

Angus Foundation

EDUCATION • YOUTH • RESEARCH



their story is our story

2010

ANNUAL
REPORT

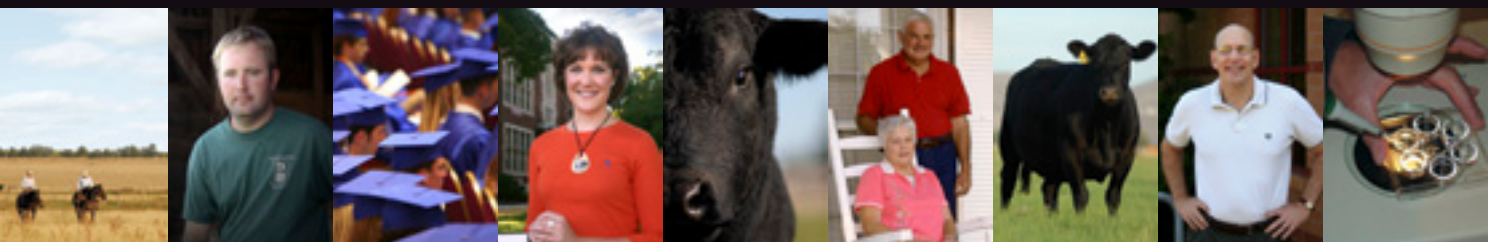




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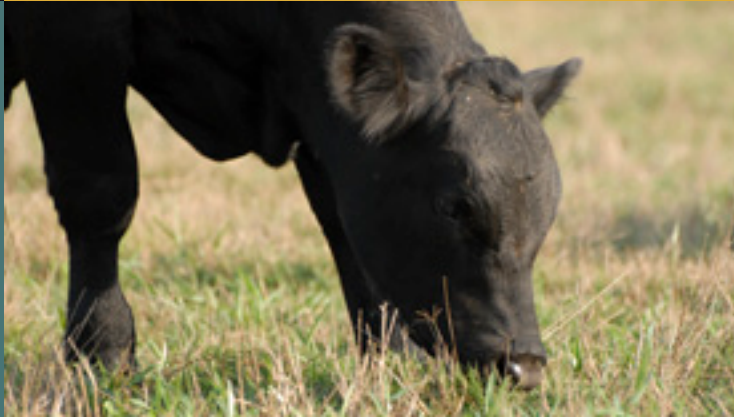
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Mission Statement: The Angus Foundation, the 501(c)(3) not-for-profit affiliate of the American Angus Association®, secures and stewards charitable gifts to cultivate and foster the advancement of education, youth and research activities benefiting the Angus breed.



Foundation Focus

Each member of the Angus family has a story to tell. When asked what story the Angus Foundation is telling, we can't help but look to the people who have, in so many ways, already told our story and through their giving will continue to do so for years to come. Throughout the pages of this annual report you will read stories told by people who make a difference in the Angus breed. Some are receivers, some have given, but they all tell a similar tale...love for an industry that connects us all. As you read the following pages, we hope you'll take time to think about the chapters you are writing. Enjoy!

Their Story: *our future*

Like its parent organization, the Angus Foundation has established a rich history built upon generation after generation of Angus ranching families and others dedicated to the success of the Angus breed and the promises of tomorrow.

Through the Angus Foundation, the American Angus Association® not only builds a brighter tomorrow for the breed, but for U.S. agriculture as well.

Here you'll find stories from a handful of our supporters. These stories, like so many others, reflect your deepening commitment to Angus.

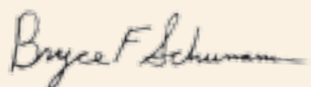
Take for example Pat Page and Don Perkins — a Georgia brother and sister duo who generously turned their successes into opportunities for others.

Or Lake Elliott, a young Angus leader who met with fellow breeders during the annual Beef Leaders Institute to “learn more and do more”; or Hannah Wright, a college freshman who received Foundation scholarships provided by generous donors like Camron “Cam” Cooper of Montana’s Talon Ranch.

Then there’s Dr. Keith Bertrand, a University of Georgia researcher, who, with support from the Angus Foundation, is helping the Association pioneer new genetic evaluation software.

These stories are inspiring and yet they represent just a small sample of those the Angus Foundation helps to write each year. Their story is our story.

With your help, we’ll continue to tell it for generations to come.



Bryce Schumann, Chief Executive Officer, American Angus Association



Our Story: *new chapters to write*

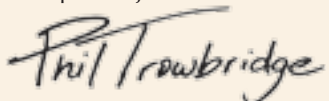
In 1980, the Angus Foundation’s story began. Now, 30 years later, the story continues to be written!

With each passing year, rewarding chapters unfold with more undergraduate and graduate scholarships being awarded to Angus youth, expanded educational opportunities being developed for adult Angus breeders, and increased strategic investments in research!

On behalf of my fellow Angus Foundation directors, I want to convey our appreciation to our supporters this past year who have stood beside us coming off the heels of one of the severest economic downturns in our country’s recent history.

Next year’s chapter in the Angus Foundation’s story promises to be exciting with our beloved Angus breed’s monumental and unprecedented *Vision of Value: Campaign for Angus* about to come to a close. Much work remains to be done. Your financial support is needed between now and the end of the campaign for this chapter of our Angus breed’s story to be about us successfully achieving our goal!

We know you will want to help us write this chapter, so future Angus generations will look back at this pivotal juncture in the breed’s history and want to read the story to their grandchildren!



Phil Trowbridge, Chairman, Angus Foundation



President's Report

While savoring hot coffee over breakfast early one morning at an Angus breeder's home before going out to view their Angus herd, I was asked the question "What is the Angus Foundation's story?"

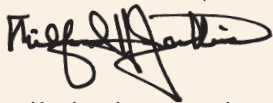
Puzzled, I replied "our mission is to fund education, youth and research for the benefit of the Angus breed and beef cattle industry."

"Yes, Milford," he said, "but it's far greater than that important function. As Angus breeders and youth who benefit from that financial support, myself included, our story is your story!"

Reflected in this annual report, as expected, will be financial data, charts and graphs, and other typical information found in formal communications of this nature by charitable organizations like the Angus Foundation.

Included also will be updates on our breed's ambitious *Vision of Value: Campaign for Angus* which aims to raise \$11 million by December 31, 2011. Support from dedicated and generous Angus breeders, allied industry interests and friends toward this ambitious goal, now exceeds \$6.4 million in pledges, outright gifts and planned giving commitments!

Our message for this annual report, however, is told in the photos, embedded in the stories shared, and the countless others being written by Angus breeders and youth across the country in the Angus breed whose lives have been touched and positively changed forever by the impact of your Angus Foundation. Their story is our story. Enjoy!



Milford Jenkins, President, Angus Foundation



The 2010 Angus Foundation Board of Directors includes (front row, from left) Scott Foster, Charlie Boyd, Phil Trowbridge, Milford Jenkins, Bryce Schumann, (back row, from left) Doug Schroeder, Darrell Silveira, Robert Norton, Richard Wilson, Jim Rentz.

Meet Pat Page and Don Perkins



A Story of Humbled Giving

As I come around the bend in the road, there's a break in the trees and a green pasture dotted with black cows comes into view. Angus cattle and the sign announcing Dove Creek Farm, are a welcome sight. Brother and sister partners in the operation, Don Perkins and Pat Page greet me at the car door and welcome me to Pat's home.

Through their annual gift to the Angus Foundation, Dove Creek Farm had become a familiar name, but my visit with Don and Pat opened my eyes to the true spirit of giving.

Though both enjoyed careers in pursuits other than Angus cattle, it's their love of black cows and their desire to further the advancement of the breed that inspired them to become donors to the Angus Foundation.

"We could see that the work the Angus Foundation is doing is worthwhile," states Pat. "Each area of the foundation, education, youth and research, all benefit from each other. That's why we believe in the mission of the Angus Foundation."

"We are blessed beyond measure," Don adds. "It's our duty to give back. The joy we get from being a part of the Angus breed is increased ten fold knowing that what we are giving today will make a difference tomorrow."

With true southern hospitality, I'm treated to a meal of great BBQ and time spent discussing life and the future of our breed. During a ride through the pasture to look at cows, I begin to understand why they love it so much. How could you not on such a pretty fall evening?

My time spent with Don and Pat was a reminder of the goodness of people in the agricultural industry and I as pulled out of their driveway, one of Don's simple statements resonated with me.

