



CANADIAN SPORTING ARMS AND AMMUNITION ASSOCIATION

ANNUAL GENERAL MEETING 2020

AGENDA

- Call to Order
- Minutes from May 2020 (Board vote)
- Introduction of Board of Directors
- President's Report: a state of the industry overview including the year in review and the path forward
- Treasurer's Report: 2019 Year End Financial Statement, 2020 Q1 Financial Statement, 2020 Budget (Board vote)
- Government Relations/Administrative Update: Alison de Groot, CSAAA Managing Director
- Board Elections (Member vote)
- Vote to approve the actions of the Board (Member vote)

Introduction of Board Members



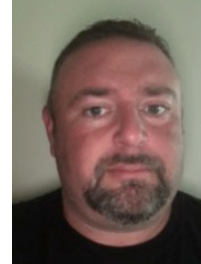
**PRESIDENT
WES WINKEL
2021-ONTARIO**

*ELLWOOD EPPS
SPORTING GOODS*



**DIRECTOR
PEDRO
BONIFACIO
2022-ONTARIO**

STOEGER CANADA



**DIRECTOR
STEVE CORLETT
2021-ONTARIO**

VISTA OUTDOOR



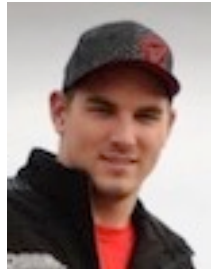
**DIRECTOR
ADAM
PATTERSON
2020-ALBERTA**

KORTH GROUP



**VICE PRESIDENT
CRAIG MCNAB
2022-ONTARIO**

*OUTDOOR ESCAPE
SALES*



**DIRECTOR
KYLE
CARRUTHERS
2020-ONTARIO**

*GRAYWOOD SPORTING
GROUP*



**DIRECTOR
TYLER CUPPY
2022-ONTARIO**

*DRAKE SALES
AGENCY*



**DIRECTOR
GILLES STUBBINS
2021-QUEBEC**

MOSSBERG CANADA



**TREASURER
JASON
BEUERMANN
2021-ONTARIO**

*COONHOUND SALES +
MARKETING*



**DIRECTOR
LINDA CONLEY
2020-ONTARIO**

BOWMAC GUNPAR



**DIRECTOR
CRAIG JONES
2020-B.C.**

WANSTALLS



**DIRECTOR
DONALD
TURCOTTE
2022-QUEBEC**

THE EVANS GROUP



**DIRECTOR,
MANUFACTURERS
TERRY
MCCULLOUGH
2021-ONTARIO**

*SAVAGE ARMS
CANADA*

President's Report

Wes Winkel, President

Accomplishments

- Economic impact survey
- Federal election campaign
- CFO Initiatives (Business Inspections, intervene on transfer wait times)
- NWEST Straw Purchasing Awareness Training
- Gunsmith Certification – in development with Sheridan College for a curriculum
- Seat at the table for Firearms Marking, included in roundtable discussion on solutions
- Acknowledgement for seat on CFAC, received request for candidate(s), nominated Steve Clouthier
- Ability to unite and activate pro-firearms and wildlife groups
- Activation of CFIB on behalf our our businesses
- New working relationships with Government Departments including CBSA, Global Affairs and R.C.M.P. Firearms Centre
- Establishing working relationships with regional Law Enforcement Agencies
- Became advisors to the Outdoor Caucus and Official Opposition
- Dramatically increased our mainstream and social media presence
- Dramatically increased our working relationships with our U.S. counterparts: SAAMI, NSSF, NASGW and US Commercial Service

President's Report

Challenges

- Revenues; attendance at trade shows, memberships, fundraising
- Activating membership/communication of activities

Threats

- OIC Gun Ban
- UN Marking – deferral expected, pursuing Make/Serial Number solution
- CBSA Overstepping on imports, CSAAA intervening on behalf of businesses
- Future Liberal Agenda regarding handguns, central storage, ongoing bans
- Next election, strength of Conservative Party

Treasurers Report

Jason Beuermann, Treasurer

CANADIAN SPORTING ARMS AND AMMUNITION ASSOCIATION

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2019

(Unaudited - See Independent Practitioner's Review Engagement Report)

	2019	2018
ASSETS		
CURRENT		
Cash	\$ 133,533	\$ 85,637
Short term investments	0	63,336
Accounts receivable	13,406	8,619
Prepaid expenses	<u>21,491</u>	<u>14,474</u>
	<u>\$ 168,430</u>	<u>\$ 172,066</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 13,942	\$ 12,695
Government remittances payable	10,256	6,633
Deferred revenue	<u>80,881</u>	<u>40,788</u>
	<u>105,079</u>	<u>60,116</u>
NET ASSETS		
UNRESTRICTED	<u>63,351</u>	<u>111,950</u>
	<u>\$ 168,430</u>	<u>\$ 172,066</u>

Treasurers Report

CANADIAN SPORTING ARMS AND AMMUNITION ASSOCIATION

STATEMENT OF REVENUES AND EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2019

(Unaudited - See Independent Practitioner's Review Engagement Report)

