. I wish to emphasize that my engagement is not designed to detect fraud or error, and that management is responsible for the prevention and detection of fraud and error.

Unless unanticipated difficulties are encountered, my report will be substantially in the following form:

**Review Engagement Report**

The Directors, ALPACA CANADA CORPORATION

I have reviewed the statement of financial position of ALPACA CANADA CORPORATION, as at December 31, 2007 and the statements of operations, net assets, and cash flow for the year then ended. My review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures, and discussion related to information supplied to me by the society.

A review does not constitute an audit and consequently I do not express an audit opinion on these financial statements.

Based on my review, nothing has come to my attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

\_\_\_\_\_  
[City, date]  
Accountants

[Signed]  
\_\_\_\_\_  
Certified General

The statements will be marked “Unaudited” and they must not be circulated without our report and markings.

I will advise the directors in writing of the relationships between me and the Society that, in my professional judgment, may reasonably be thought to bear on my independence. I will also disclose the total fees charged for review services and for non-review services by my firm (and all related businesses) to the Society and its related entities during the last year. Further, I will confirm my independence with respect to the Society.

In performing a review engagement, I communicate with those having oversight responsibility for the financial reporting process. Since the scope and objectives of a review are different from those of an audit, there is less likelihood that I will become aware of all matters to communicate to those having oversight responsibility for the financial reporting process. I use professional judgment in determining with whom to communicate, and refer to the guidance in the *Handbook — Assurance*, Section 5751, and paragraph 8200.69, in determining the substance of the communications.

I will carry out such bookkeeping as I find necessary preliminary to the preparation of the financial statements, and any related work arranged with the officers.

I will prepare the Society’s Information Return with supporting schedules, examine assessment notices respecting them, advise on income tax matters generally, and discuss any matters concerning your taxes with Canada Revenue Agency representatives.

### **Management’s responsibilities**

Management is responsible for:

Financial statements

- a) the preparation and fair presentation of the Society’s financial statements in accordance with Canadian generally accepted accounting principles;
- b) ensuring that the members’ resolution waiving appointment of auditors is approved annually;

Completeness of information

- a) providing me with and making available complete financial records and related data, and copies of all minutes of meetings of members, directors and committees of directors;
- b) providing me with information relating to any known or probable instances of non-compliance with legislative or regulatory requirements, including financial reporting requirements;
- c) providing me with information relating to any illegal or possibly illegal acts, and all facts related thereto;
- d) providing me with information regarding all related parties and related party transactions;

Fraud and error

- a) the design and implementation of internal controls to prevent and detect fraud and error;

Recognition, measurement and disclosure

- a) providing me with its assessment of the reasonableness of significant assumptions underlying fair value measurements and disclosures in the financial statements;
- b) providing me with information relating to compliance with aspects of contractual agreements that may affect the financial statements;

- c) providing me with information relating to other liabilities and contingent gains or losses, including those associated with guarantees, whether written or oral, under which the Society is contingently liable;
- d) providing me with information on whether the Society has satisfactory title to assets, liens or encumbrances on assets exist, and assets are pledged as collateral;
- e) providing me with any plans or intentions that may affect the carrying value or classification of assets or liabilities;
- f) providing me with information relating to measurement and disclosure of transactions with related parties;
- g) providing me with an assessment of all areas of measurement uncertainty known to management that are required to be disclosed in accordance with Canadian generally accepted accounting principles;
- h) providing me with information relating to claims and possible claims, whether or not they have been discussed with the Society's legal counsel;
- i) providing me with information concerning subsequent events; and
- j) providing me with representations on specific matters communicated to us during the engagement.
- k) accurately reproducing, summarizing, or referencing the financial statements and the Review Engagement Report in [*specify public documents*] and obtaining our approval of all information to be presented in such documents before they are published.<sup>1</sup>

### **Other matters**

I confirm my duty of confidentiality with respect to client affairs. Accordingly, except for information that is in the public domain, I will not provide any third party with confidential information concerning the affairs of the Society without the Society's prior consent, unless required to do so by legal authority, or by the *Code of Ethical Principles and Rules of Conduct* (CEPROC) of the Certified General Accountants Association of Alberta. Further, in order to complete my engagement, I will require access to certain personal information. You hereby represent to me that you have obtained all consents that are required under applicable privacy legislation for the collection, use, and disclosure to me of personal information. I will manage all personal information in compliance with our Privacy Code.

In accordance with professional requirements, my client files are subject to periodic practice review by my provincial governing body as a self-regulating professional organization responsible for regulating its members and protecting the public. The practice reviewers are required to maintain strict confidentiality of any client information they may encounter during this process.