"Giving does my heart good," he said.

by Kelli Armbruster
Angus Foundation
Marketing and Public Relations Assistant

By the Numbers

655

Donors to the *Vision of Value: Campaign for Angus* in the 2010 Fiscal Year

3,554

Donors since the beginning of the campaign

\$6.5 Million

Progress made towards our goal of \$11 million by December 31, 2011.

\$1.6 Million

In planned giving commitments to the Angus Legacy Society

Meet Lake Elliott



A Story of Educational Opportunity

Growing up on a historic Angus operation near Adams, Tenn., Lake Elliott knew that his legacy would involve returning to the family farm. By actively seeking out opportunities for continuing education, Lake plans to continue to leave a legacy as rich as the one his father and grandfather did before him.

As a participant in Beef Leaders Institute (BLI), a program conducted by the American Angus Association and sponsored in part by the Angus Foundation, Lake and 19 other young leaders in the Angus breed had the opportunity to explore different segments of the beef industry. During an intensive four day trip, participants were given an extensive overview of the entire beef production sector while meeting with Association staff and industry representatives and networking with their peers in the Angus industry. The purpose of BLI is to give producers a general knowledge of food production and expose them to unfamiliar facets of the beef industry. It is also designed to develop leadership skills so participants can become advocates for the beef industry in their local areas.

But even more than the knowledge gained during the program, Lake feels that the time spent with his peers, learning about their operations was eye-opening.

“The combination of people I met and their perceptions of the challenges we face as young Angus breeders and members of the agricultural community was so worthwhile,” Lake states. “We come from different areas of the country, with different resources and environments, but we all can find commonalities in our desire to learn more and do more in our respective operations.”

With his family’s 75 years of Angus history behind him, there is no doubt that Lake will continue to seek out opportunities for education and leadership in the Angus breed.

“I thank the donors of the Angus Foundation for understanding the importance of BLI,” Lake says. “It was the opportunity of a lifetime.”

By the Numbers

750

Number of Cattlemen’s
Boot Camp Participants
Since 2005

40

Number of Beef Leaders
Institute Participants
Since 2009

8

YCC Sponsorships
Awarded to Young
Angus Producers

2

“Angus Leaders” Boot
Camps sponsored by the
Angus Foundation

Meet Hannah Wright



A Story of Youth in Action

As the crowd of parents, participants and supporters of the National Junior Angus Association (NJAA) waited for the names of the 2010 Angus Foundation Scholarship winners to be announced on a Saturday evening in July, one young lady stood at the backdrop excited for her name to be called. Though she had no idea how this scholarship would open new doors to her educational endeavors, Hannah Wright was already thankful to be among the included recipients.

Almost 2,000 miles away from Hannah's home state of Tennessee, in Twin Bridges, Mont., Camron "Cam" Cooper of the Talon Ranch was filled with a sense of excitement as well. Her gift to the Angus Foundation, the Angus/Talon Educational Scholarship Endowment Fund would be honoring the youth of the NJAA with scholarships that very evening.

Though Hannah and Cam haven't met in person, they share a special bond. Through the letters they now exchange with one another, they have forged a relationship that both ladies treasure. Not just as giver and receiver, but as two people passionate about Angus cattle.

Hannah's passion for Angus cattle was inspired at an early age. Growing up on her family's Angus operation near Spring City, and showing Angus cattle throughout her youth, Hannah developed a love for the breed and agriculture advocacy that goes beyond the show ring.

Now a freshman at the University of Tennessee, Hannah will use her scholarship to pursue a degree in animal science with a minor in political science. Her ambition is to earn a law degree and to be in the forefront of decisions, changes and reactions in the agricultural community.

"I believe that my involvement with Angus cattle has been one of my greatest teachers," Hannah states. "I'm so humbled that someone believed in me enough to help sponsor my education. I hope to one day give back as well."

By the Numbers

77

NJAA Members
Receiving Scholarships
in 2010

\$1.1 Million

Total Dollar Amount of
Scholarships Awarded
Over the Last 30 Years

207

NJAA Members
at 2010 LEAD

34

States Represented
at LEAD

Meet Dr. Keith Bertrand



A Story of Innovative Research

Dr. Keith Bertrand is good at solving complex problems in beef cattle research. Growing up on a university research unit, his love of science and learning developed early.

Now the Animal Science department head at The University of Georgia in Athens, Dr. Bertrand and his team of research associates are helping the American Angus Association pioneer new genetic evaluation software that will revolutionize the way we make breeding decisions.

“Our job at the university level is to solve problems,” states Dr. Bertrand. “Our teams of scientists go to work on projects that will make a difference in the way Angus breeders select and manage cattle.”

Funded in part by the Angus Foundation, this research seeks to develop methodology that will lead to improvements in the genetic evaluation of Angus cattle. This research will include several areas. One area of research will involve the development of methodology for use in the evaluation of single breed and multi-breed populations. This research is designed to lead to procedures that will provide genetic values for growth and mature weight using records on animals at any age.

Research will also be conducted to develop single breed and multi-breed procedures that can be used to simultaneously analyze actual steer carcass traits and seedstock ultrasound measures.

“All industries, not just the cattle industry, must invest in research if we want to grow,” states Dr. Bertrand. “The American Angus Association has been a leader in genetic research, and I hope to continue our partnership well into the future.”

By the Numbers

\$25,000

Awarded to Mississippi State University

To Study Angus Bull Fertility

\$4,800

Awarded To North Dakota State University

To Study History of Inbreeding and Relationship in Angus Cattle

\$350,000

Awarded Over the Next Five Years To North Carolina State University

To Study Beef Cow Biological Efficiency

\$988,000

The Dollar Amount of Research Funding by the Angus Foundation

Helping to Make an Impact on the Angus Breed.

Donors: *heroes of our story*

Developing and maintaining excellence in the Angus Foundation's efforts to advance the Angus breed can be credited to private gift support. This list recognizes supporters from Oct. 1, 2009, through Sept. 30, 2010. Their commitment to youth, education and research further strengthened the Angus Foundation's service to the Angus breed. The Angus Foundation extends its sincere appreciation to the following:

George Grant Angus Founder

(\$1,000,000 and above)

Angus Visionary

(\$500,000-\$999,999)

Angus Leader

(\$250,000-\$499,999)

Angus Builder

(\$100,000-\$249,999)

The Talon Ranch, MT

Angus Patron

(\$50,000-\$99,999)

BioZyme, Inc., MO
Canyon Creek Angus LLC, NV
KiamichiLink Ranch, OK
Sinclair Cattle Co., PA

Angus Platinum Benefactor

(\$25,000-\$49,999)

Arkansas Junior Angus Ass'n.
Buckhead Beef Company, GA
Certified Angus Beef
Gardiner Angus Ranch Inc., KS
Grand Bayou Farms, LA
Intrust Bank, KS
Ohio Junior Angus Ass'n.

Angus Gold Benefactor

(\$10,000-\$24,999)

Chambers Angus, OR
Gerald Forsythe, IL
Oliver A. Hansen d/b/a
Laudmere Farms, IA
McClung Ranch, TX
News-Press & Gazette
Company, MO
Next Day Gourmet, MN
Whitestone Farm, VA

Angus Silver Benefactor

(\$5,000-\$9,999)

American Live Stock Insurance,
IL
Brost Angus Farm, KY
Brost Angus LLC, TX
Bon View Farms, SD
Briarwood Angus Farms/Curtis
& Ann Long, MO
Holly Hill Farm, VA
Texas Angus Ass'n.
Jerry & Nancy Weaver/Weaver
Angus Farm, IL

Angus Bronze Benefactor

(\$2,500-\$4,999)

Classic Oaks Ranch LLC, TX
Paul & Polly Donnelly, MO
Charlie & Susan Faulkner, AL
Lone Oaks Farm, TN
North Dakota Angus Ass'n.
Pollard Farms, OK
Jenny Robertson, AL
Riverbend Ranch, ID
Stinson Morrison Hecker LLP,
MO
Sysco Newport Meat Company,
CA
To-Le-Do Foodservice, MB, CN
Trans Ova Genetics, IA
Wolverine Packing Co., MI

Angus Pacesetter

(\$1,000-\$2,499)