	2019	2018
REVENUES		
Shows	\$ 196,231	\$ 220,495
Membership	76,002	62,594
Economic impact survey	60,500	0
Interest income	<u>478</u>	<u>1,182</u>
	<u>333,211</u>	<u>284,271</u>
EXPENDITURES		
Event expenses	156,353	153,666
Salaries	104,334	67,356
Lobbying	52,543	32,474
CFIB membership	31,071	27,883
Travel	12,519	279
Professional fees	8,481	18,413
Interest and bank charges	4,640	3,552
Bad debts	4,200	832
Insurance	2,836	2,583
Telephone	2,098	1,891
Advertising	1,669	552
Office	<u>1,066</u>	<u>1,349</u>
	<u>381,810</u>	<u>310,830</u>
DEFICIENCY OF EXPENDITURES OVER REVENUES		
for the year	\$ <u>(48,599)</u>	\$ <u>(26,559)</u>

Treasurers Report

CANADIAN SPORTING ARMS AND AMMUNITION ASSOCIATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2019

(Unaudited - See Independent Practitioner's Review Engagement Report)

	2019	2018
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Deficiency of expenditures over revenues for the year	\$ (48,599)	\$ (26,559)
Changes in non-cash working capital		
Accounts receivable	(4,787)	(1,491)
Short term investments	63,336	(58,186)
Prepaid expenses	(7,017)	7,161
Accounts payable and accrued liabilities	1,247	(520)
Government remittances	3,623	9,219
Deferred revenue	<u>40,093</u>	<u>39,856</u>
NET INCREASE (DECREASE) IN CASH	47,896	(30,520)
NET CASH, BEGINNING OF YEAR	<u>85,637</u>	<u>116,157</u>
NET CASH, END OF YEAR	<u><u>\$ 133,533</u></u>	<u><u>\$ 85,637</u></u>



Treasurers Report

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the members of Canadian Sporting Arms and Ammunition Association

We have reviewed the accompanying financial statements of Canadian Sporting Arms and Ammunition Association that comprise the statement of financial position as at December 31, 2019 and the statements of revenue and expenditures, changes in net assets and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of the financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Canadian Sporting Arms and Ammunition Association as at December 31, 2019 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not for profit organizations.

Treasurers Report

2020 Q1 Management Report

A detailed Q1 Management Report is attached in your documents section, but our net assets at the end of March put us in fairly good shape for the rest of this year.

Balance Sheet

As of March 31, 2020

	Total
ASSETS	
Current Assets	
Cash and Cash Equivalent	
1000 - Current Account (XXXXXXXX 5515)	80,929.40
1011 - Current Account (XXXXXXXX 3817)	17,573.66
1200 - Non-Reg Savings - BNS (XXXXXXXXXXXX 9524)	63,811.22
Total Cash and Cash Equivalent	162,314.28
Accounts Receivable (A/R)	
1205 - Accounts Receivable (A/R)	14,906.45
1206 - Other Accounts Receivable (A/R)	-8,376.70
Total Accounts Receivable (A/R)	6,529.75
1300 - Prepaid expenses	1,491.12
Total Current Assets	170,335.15
Total Assets	\$170,335.15

Treasurers Report

2020 Budget Draft for Board approval

Canadian Sporting Arms & Ammunition Association				
2020 Budget-DRAFT				
January - December, 2020				
	Actual 2019	Budget 2020	Actual YTD Q1	Notes
Income				
REVENUES				
4001 - Shows	199,710.17	215,000.00	\$213,080.00	
4002 - Memberships	76,001.59	80,000.00	\$75,157.00	
- Donations	60,500.00	100,000.00	\$0.00	
4005 - Interest earned	477.86	600.00	\$0.00	
4006 - Discounts given	-4,390.96	-16,515.00	-\$16,513.41	
4999 - Uncategorized Income	911.94	0.00	\$3,407.64	
Total REVENUES	\$ 333,210.60	379,085.00	\$275,131.23	
Total Income	\$ 333,210.60	379,085.00	\$275,131.23	
Gross Profit	\$ 333,210.60	379,085.00	\$275,131.23	
Expenses				
EXPENDITURES				
5100 - Office expenses	771.21	800.00	\$26.35	
5105 - AGM	151.42	200.00	\$0.00	
5110 - Dues and Subscriptions	31,070.87	30,000.00	\$25,038.76	
5120 - Supplies	142.97	750.00	\$603.44	
5150 - Insurance	2,836.08	3,720.00	\$3,717.36	
5200 - Legal and professional fees	8,481.41	40,000.00	\$0.00	Legal, PR for OIC fight
5220 - Subcontractors	1,971.25	2,000.00	\$740.00	
5250 - Lobbying	52,543.19	7,670.00	\$7,665.40	Wellington Dupont contract ended
5251 - Travel/Meals (Lobbying)	6,418.21	6,000.00	\$2,214.31	
5300 - Management Fees	70,143.64	70,150.00	\$20,788.84	
5305 - Payroll Expense	3,953.16	4,000.00	\$1,259.78	
5310 - Commissions and fees	30,237.57	20,000.00	\$17,062.10	
5349 - TRADE SHOWS				
5350 - Trade Show Expenses WEST (Calgary)	79,714.76	72,000.00	\$71,964.41	
5355 - Trade Show EAST (Orillia)	71,920.04	84,500.00	\$84,426.36	
5360 - Dealer Day Expenses	3,692.85	0.00	\$0.00	
Total 5349 - TRADE SHOWS	155,327.65	156,500.00	\$156,390.77	
5400 - Bank charges	4,320.74	4,400.00	\$3,097.89	
5410 - Interest/Penalties expense	319.11	300.00	\$123.98	
5450 - Advertising	257.50	0.00	\$0.00	
5451 - Promotional	0.00	0.00	\$0.00	
5455 - MARKETING SHOWS				
5458 - Ecotone/Propac Show	0.00	0.00	\$0.00	
5459 - SHOT Show/Canadian Reception	1,660.91	1,200.00	\$1,178.67	
Total 5455 - MARKETING SHOWS	1,660.91	1,200.00	\$1,178.67	
5500 - Travel	3,447.53	2,000.00	\$360.56	
5550 - Travel meals	46.57	200.00	\$0.00	
5700 - Meals and entertainment	180.04	500.00	\$8.59	
5750 - Utilities	2,098.08	2,000.00	\$569.53	
5760 - Website	1,231.81	5,000.00	\$205.95	
5880 - Miscellaneous	0.00	0.00	\$0.00	
5899 - Bad Debt	4,200.20	1,000.00	\$0.00	
Total EXPENDITURES	\$ 381,811.12	346,190.00	\$238,632.02	
Total Expenses	\$ 381,811.12	346,190.00	\$238,632.02	
Profit	-\$ 48,600.52	32,895.00	\$36,499.21	