In order to review the financial statements pursuant to this engagement, I will prepare various working papers. I will retain ownership of all such working papers which I may use in any manner we deem appropriate, while respecting your confidentiality.

My fees are based on the complexity and nature of the work, and on the degree of responsibility and skill required. Any disbursements will be added to our invoice. All invoices are due upon presentation, unless other arrangements have been made in advance. Interest will be charged on overdue accounts.

The above terms will remain in effect from year to year unless amended in writing by both parties or terminated by written notice from either party. Upon termination of this engagement, I

will invoice you for any unbilled fees and expenses. Further, you agree to pay your account to the date of termination upon receipt of our invoice.

This engagement will be subject to and governed by the laws of the Alberta. Any disputes arising from this engagement shall be subject to the exclusive jurisdiction of the courts of Alberta.

I shall be pleased to discuss the contents of this letter with you at any time, particularly if your requirements change, and to explain the reasons for any items. If the above terms are acceptable to you, and the services outlined are in accordance with the Society’s requirements, please sign the copy of the letter in the space provided and return it to me. I appreciate the opportunity to be of service to you.

Yours truly,

[Signed]  
\_\_\_\_\_  
Certified General Accountants

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The services set out in the foregoing letter are in accordance with our requirements. The terms set out are acceptable to us and are hereby agreed to.

\_\_\_\_\_  
[Name of society]

[Signed]  
\_\_\_\_\_  
[Name and title]

\_\_\_\_\_  
[City, date]

[Signed]  
\_\_\_\_\_  
[Name and title]

**ALPACA CANADA CORPORATION**

**FINANCIAL STATEMENTS**

**(Unaudited)**

**DECEMBER 31, 2007**

**ALPACA CANADA CORPORATION**

**DECEMBER 31, 2007**

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**JAMES YEE & CO.  
CERTIFIED GENERAL ACCOUNTANT  
#10, 1015 Centre Street, N.W. Calgary, Alberta. T2E 2P8 Tel: (403)277-7172 Fax:  
(403)277-7576**

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## **REVIEW ENGAGEMENT REPORT**

To the Directors of  
Alpaca Canada Corporation

I have reviewed the balance sheet of Alpaca Canada Corporation as at December 31, 2007 and the statements of Operations, and Changes in Net Assets and changes in financial position for the year then ended. My review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to me by the company.

A review does not constitute an audit and consequently I do not express an audit opinion on these financial statements.

Based on my review, nothing has come to my attention that causes me to believe that these financial statements are not, in all material respects, in accordance with generally accepted accounting principles.

July 04, 2008  
Calgary, Alberta

CERTIFIED GENERAL ACCOUNTANT



ALPACA CANADA CORPORATION

STATEMENT OF OPERATIONS  
(Unaudited)  
FOR THE YEAR ENDED DECEMBER 31, 2007

				<u>2007</u>	<u>2006</u>
	GENERAL FUND	RESEARCH FUND	FUTURITY FUND		
<b>REVENUE</b>					
Membership fees	52,836	-	-	\$ 52,836	\$ 48,394
Sponsorship & funding	14,000	-	-	14,000	-
Auction bid revenue	16,655	1,816	-	18,471	18,598
Conference revenue	29,898	-	-	29,898	57,521
Donation receipts	11,860	200	-	12,060	11,024
Sales - advertising	53,205	-	-	53,205	51,100
Sales - items	345	-	-	345	919
Futurity revenue	-	-	81,683	81,683	-
Other revenue	406	2	-	408	8
	<u>179,205</u>	<u>2,018</u>	<u>81,683</u>	<u>262,906</u>	<u>187,564</u>
<b>COST OF SALES</b>					
Opening inventory	2,372	-	-	2,372	-
Purchases	-	-	-	-	3,180
Ending inventory	(731)	-	-	(731)	(2,372)
	<u>1,641</u>	<u>-</u>	<u>-</u>	<u>1,641</u>	<u>808</u>
<b>EXPENDITURES</b>					
Accounting	-	-	-	-	1,200
Advertising	37,648	-	-	37,648	19,619
Bank charges	178	-	-	178	216
Casual labour	1,625	-	-	1,625	1,131
Credit card charges	1,596	-	-	1,596	1,228
Conference expenses	27,152	-	-	27,152	41,242
Courier & postage	8,359	-	-	8,359	4,296
Futurity expenses	-	-	68,235	68,235	-
Equipment purchase & rental	2,420	-	-	2,420	-
Insurance	1,462	-	-	1,462	805
Professional fee	18,000	-	-	18,000	-
Miscellaneous	1,571	-	-	1,571	236
Office supplies	2,084	-	-	2,084	978
Production design & printing	36,043	-	-	36,043	27,748
Rent	5,019	-	-	5,019	7,190
Repair and maintenance	170	-	-	170	75
Subscription	7,805	-	-	7,805	-
Travel	17,660	-	-	17,660	8,899
Telephone	8,468	-	-	8,468	5,833
Wages	19,561	-	-	19,561	18,019
Web site expenses	2,223	-	-	2,223	2,185
TOTAL EXPENSES	<u>199,044</u>	<u>-</u>	<u>68,235</u>	<u>267,279</u>	<u>140,900</u>
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>					
	<u>(21,480)</u>	<u>2,018</u>	<u>13,448</u>	<u>\$ (6,014)</u>	<u>\$ 45,856</u>