4-J Farm, AL
Advance Food Company, OK
Alabama Angus Ass'n.
American Angus Hall of Fame,
MO
Angus Boosters Club, OH
Aristocrat Angus Ranch, CO
Baldrige Food Company/Bob
& Becky Tiedeman, NE
John & Gay Barton, MO
Beaver Ridge Farm, IN

Belle Point Ranch, AR
Bradley 3 Ranch Ltd., TX
Cedar Creek Farm, SC
Creek Side Farm, OH
Dove Creek Farm, GA
Fair Oaks Farm, AR
Ficken Angus Farm, AL
Green Garden Angus Farm, KS
H & H Land & Cattle Co., LLC,
OK
Harrison Land & Livestock LLC,
MT
Dean & Gloria Hurlbut, MO
Milford & Peggy Jenkins, MO
Randy & Beth Jones, NC
Lady J Land & Livestock, UT
Lathrop Livestock
Transportation, IL
LiveAuction.TV, MO
Lone Star Ag Credit, TX
M J B Ranch, TX
Ethan, Hannah & Esther
McCabe, KS
Ohio State University
Oxford Trading Company, MA
Pyssen Angus Ranch, TX
RB Angus, ID
Rally Farms, NY
Curt Rodgers, MO
The Sankey Family
Bryce & Gina Schumann, KS
Swanson Angus Farms, IA
Sydenstricker Genetics, MO
TC Ranch, NE
Leroy & Gladys Van Dyke, MO
Julius Wall, MO
Wallace Ranch, TX
Williams & Williams
Auctioneers, OK

Angus Sustainer

(\$500-\$999)

3B Ranch, CT
Back Creek, NC
Bailey Angus Farm, KS
Jim Birdwell, OK

Bruner Angus Ranch, TX
California Angus Ass'n.
Champion Hill, OH
Dino Cornay, NM
Coufal-Prater Equipment, TX
Joe Davis, MS
Steve & Terri Dorran, CO
Fitzgerald Brothers, PA
Goode Angus, TX
Graham Angus Farm, GA
Patrick Grant, CO
Mr. & Mrs. Carl Haley, TN
Martin Higgenbotham, FL
Mark & Sheryl Leonard, IA
Milburn Farms, AR
George & Patricia Morse, KS
National Auctioneers Hall of
Fame, KS
Olson Cattle Company, TX
Rockin' Cross Ranch, OK
Sims Farms, LLC, MO
Phil Stoll, TX
SYSCO Central Pennsylvania,
LLC, PA
The Tennant Family, NC
Bob & Lois Vermeer, IA
Werner Angus, IL
Whitestone - Krebs, NE

Angus Associate

(\$250-\$499)

12 Star Ranch, LA
ADD Angus Farm, IA
Tommy & Kelley Barnes, AL
Beaver Dam Farm, VA
Beef Northwest Feeders, OR
Boyd Beef Cattle, KY
Robert Bridges, OK
Country Lane Farms, Inc., WI
Da-Es-Ro Angus Farms, IA
Dalebanks Angus/The Perrier
Family, KS
Destron Fearing, MN
Kevin & Lori Devore, IL
H. H. Dickenson, KS
Dobson Pulpwood Farm, LA

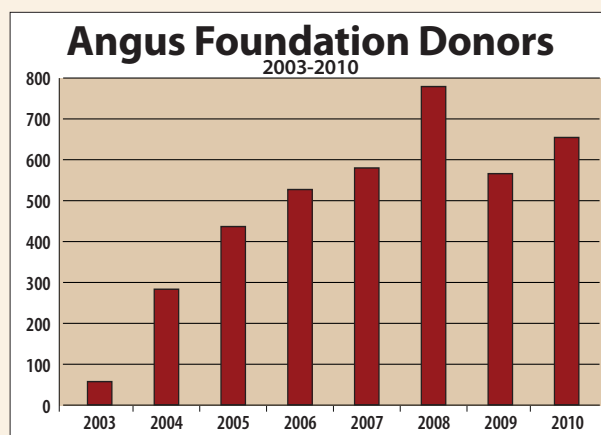
Double Diamond Angus, IL
 Drake Farms, OK
 James Dugger, OK
 Richard Dyar, AL
 Echols Angus, TX
 Gretchen Ettredge, TX
 Flying G Ranch, TX
 Georgia Angus Ass'n.
 Gillig Angus Farm, MO
 Green Mountain Angus Ranch,
 MT
 Greiman Family Angus, IA
 Jake & Katie Grove, FL
 H.A.V.E. Angus, CA
 HFS Angus, OH
 Herdland Farm, VA
 Hillside Angus, MO
 Indiana Angus Ass'n.
 Myers Jackson, GA
 Jacobson Angus, CO
 Alok & Neenah Jain, NJ
 Jenkins Angus Farms, OK
 Richard Kane, NE
 Koupals Angus, SD
 Perry Lane Farms, TN
 Lazy JB Angus Ranch, CO
 Little Cedar Cattle Co., MI
 Macgregor's Meat & Seafood
 Ltd., ON, CN
 Mackay Restaurant Group, WA
 Maryland Junior Angus Ass'n.
 McCabe Genetics, KS
 Mike McCully, IL
 Jerry & Mary McMorris, CO
 Minnesota Angus Ass'n.
 Mississippi Angus Ass'n.
 James & Ann Moxley, MD
 National Cattle Services, Inc.,
 OK
 Ohio Cattlemen's Ass'n.
 Neil Orth, MO
 Pennsylvania Junior Angus
 Ass'n.
 John & Gaye Pfeiffer, OK
 Post Printing, OH
 Pro Partners Financial, MN
 Provimentos, Puerto Rico
 Joe Bob Pruitt, OK
 Purdum Angus Farms, IA
 Audie & Willie Mae Rackley, TX
 Rathbun Angus Ranch, WA
 Rolling Hills Farm, IL
 S & B LLC, LA
 Saddle River Ranch, OK
 Doug Satee Angus, TX
 Jason & Sarah Schaffer, IN

Bernie Scheer, MO
 Gordon & Anne Patton
 Schubert, KY
 Jake & Kami Scott, NE
 William & Sally Sheridan, MI
 William Shumake, MO
 Slattery Seedstock Marketing,
 TX
 The Smalstig Family
 Jennifer Ann Smith, TX
 Sommers Angus Farm, IN
 John & Deanna Stika, OH
 Strayer Angus Farms, OH
 Sysco Columbia, LLC, SC
 Texas Heritage National Bank,
 TX
 Tokach Angus Ranch, ND
 Tri-T Farms, CA
 Tyson Fresh Meats, Inc., SD
 Robert & Virginia Weaver/
 Weaver Angus Farm, IL
 Dave Webb, KS
 Weichsel Beef Co., NY
 Steve & Mary Beth Whitmire,
 NC
 Williams Angus, MT
 Josh & Jenni Winegarner, TX
 Wisconsin Junior Angus Ass'n.
 Dennis & Peggy Yockey, CO
 Yon Family Farms, SC
 Jerry York, ID

Angus Partner

(\$100-\$249)

714 Ranch, TX
 A & B Cattle, NE
 AC Export, FL
 A.M. Briggs, Inc., DC
 Acord River Ranch LLC, UT
 Adams Angus Farm, AL
 All West/Select Sires, WA
 American Angus Auxiliary
 Bill & Donna Angell, CO
 Kim & Mary Arseneaux, KY
 Larry & Rowena Atzenweiler, KS
 B & B Market East
 Longmeadow, VA
 Keith Babb, LA
 Harry H. Bachman Auctioneer,
 PA
 Jack Barr, MO
 Barrett Angus, KS
 Brian & Margaret Beauchamp,
 TX
 Dick & Diane Beck, GA



Jerry & Tamara Becker, ND
 Better Life Farm, OK
 Bob Black, OR
 Blenheim Spring Angus Farm,
 NY
 Blue Ribbon Meats, OH
 C. D. Booker, WA
 Sonny & Mary Booth, OK
 Bill Bowman, MO
 Frank & Maria Bramwell, MO
 Briscoe Farms, AL
 Bruce & Kathy Brooks, OK
 C. J. Brown Studios, IL
 Kent Brown, IA
 Jamie Brozman, PA
 Buckhead Beef, FL
 Eldon Buckner, OR
 Eddie Burks Auctions Inc., KY
 Dary & Christy Burnett, KS
 Bush Angus, SD
 Mark Butler, MD
 Butterfield & Vallis, Bermuda
 C A M Ranches, GA
 CDC Farm, IL
 Cargill Meat Solutions
 Corporation, ND
 Carmichael Enterprises, TN
 Elliott & Regina Casanova,
 Puerto Rico
 Kevin Cassady, IL
 Herald & Dyan Catlin, WA
 Cheshier Angus Ranch, TX
 Circle B Farms, AL
 Circle E Farms, TX
 Clark Angus Ranch, TX
 Adam & Margaret Coleman, OH
 Harry & Marie Colvin, CA
 William Conley, MA
 Victor & Jessica Connell, MO
 Tom & Judy Cook, VA
 Cork Cattle Co., MO
 Cross W Angus, OK