Administrative Update

Alison de Groot, Managing Director CSAAA

Year in Review

- Completed Economic Impact Survey gave us a more meaningful message in Ottawa, more doors opened in early part of the year.
- Focus on pre-election strategies, held press events or targeted media and social media messaging in battleground ridings across the country resulting in millions of impressions around economic impact message.
- Built and strengthened relationships with key non-political bureaucratic departments including Public Safety, Global Affairs, R.C.M.P. Firearms Program, Provincial CFOs and U.S. counterpart organizations including NSSF, SAAMI, NASGW, U.S. Commercial Service.
- Built reputation as consultative voice on behalf of industry, now to go-to contact for industry information.
- Completed Government Relations training with Wellington-Dupont, registered as lobbyist with the Lobby Commissioner, now handling Government Relations internally under CSAAA banner.
- CSAAA representatives conducted more than 50 media interviews in 2019
- More than 4,000 followers on Twitter with 290,000 average monthly impressions; more than 5,700 followers on Facebook with average post reach of 20,000+
- Moved 2020 Eastern Trade Show to Casino Rama in Orillia, ON. Despite excellent facility and location, show failed to produce sufficient dealer traffic. Addition of commission based membership/trade show salesperson did not improve results for either show. Need direction of Board and membership to improve membership.

Administrative Update

Looking forward

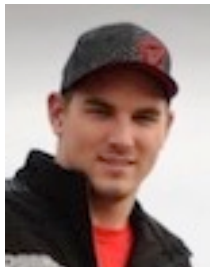
- Possibility that trade shows will not be allowed in February 2020, will need to replace the revenue model in order to sustain organization. Need direction from Board/Membership
- Membership renewals and trade show registration now partially automated, could eliminate the need for a sales person
- Government relations now internalized, cost savings achieved through ending outside contract
- Recommend investigating partnership with communication brand to help build member messaging, received recommendation from member to explore partnership with Calibre publisher Daniel Fritter

2020 Board Elections

There are currently four (4) Director-at-Large positions open on the Board of Directors. Board members are elected for three (3) year terms. Members are asked to vote up to four (4) Directors. Members may vote for all or only some of the open positions. An automated online ballot will be sent to all of today's webinar attendees, or if you prefer, a PDF ballot is available in the documents section. Ballots have been sent to all eligible current members; voting closes tonight at 5PM Eastern.

On the ballot is also a vote to approve the actions of the Board of Directors for 2019. Please be sure to complete this section as well.

2020 Nominees to Board of Directors



NOMINEE DIRECTOR 2020-2023
KYLE CARRUTHERS
GRAYWOOD SPORTING GROUP
ONTARIO
**incumbent*



NOMINEE DIRECTOR 2020-2023
LINDA CONLEY
BOWMAC GUNPAR
ONTARIO
**incumbent*



NOMINEE DIRECTOR 2020-2023
RYAN HARRIMAN
SFRC-THEAMMOSOURCE.CA
ONTARIO



NOMINEE DIRECTOR 2020-2023
CRAIG JONES
WANSTALLS
BRITISH COLUMBIA
**incumbent*



NOMINEE DIRECTOR 2020-2023
MATT HIPWELL
WOLVERINE SUPPLIES
MANITOBA



NOMINEE DIRECTOR 2020-2023
IAN MAHLER
O'DELL ENGINEERING
ONTARIO



NOMINEE DIRECTOR 2020-2023
ADAM PATTERSON
KORTH GROUP
ALBERTA
**incumbent*