The accompanying notes are integral part of these financial statements

ALPACA CANADA CORPORATION

STATEMENT OF CHANGES IN NET ASSETS  
(Unaudited)  
FOR THE YEAR ENDED DECEMBER 31, 2007

	GENERAL	RESEARCH	FUTURITY	<u>2007</u>	<u>2006</u>
<b>BALANCE, beginning of year</b>	43,996	1,860	-	<b>45,856</b>	-
Prior period adjustment	(2,250)	-	-	<b>(2,250)</b>	-
Excess of revenue over expenses	(21,480)	2,018	13,448	<b>(6,014)</b>	
	45,856				
Interfund transfer	6,920	-	(6,920)	-	-
<b>BALANCE, end of year</b>	27,186	3,878	6,528	<b>37,592</b>	45,856

The accompanying notes are integral part of these financial statements

**ALPACA CANADA CORPORATION**  
**Interim Financial Statement**  
**01 January to 30 September 2009**

**STATEMENT OF CASH FLOW**  
**(Unaudited)**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>2007</u>	<u>2006</u>
<b>CASH FROM OPERATING ACTIVITIES</b>		
<b>SOURCES</b>		
Membership fee	\$ 52,836	\$ 48,394
Sponsorship & funding	14,000	-
Auction bids revenue	18,471	18,598
Conference revenue	29,898	57,521
Donation receipts	12,060	11,024
Sales - advertising & other	53,550	52,019
Special events revenue	81,683	-
Other revenue	408	8
	<u>262,906</u>	<u>187,564</u>
<b>USES</b>		
Expenditures from operations	(268,920)	(141,708)
Changes in accounts receivable	(23,102)	(21,135)
Changes in inventory	1,641	(2,372)
Changes in prepaid expense	-	(1,358)
Changes in accounts payable	11,006	23,344
Changes in deferred revenue	(217)	217
Changes in tax payable	(3,306)	1,466
Changes in prior period adjustments	(2,250)	-
	<u>(285,148)</u>	<u>(141,546)</u>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<u>(22,242)</u>	<u>46,018</u>
<b>CASH FLOW FROM FINANCING AND INVESTING ACTIVITIES</b>	<b>Nil</b>	<b>Nil</b>
<b>(DECREASE) INCREASE IN CASH</b>	<u>(22,242)</u>	<u>46,018</u>
<b>CASH FLOW, beginning of year</b>	<u>46,018</u>	<u>-</u>
<b>CASH FLOW, end of year</b>	<u>\$ 23,776</u>	<u>\$ 46,018</u>

The accompanying notes are integral part of these financial statements

**ALPACA CANADA CORPORATION**  
**Interim Financial Statement**  
**01 January to 30 September 2009**

**NOTES TO THE FINANCIAL STATEMENTS**  
**(Unaudited)**  
**DECEMBER 31, 2007**

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**1. PURPOSE OF THE ORGANIZATION**

The Alpaca Canada (the Organization) was incorporated on March, 2006 under the Canada Corporations Act and is a non-profit organization for the purpose of the Income Tax Act. Accordingly, no provision for income tax has been made in these financial statements.

The Organization provides a strong nucleus from which all alpaca related industries can spring forth and flourish. Determined to represent the needs of all; members can expect support through promotion, educational opportunities and research.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

(a) **Revenue recognition**

The Alpaca Canada follows the deferral method of accounting for revenue. Revenue is recognized as revenue in the year in which the related expenses are incurred.

(b) **Contributed services**

Volunteers contribute to assist the Corporation in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statement.

(c) **Fund accounting**

The General Fund accounts for the organization's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

The Research Fund reports the fund reserve for research breeding of alpacas.

**3. FINANCIAL INSTRUMENTS**

The Organization's financial instruments consist of cash, term deposits, and accounts payable. Unless otherwise indicated, it is management's opinion the Organization is not exposed to significant interest or credit risk arising from these instruments. The fair values of these instruments approximate their carrying values, unless otherwise noted.

James Yee & Co.

**ALPACA CANADA CORPORATION**  
**Interim Financial Statement**  
**01 January to 30 September 2009**