Joel & Tammy Cowley, TX
 Crown Foods Limited, West
 Indies
 D Bar B Cattle, TX
 DS Ranch, OK
 Fred & Rita Dailey, OH
 Odell Daniel, GA
 Ronald & Carol Davidson, IL
 Trey Davis, GA
 Day View Acres, MD
 Wayne Dubberly, FL
 Frank & Cheryl Dykes, AL
 Ben & Darla Eggers, MO
 Brent & Sheri Eichar, OH
 Lyle & Ellen Eiten, IL
 Dianne Ellingson, OR
 Emuckfaw Creek Farm, AL
 Enix Farms LLC, CO
 Brett & Tracy Erickson, OH
 Harry Fisher, IL
 Five F Enterprises, OK
 Florida Angus Ass'n.
 Danielle Foster, MI
 Donald & Charlotte Fowler, PA
 Freedman Food Service of
 Dallas, TX
 Emmett Full, MD
 Jerry Gay Agency, TN
 Gazda Angus Farm, GA
 Brad & Dawn Gohr, OR
 Good Farms, KS
 Allen Goode & Cheramie Viator,
 TX
 Joan Grim, PA
 HFM Foodservice, HI
 Mark Hahn Farms, Inc., NE
 Bill Hall Auctioneer, Inc., TX
 Lou Hammond & Associates,
 Inc., FL
 John & Ann Harrell, AL
 Jim & Louise Hartley, WA
 David & Kathleen Hawkins, MI

Heldermon Sales Company, Inc., OK
David, Jennifer & Ruthann Helmer, MI
Todd & Shauna Hermel, MO
Mike & Brenda Hertel, AZ
Billie Hess, VA
Hickory Hollow Angus, AL
Highland Farms, Ltd., OH
Roger Hill, IA
Tom & Lynne Hill, OR
Hillside Angus Farm, AL
Hollman Angus, NE
Holten Meat Inc., IL
Roger & Carole Hunsley, KY
Illinois Junior Angus Ass'n.
Jacobs Livestock Sales, Inc., MT
Jaynbee Ranch, ID
Alan & Joelle Jensen, IA
David & Kim Johnson, OK
Don Johnson's Angus, KS
Paul & Elaine Johnson, FL
Kris Jones, OR
Matthew & Monica Jordan, MO
Jorgensen Farms, NE
K & K Angus, TX
Kansas Angus Auxiliary
Kansas Junior Angus Ass'n.
Kansas Packing, LLC, NJ
Mary Kean, PA
KeCo Farm, LA
Paul & Nancy Keesee, OK
Kiesewetter Angus, IL
Richard & Patricia Kiko, OH
Michael & Patricia Kleinman, MO
LWR Ranch, TX
LaCour Farm, AR
Lambert Auction Co., Inc., TX
Harvey & Patricia Lambright, IN
E. C. & Margie Larkin, TX
Brad & Katherine Leamaster, OR
Lemmon Cattle Enterprises, GA
Valerie Lindstrom, IL
Long Lane Works, LLC, WA
William & Anna Lovelace, VA
Lynn Brae Farms, VA
Lyons Ranch, KS
Mason Valley Cattle Company, AR
Bill & Rosalie Majors, OK
Jim & Marcia Males, OR
Robert & Cynthia McCauley, OH

McKinnon's Butcher Shop-North, Inc., MA
John Melton, FL
Charles & Connie Moore, IA
Brad & Sarah Morehouse, OH
Morgan Ranch, TX
Warren & Sue Morse, KS
Charles & Pam Mostek, SD
Dave Mullins, VA
Naylor's Angus, MO
Joe Neely, KY
Neesvig's, Inc., WI
North East Texas Beef Improvement Organization, TX
Northwest Farm Credit Services, OR
Bob & Lisa Norton, MO
OCI Chemical Corporation Employees, AL
James & Maggie O'Quinn, AL
Oregon Junior Angus Ass'n.
Palmer Food Service, NY
Jerry & Ada Pfeiffer, OK
Phelps Farm LLC, OH
Garrett Pohlman, CO
William Poston, FL
George Pounds, AL
Quality Meats & Seafoods, ND
R & R Stock Farm, IA
Ray Cattle Co., AL
Reed Enterprises, MO
Dustin Reisig, MT
Mahlon & Mary Richburg, AL
Rishel Angus, NE
Harlan & Leah Ritchie, MI
William E. Robinson, WV
John Rodgers, CA
Rogen Angus, SD
Dale & June Runnion, CO
Nadine Russell, KS
Schafer Angus Farm, NE
Heidi Scheffler, OR
Schroeder Angus, IA
Alan Sears, CO
Jarvene Shackelford, MS
Ray Shaffer, CA
Shamrock Farms, KS
Sherman Angus, IN
Sierra Meat Company, NV
Siller Ponderosa Angus, CA
Sitz Angus Ranch, MT
Bobby & Ann Sloan, OK
Gilmore & Susan Smith, FL
Kirk & Marsha Smith, OR
B. C. Snidow, KS

South Dakota Angus Auxiliary
South Dakota Junior Angus Ass'n.
David Spaulding, IL
Dean Spencer, KS
Spring Valley Angus Farm, TN
Shelia Stannard, MO
Starr View Ranch, NV
Statewide Meats & Poultry, Inc., CT
Rodney & Jill Steiner, OH
Steve & Kris Sticken, MO
Jeanne Stosser, VA
Styles Angus, SD
Sysco Central Ohio, Inc., OH
Sysco Food Services of Central California, CA
Sysco Food Services of Spokane Inc., ID
SYSCO Iowa, Inc., IA
John Tarpoff, IL
Rick & Susan Taylor & Family, AR
Tennessee Junior Angus Ass'n., TN
Thrower Angus Farm, AL
Timber Line Ranch, MT
Robert & Nellie Totusek, OK
Triple Brook Farm, TN
Mallory Trosper, MO
William & Jamie Turner, TN
USFS - Stock Yards of Tucson, AZ
U.S. Foodservice, Inc. - Phoenix Div., AZ
U.S. Foodservice - Paducah, KY
Upton Angus, AL
Melinda Van Arsdall, KY
Cass & Pattie Vanderwiele, OR
Dub Venable, OK
Brent & R. E. Voorheis, MO
Waffle Hill Farm, MD
Michael Walters, CO
Mike & Bonna Wanek, NE
Kim Warburton, MT
Ed & Suzie Warfel, OH
Welch Ranches, TX
Howell Wheaton, MO
Bill Widerman, MD
Clay Wieben, MD
Winding River Angus, MT
Kindra Wood, MS
Woodlawn Farms, IL

Angus Friend

(\$1-\$99)

5-K Farms, IL
Aegerter Marketing Services Inc., NE
Agriservice International, TX
Mark Albrecht, NE
Suzanne Anderson, Erik & Heather Anderson & Family, Craig & Blythe Anderson, KS
April Valley Farms, KS
Armbruster Cattle Company, OK
Baker County Cattlewomen, OR
Abbie Bartenslager, WV
Wilma Bezdicek, OK
Allan & Joan Blakely, VA
Bluegrass Angus, NE
John & Reba Brandon, TX
Kirk & Lynn Brandt, IA
Bromenshenk Farms, Inc., MT
Burns Angus Farms, MO
Millard Burns, KS
Bayward & Mary Butler, WV
Ted & Lesa Caffy, AL
Matt & Marcie Caldwell, KS
Dustin Carter, SD
Jerry Cassady, IL
Keegan Cassady, IL
Kody Cassady, IL
Cattle Design, TX
George & Janet Chandler, OR
Cheyenne Cattle Co., LA
Chippewa Valley Angus Farms LLC, OH
Ronald Coale, OH
Megan & Jacob Cole, MO
Louis & Virginia Colvin, OH
Craig & Sue Conklin, WA
Kyle & Amanda Conley, OK
Gregory Connell, MO
Craig & Jean Conover, IA
Continental Livestock Services, Inc., MO
Terry & Sarah Cotton, MO
Coughlin, Leuenberger & Moon, PC, OR
County Line Angus LLC, AL
Jordan Cox, NC
Crawford Auctions, Inc., MO
Brandon Creamer, CO
Britney Creamer, CO
Willard & Dorothy Davey, IL
Dennis Delaney, MO

Peter Di Corleto, TN
Double A Stock Farm, OH
Floyd & Betty Duncan, OR
Edge O Green Farm, KY
End of The Trail Ranch, NE
Ken Errend, OR
Estill Ranch, OR
Keith & Shirley Evans, MO
Fair Acres Stock Farms, MN
Farons Future, KS
Fink Beef Genetics, KS
William & Jane Fox, KS
Jeff & Lynn Fradkin, IL
Vern & Corinne Frey, ND
G5 Farms, MS
Garton Angus Ranch, MO
Dawson Gatz, CA
Gazda Cattle Company, GA
James & Cheri Gies, CO
Bert & Beverly Gillig, KS
Glaess Farms, MN
Arthur & Joan Good, MI
Robert & Ann Good, MT
Eric & Patti Grant, MO
Green Pastures Farms, PA
Donald & Yvonne Greiman, IA
Chuck & Ruth Grove, VA
Guyer & Associates, CPAs, OR
Clay & Christine Gyllenberg,
OR
HR Angus, WA
Mrs. Frank (June) Hagenbuch,
KS
Haines Steak House, OR
Bonnie Hall, OR
Harold Hazelton, KS
Jacob Heimsoth, MO
Mervyn & Sherryl Heinz, MO
Gene Henry, MO
Charlie & Kristy Hodson, CA
Holshouser Farm, NC
Brian & Sara Holvoet, IA
Horn Springs Angus Farms, TN
Robert Hosto, IL
Houks Angus, IA
IT Quarter Circle Ranch, OR
Iowa Junior Angus Ass'n.
Logan & Stevie Ipsen, CA
JDH Marketing Services, MS
Scott Johnson, MO
K Bar 6 Ranch, CA
Kaech Farm, WA
Kansas Angus Ass'n.
Gary Kendall, ID
Myron Kennedy, MD
Kentucky Junior Angus Ass'n.

Bruce & Cara Kiesewetter, IA
Will Kiesewetter, IA
Jamie King, OH
Glen & Linda Klippenstein, MO
Clinton Laflin, KS
Annette Larson, KS
Charles Larson, WI
Laughlin Angus, MO
John & Pat Leonard, OR
Tony & Tania Leroux, NY
Savannah Levisay, CA
Miriam Lewis, NC
Rick & Jerri Libby, CA
Logan Spring Farm, PA
Louisiana Junior Angus Ass'n.
M Bar M Cattle Co., MO
Maple Lane Angus, MO
Twig & Mary Marston, NE
Scott McCarter, TN
Kelly McCracken, MT
McCurry Angus Ranch, KS
McFadden Farms Inc., IN
Miles & Marjorie McKee, KS
Robert & Sharon McKim, OR
John & Peggy Meents, OH
Michigan Junior Angus Ass'n.
Howard Miller, TX
Emily Moreland, TX
Connie Morrow, MS
Carl Murphy, OH
G. Shirley Myers, GA
James Myers, OR
National Junior Angus Show
2010
Nebraska Junior Angus Ass'n.
David O'Donoghue, KY
P E O Sisterhood, Chapter H
Q, IL
Patricia & Clair Pickard, OR
Picket Fence Farm Inc., IL
Scott & Moriah Pohlman, TX
Jack Pollard, AL
Ray & Nancy Powers, IL
Mathew & Kari Printz, NE
Rayford & Carla Pullen, TX
Jim & Debbie Purfeerst, MN
Don & Wanda Pyburn, TX
Reddin Angus, MT
Earl Reno, KS
Andy & Linda Rest, MT
Rockin' C & E Ranch, CA
Jeff & Susan Rhode, MO
Jack & Becky Ridpath, MI
Haley Rieff, OK
Ritenour Angus, PA
Christine & Victoria Ritter, MD

John H. Robertson, VA
Rock Ridge, KY
Rocklin Farms, IL
Eric Romtvedt, OR
Ray Roth, OH
Bill Rush, MO
S Bar K Ranch LLC, MO
Sauk Valley Angus, IL
Scharpe Angus, CO
Herman & Virginia Schlingman,
OR
Schnoor Sisters, CA
Peter & Donna Schoeningh, OR
Robert Schultz, CA
Benny Scott, TX
Terry & Donna Sedlak, OK
Pauline Sheppard, OR
Frances T. Shepperdson, CO
Gordon & Dianna Shive, PA
Showstyx, LA
Robert & Mary Shuey, SD
Singletree Angus, MI
Greg Sizemore, FL
Soo Line Cattle Co., SK, CN
Stewart Select Angus LLC, IN
Sonya Smith, TN
George & Sarah Sotos, IL
Brett Spader, KS
Ed Stallings Auction Service,
TN
James & Bonnie Steder, IL

Sterzick Farm, MI
Jim & Lori Stickley, OH
Walt Stinson, TN
Stith's Big D Angus, KY
Robert & Kevin Stoll, OK
Arch & Ruth Stone, IA
Sunnyslope Stock Farm, MN
TRAYLS Angus, KS
Taylor Farms, AR
Emily Tennant, NC
Dennis & Darlene Teskey, OR
Steve & Nancy Thelen, MI
Richard & Marilyn Thomas, IA
Carol Thompson, ID
Wes & Shawna Tiemann, MO
Triangle H Grain & Cattle Co.,
KS
Triple 3 Bar S Angus, KS
Jaclyn Upperman, PA
Robert & Jeanette Volk, NE
WWW Cattle Company, ID
Sam & Gyra Wagner, KS
Brent Walker,
Craig & Cherie Ward, OR
Cody Washam, MO
Dereck Washam, MO
Rod Wesselman, WA
Williams Flying V Angus, TX
Johnny Winston, KS
Wood Angus, AL

Notes and Disclaimer: In addition to the donors listed, the American Angus Association® also supported the Foundation in the amount of \$335,000 to endow fundraising activities, support education conferences and youth events.

Donor recognition levels include contributions from cash and gift-in-kind donations. Items donated and sold at auctions are included at the cash sales value for both the donor and the buyer. If an item is sold in conjunction with other in-kind donations, the gift value of an individual item is established at its estimated retail value.

Donor recognition is not a validation of amount claimed by donor for income tax charitable deduction purposes. Merchandise purchases are not recognized in the donor recognition program. Sponsorships are recognized at the marketed level.

We appreciate your generous support of the Angus Foundation, and we want to recognize you accordingly with 100% accuracy. If we have made an error, please contact the Angus Foundation at 816-383-5100.

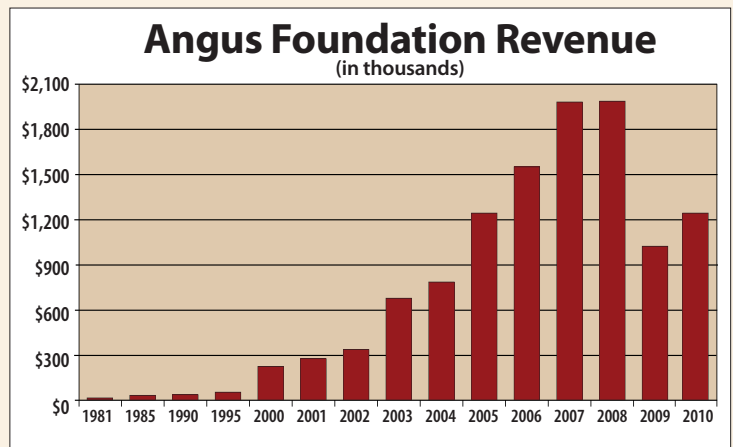
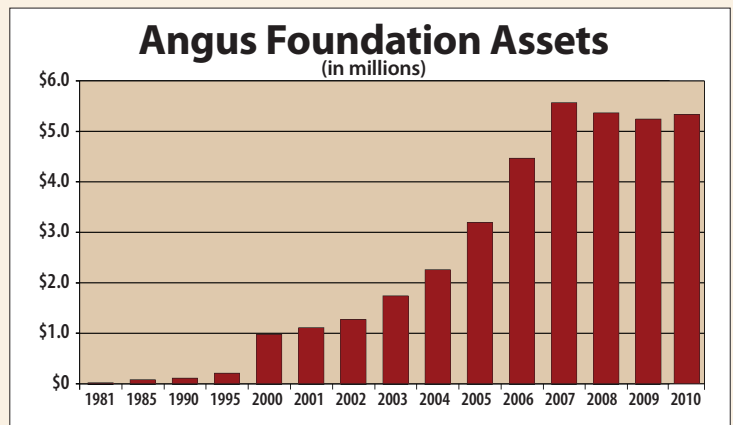
A Story of Growth

Stability, gradual growth and sustainment of supporter levels in the face of continued economic adversity best describe the Angus Foundation's financial story this fiscal year.

With total revenue of \$1,233,511, this fiscal year ranks in the top five years for the Angus Foundation since its inception in 1980. Total assets of \$5,360,931 rank in the top three years, both validating the return of stability and gradual growth that has been realized since the devastating market collapse in 2009.

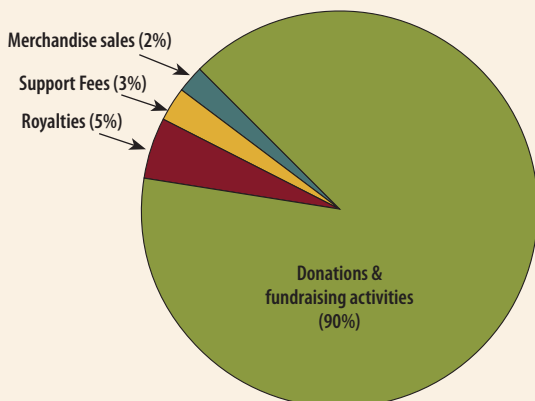
Enthusiasm for Vision of Value: Campaign for Angus grows annually with 655 donors to this futuristic fundraising initiate this year resulting in 2010 ranking second since 1980!

Through generous charitable gifts from Angus breeders, allied industry interests and friends, next fiscal year's financial story promises to be even more prosperous for the Angus Foundation!



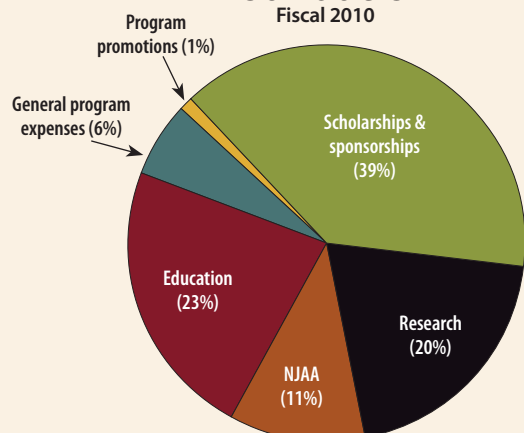
Foundation Revenue Sources

Fiscal 2010



Programs Funded by Foundation

Fiscal 2010



Financial Statements

Independent Auditor's Report

Board of Directors
Angus Foundation
Saint Joseph, Mo.

We have audited the accompanying statements of financial position of Angus Foundation as of September 30, 2010 and 2009, and the related statements of activities and changes in net assets, and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Angus Foundation as of September 30, 2010 and 2009, and the changes in its net assets and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.



Saint Joseph, Mo.
October 18, 2010

Angus Foundation Statements of Financial Position

September 30, 2010 and 2009

	2010	2009
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 23,193	\$ 78,116
Accounts receivable	41,285	90,100
Pledges receivable, net - current portion	55,915	284,415
Interest receivable	3,171	4,293
Inventories	104,801	106,902
Prepaid expenses	20,022	16,833
Total current assets	<u>248,387</u>	<u>580,659</u>
Investments		
Unrestricted	1,431,457	1,363,842
Board designated	1,008,903	886,430
Temporarily restricted	2,063,700	1,798,085
Permanently restricted	596,756	483,003
Total investments	<u>5,100,816</u>	<u>4,531,360</u>
Long-term pledges receivable-net	<u>11,730</u>	<u>121,134</u>
Total Assets	<u>\$ 5,360,933</u>	<u>\$ 5,233,153</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable – trade	\$ 32,201	\$ 34,261
Accounts payable – affiliate	37,471	—
Accrued liabilities	21,420	16,688
Deferred income	52,358	47,440
Total current liabilities	<u>143,450</u>	<u>98,389</u>
Long-term Liabilities		
Accrued postretirement benefits	15,000	13,000
Deferred income	---	30,000
Accrued Awards	2,200	---
Total long-term liabilities	<u>17,200</u>	<u>43,000</u>
Total liabilities	<u>160,650</u>	<u>141,389</u>
Net Assets		
Unrestricted:		
Operating	1,436,149	1,645,281
Board designated	1,021,468	995,081
Temporarily restricted	2,096,315	1,892,609
Permanently restricted	646,351	558,793
Total net assets	<u>5,200,283</u>	<u>5,091,764</u>
Total Liabilities and Net Assets	<u>\$ 5,360,933</u>	<u>\$ 5,233,153</u>

The accompanying notes are an integral part of the financial statements.

Angus Foundation Statements of Activities and Changes in Net Assets

Years Ended September 30, 2010 and 2009

	2010				2009			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues, Gains and Other Support								
Royalties	\$ 58,669	\$ 635	\$ —	\$ 59,304	\$ 100,993	\$ —	\$ —	\$ 100,993
Contributions	203,948	669,663	86,803	960,414	329,875	571,010	33,373	934,258
Other revenue	1,712	—	—	1,712	3,343	—	—	3,343
Merchandise sales	23,100	—	—	23,100	39,886	—	—	39,886
Net Investment Income (loss)	52,612	68,606	—	121,218	(10,853)	(66,390)	—	(77,243)
Advertising	31,782	—	—	31,782	15,410	—	—	15,410
Support fees	35,980	—	—	35,980	4,200	—	—	4,200
	407,803	738,904	86,803	1,233,510	482,854	504,620	33,373	1,020,847
Net assets released from restrictions:								
Expiration of purpose restrictions	638,154	(638,154)	—	—	364,566 (364,566)	—	—	—
Change of donor restrictions	26,784	(27,539)	755	—	(40,731)	42,646	(1,915)	—
Total revenues, gains and other support	1,072,741	73,211	87,558	1,233,510	806,689	182,700	31,458	1,020,847
Expenses								
Program services	735,746	—	—	735,746	555,069	—	—	555,069
Marketing and promotions	321,408	—	—	321,408	283,281	—	—	283,281
Operations and general expenses	336,769	—	—	336,769	295,073	—	—	295,073
Total expenses	1,393,923	—	—	1,393,923	1,133,423	—	—	1,133,423
Changes in net assets before provision for postretirement benefits, and net unrealized gain (loss) on investments	(321,182)	73,211	87,558	(160,413)	(326,734)	182,700	31,458	(112,576)
Credit (Provision) for Postretirement Benefits	(2,000)	—	—	(2,000)	1,000	—	—	1,000
Net Unrealized Gain on Investments	140,437	130,495	—	270,932	19,272	45,796	—	65,068
Changes in Net Assets	(182,745)	203,706	87,558	108,519	(306,462)	228,496	31,458	(46,508)
Net Assets, Beginning of the Year	2,640,362	1,892,609	558,793	5,091,764	2,946,824	1,664,113	527,335	5,138,272
Net Assets, End of Year	\$ 2,457,617	\$ 2,096,315	\$ 646,351	\$ 5,200,283	\$ 2,640,362	\$ 1,892,609	\$ 558,793	\$ 5,091,764

The accompanying notes are an integral part of the financial statements.

Angus Foundation Statements of Cash Flows

Years Ended September 30, 2010 and 2009

	2010	2009
Cash Flows From Operating Activities		
Changes in net assets	\$ 108,519	\$ (46,508)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Net realized (gain) loss on sale of investments	(11,982)	197,169
Net unrealized gain on investments	(270,932)	(65,068)
Effect of changes in operating assets and liabilities:		
Accounts and interest receivable	49,937	154,931
Pledges receivable – net	337,904	(18,414)
Inventories	2,101	(4,221)
Prepaid expenses	(3,189)	(3,731)
Accounts payable - trade	(2,060)	(25,589)
Accounts payable - affiliate	37,471	(16,377)
Accrued liabilities, deferred income, postretirement benefits, and accrued awards	(16,150)	(40,292)
Net cash provided by operating activities	231,619	131,900
Cash Flows From Investing Activities		
Proceeds from sale of investments	896,716	345,862
Purchases of investments	(1,183,258)	(624,490)
Net cash used in investing activities	(286,542)	(278,628)
Net Decrease in Cash and Cash Equivalents	(54,923)	(146,728)
Cash and Cash Equivalents, beginning of year	78,116	224,844
Cash and Cash Equivalents, end of year	\$ 23,193	\$ 78,116

The accompanying notes are an integral part of the financial statements.

Angus Foundation Notes to Financial Statements

September 30, 2010 and 2009

NOTE 1 – Summary of Significant Accounting Policies

Angus Foundation (the Foundation) is a not-for-profit organization incorporated in the State of Illinois in 1980. The Foundation's principal activities are to secure, manage, and steward charitable gifts for the purpose of cultivating and fostering the advancement of education, youth, and research activities related to the Angus breed and the agricultural industry. Significant accounting policies followed by the Foundation are presented below.

Use of Estimates in Preparing Financial Statements

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues, expenses, gains, losses, and other changes in net assets during the reporting period. Significant estimates incorporated into the Foundation's financial statements include: the allocation factors used to allocate costs among the various programs and supporting services of the Foundation, the estimated collectibility and discounts applicable to pledges receivable, and the required liability for postretirement benefits. Actual results could differ from those estimates.

Net Assets

Financial statement presentation follows the recommendations of Accounting Standards Codification (ASC) 958-205, *Financial Statements of Not-for-Profit Organizations*. Under (ASC) 958-205, the Foundation is required to report information regarding its financial position and activities according to three classes of net assets: Unrestricted net assets; temporarily restricted net assets; and permanently restricted net assets.

Unrestricted

Unrestricted net assets include all net assets which are neither temporarily nor permanently restricted. This category includes board designated assets.

Temporarily Restricted

Temporarily restricted net assets include contributed net assets for which donor imposed time and purpose restrictions have not been met and the ultimate purpose of the contribution is not permanently restricted.

Permanently Restricted

Permanently restricted net assets include contributed net assets, which require, by donor restriction, that the corpus be invested in perpetuity and only the income be made available for program operations in accordance with donor restrictions.

Cash and Cash Equivalents

Cash and cash equivalents generally include cash on hand, and investments with banks, mutual funds, certificates of deposit, and money market accounts with an initial maturity date of three months or less. Some investments meeting this criteria are instead classified as long-term investments if it is the Foundation's intent that they be consistently considered as part of the long-term investment pool.

Angus Foundation Notes to Financial Statements *(continued)*

September 30, 2010 and 2009

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor or by law. Amounts received which are designated for future periods or restricted by the donor for specific purposes, are reported as temporarily restricted or permanently restricted, and increase those net assets classes.

Pledges and Accounts Receivable

Pledges receivable represents unconditional promises to give that are due within one to three years. Pledges receivable are stated at the pledged amount, with the exception that long-term promises to give are discounted to reflect their present value. Management has established a valuation allowance that reflects management's best estimate of amounts that will not be collected.

Pledges receivable, due in subsequent years, are reported at the net present value of the stated amount.

Accounts receivable are for products and services and are generally due within 30 days of the invoice date. As the receivables tend to be small and are generally collectible, no valuation allowance is deemed by management to be necessary.

Inventories

Inventories consist primarily of promotional, educational, and support items. Inventories are stated at the "lower of cost or market value" with cost being determined on the "first-in, first-out" (FIFO) basis of accounting.

Investments

Investments include fixed income and equity mutual funds, certificates of deposit, and money market accounts. Investments in fixed income and equity mutual funds are carried at fair value with unrealized and realized gains and losses on investments reported as an increase or decrease in the appropriate category of net assets. Certificates of deposits and money market accounts are carried at cost, which approximates fair value.

Postretirement Benefits

The Foundation provides certain health care benefits for retired employees who meet eligibility requirements. The estimated cost of benefits, which will be paid after retirement, is accrued by charges to expense based upon the actuarial life expectancy of each eligible employee and the current cost of the covered benefits.

Deferred Revenue

The Foundation occasionally receives pledges that include a provision calling for the Foundation to provide certain services to be acquired from affiliate organizations. The revenue related to these future services is deferred until future years when the services are to be provided.

Income Taxes

The Foundation is a not-for-profit organization that is exempt from income taxes under section 501(c)(3) of the U.S. Internal Revenue Code, and is not considered to be a private foundation. The Foundation is subject to income taxes on unrelated business income.

The federal tax and information returns of the Foundation for 2006, 2007 and 2008 remain subject to examination by the IRS taxing authority, generally for three years after they were filed.

Description of Programs

The Foundation develops, assists, and sponsors educational programs, supports youth programs, and sponsors scientific research on topics related to agriculture.

Functional Allocation of Expenses

The indirect functional costs of providing the various programs and activities of the Foundation have been allocated amongst those programs and activities according to allocation principles believed to be most representative by management of the actual efforts required by those programs. Program expenses include both these allocated costs and the direct costs of providing each program or activity.

New Accounting Standards

On June 29, 2009, the Financial Accounting Standards Board (FASB) issued Accounting Standards Codification (ASC) 105-10 which establishes the Codification as the source of authoritative generally accepted accounting principles (GAAP) recognized by the FASB to be applied to nongovernmental entities. Rules and interpretive releases of the Securities and Exchange Commission (SEC) under federal laws are also sources of authoritative GAAP for SEC registrants. All guidance contained in the Codification carries an equal level of authority. Accounting Standard Updates issued after the effective date of this update will not be considered authoritative in their own right. Instead, the Accounting Standard Updates will serve only to update the Codification, provide background information about the guidance, and provide the basis for conclusions on the change(s) in the Codification. After the effective date of this statement, all non-grandfathered non-SEC accounting literature not included in the Codification is superseded and deemed non-authoritative. The Codification also changes the way that U.S. GAAP is referenced. ASC 105-10 is effective for interim and annual reporting periods after September 15, 2009 (effective September 30, 2010 for the Foundation). There is currently no material impact from the adoption of this update.

Change in Accounting Principles

On October 1, 2009, the Foundation adopted the Financial Accounting Standards Board's new accounting requirements for accounting for uncertain tax positions. Under these new requirements, a tax position that meets the more-likely-than-not recognition threshold is initially and subsequently measured as the largest amount of tax benefit that has a greater than 50 percent likelihood of being realized upon settlement with a taxing authority that has full knowledge of all relevant information. The Foundation determined that it was not required to record a liability for unrecognized tax benefits as a result of implementing the new requirements.

Angus Foundation Notes to Financial Statements

September 30, 2010 and 2009

NOTE 2 – Fair Value of Financial Instruments

In determining fair value, the Foundation uses various valuation approaches within the ASC 820-10 fair value measurement framework. Fair value measurements are determined based on the assumptions that market participants would use in pricing an asset or liability.

ASC 820-10 establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs, by requiring that the most observable inputs be used when available. ASC 820-10 defines levels within the hierarchy based on the reliability of inputs as follows:

- Level 1-Valuations based on unadjusted quoted prices for identical assets or liabilities in active markets; and
- Level 2-Valuations based on quoted prices for similar assets or liabilities, or identical assets or liabilities in less active markets, such as dealer or broker markets; and
- Level 3-Valuations derived from valuation techniques in which one or more significant inputs, or significant value drivers, are unobservable, such as pricing models, discounted cash flow models and similar techniques not based on market, exchange, dealer or broker-traded transactions.

Following is a description of the valuation methodologies used for instruments measured at fair value and their classifications in the valuation hierarchy.

Investments

Securities listed on a national market or exchange are valued at the last sales price, or if there is no sale and the market is still considered active, at the last transaction price before year-end. Such securities are classified within Level 1 of the valuation hierarchy, as appropriate.

Pledges receivable

Fair value for pledges receivable is determined by calculating the present value of future cash flows as expected to be received by management, using a discount rate of 5% based on treasury bills for the beginning period of the campaign gift (2007). These are classified as level 3 within the valuation hierarchy.

Postretirement benefits

Fair value for post retirement benefits is determined using the accrual amount based on employee census information and estimates of the actuarial lifespan of potentially eligible individuals, the current year cost of supplemental health insurance, and certain assumptions related to discount rates and expected return on investments. The discount

rate used was 6% and the expected return on plan assets was estimated at 8% using weighted average assumptions. These are classified as level 3 within the valuation hierarchy.

Fair values of other assets and liabilities measured on a recurring basis, as of September 30, 2010 and 2009, are as follows:

September 30, 2010				
	Fair Value	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
Equity security funds:				
Mutual funds:				
Large cap equity	\$ 2,430,000	\$ 2,430,000	\$ —	\$ —
Mid cap equity	156,714	156,714	—	—
Small cap equity	75,971	75,971	—	—
International	206,320	206,320	—	—
Fixed income funds:				
Mutual funds:				
Short term	117,945	117,945	—	—
Government	176,375	176,375	—	—
Corporate	1,531,683	1,531,683	—	—
High yield	46,697	46,697	—	—
Pledges receivable	67,645	—	—	67,645
Post retirement benefits	(15,000)	—	—	(15,000)
Total assets and liabilities	<u>\$ 4,794,350</u>	<u>\$ 4,741,705</u>	<u>\$ —</u>	<u>\$ 52,645</u>

September 30, 2009				
	Fair Value	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
Equity security funds	\$ 1,723,270	\$ 1,723,270	\$ —	\$ —
Fixed income funds	2,230,364	2,230,364	—	—
Pledges receivable	405,549	—	—	405,549
Post retirement benefits	(13,000)	—	—	(13,000)
Total assets and liabilities	<u>\$ 4,346,183</u>	<u>\$ 3,953,634</u>	<u>\$ —</u>	<u>\$ 392,549</u>

The following is a reconciliation of the beginning and ending balance of assets and liabilities, measured at fair value on a recurring basis using significant unobservable (Level 3) inputs during the years ended September 30, 2010 and 2009:

	Pledges Receivable	Postretirement Benefits
Balance, September 30, 2008	\$ 387,135	\$ (14,000)
New pledges received	186,310	—
Collections on pledges	(98,563)	—
Change in allowance	(93,450)	—
Change in fair value	24,117	1,000
Balance, September 30, 2009	\$ 405,549	\$ (13,000)
New pledges received	146,281	—
Collections on pledges	(358,751)	—
Write-offs	(44,000)	—
Change in allowance	(90,230)	—
Change in fair value	8,796	(2,000)
Balance, September 30, 2010	<u>\$ 67,645</u>	<u>\$ (15,000)</u>

Angus Foundation Notes to Financial Statements (continued)

September 30, 2010 and 2009

NOTE 3 – Investments

The value of investments at September 30, 2010 consist of the following:

	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Held at cost:				
Certificates of deposits	\$ 309,905	\$ —	\$ —	\$ 309,905
Money market accounts	49,206	—	—	49,206
Held at fair value:				
Equity security funds	3,230,147	—	361,142	2,869,005
Fixed income funds	1,755,799	116,901	—	1,872,700
Total investments	<u>\$ 5,345,057</u>	<u>\$ 116,901</u>	<u>\$ 361,142</u>	<u>\$ 5,100,816</u>

Investment returns for the year ended September 30, 2010 consist of the following:

Interest income	\$ 115,417
Net realized gains	11,982
Investment fees	(6,181)
Net investment income	<u>121,218</u>
Net unrealized gains	<u>270,932</u>
Total investment returns	<u>\$ 392,150</u>

The value of investments at September 30, 2009 consist of the following:

	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Held at cost:				
Certificates of deposits	\$ 437,473	\$ —	\$ —	\$ 437,473
Money market accounts	140,253	—	—	140,253
Held at fair value:				
Equity security funds	2,172,964	—	449,694	1,723,270
Fixed income funds	2,295,843	—	65,479	2,230,364
Total investments	<u>\$ 5,046,533</u>	<u>\$ —</u>	<u>\$ 515,173</u>	<u>\$ 4,531,360</u>

Investment returns for the year ended September 30, 2009 consist of the following:

Interest income	\$ 124,877
Net realized losses	(197,169)
Investment fees	(4,951)
Net investment income	<u>(77,243)</u>
Net unrealized gains	<u>65,068</u>
Total investment returns	<u>\$ (12,175)</u>

NOTE 4 – Pledges Receivable

Pledges receivable contain the following:

	2010	2009
Total pledges receivable	\$ 252,220	\$ 508,690
Less: allowance for uncollectible pledges	183,680	93,450
Less: unamortized discount	895	9,691
Net pledges receivable	67,645	405,549
Less: pledges receivable, net- current portion	55,915	284,415
Long-term pledges receivable, net	<u>\$ 11,730</u>	<u>\$ 121,134</u>

The pledges receivable are expected to mature according to the following schedule:

2011	\$ 239,595
2012	12,375
2013	<u>250</u>
Total	<u>\$ 252,220</u>

Interest was imputed at a rate of 5% in discounting long-term pledges receivable.

The Foundation has been informed of multiple donors naming the Angus Foundation as a charitable beneficiary in their revocable wills. A donor has also made a contingent challenge grant for \$200,000 that is subject to the challenge being met. Since the gifts are revocable, they are not reflected within the accompanying financial statements due to their conditional nature.

NOTE 5 – Pension and Postretirement Benefit Plans

The Foundation sponsors a qualified noncontributory defined contribution plan (the Plan), which covers substantially all full-time eligible employees. Contributions are established by the Board of Directors and are discretionary. Contributions to the Plan are based upon eligible employee salaries and years of service. During the fiscal years ended 2010 and 2009, the Foundation contributed \$13,055 and \$9,907, respectively.

During the fiscal year ended September 30, 1997, the Plan was amended to include a supplemental savings and retirement plan qualified under Section 401(k) of the Internal Revenue Code. Eligible employees may contribute a percentage of their eligible salary subject to federal statutory limits.

Angus Foundation Notes to Financial Statements

September 30, 2010 and 2009

During the fiscal year ended September 30, 2001, the Board of Directors approved a plan to provide supplemental health care benefits to employees who meet certain years of service requirements. This plan is not available for employees hired after March 1, 2006. This benefit is to be funded from the general assets of the Foundation as they are incurred. The following is information about the benefit obligation and assumptions related to this benefit plan as of September 30:

	<u>2010</u>	<u>2009</u>
Accrued benefit obligation:		
Long-term liability	15,000	13,000
Change in postretirement benefits	\$ (2,000)	\$ 1,000
Weighted average assumptions:		
Discount rate	6%	6%
Expected return on plan assets	8%	8%

Note 6 – Allocation of Joint Costs

The costs associated with fundraising have been specifically identified by function and include a total of \$565,537 and \$546,158 of joint costs, which were not specifically attributable to particular components for the years ending September 30, 2010 and 2009, respectively. The joint costs were allocated as follows:

	<u>2010</u>	<u>2009</u>
Program services	\$ 125,357	\$ 132,898
Marketing and promotions	309,171	281,071
Operations and general expenses	131,009	132,189
Total	<u>\$ 565,537</u>	<u>\$ 546,158</u>

NOTE 7 – Board Designated, Temporary and Permanent Restrictions

Included in unrestricted net assets are the following board designations:

	<u>2010</u>	<u>2009</u>
Youth, research, and education programs	\$ 1,021,468	\$ 995,081

The temporarily restricted net assets include restrictions for:

	<u>2010</u>	<u>2009</u>
Research	\$ 10,485	\$ 24,910
Youth programs	213,014	100,389
Education	168,711	153,919
Future operations	1,704,105	1,613,391
Total temporarily restricted assets balance	<u>\$ 2,096,315</u>	<u>\$ 1,892,609</u>

Permanently restricted net assets represent endowments totaling \$646,351 for 2010, and \$558,793 for 2009, the income from which is temporarily restricted support for the Angus Foundation programs. Investment losses relative to donor restricted funds are born by the individual funds

NOTE 8 – Endowments

The Foundation's endowments consist of 34 funds established to support a variety of scholarships and programs. Its endowments consist of both donor-restricted endowment funds and funds designated by the Board of Directors (the Board) to function as endowments. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board has interpreted Missouri's enactment of the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. Consequently, the Foundation classifies permanently restricted net assets as:

- The original value of gifts donated to the permanent endowment, and
- The original value of subsequent gifts to the permanent endowment.

The remaining portion of the donor-restricted endowment fund not classified as permanently restricted is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Board. In accordance with SPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purpose of the Foundation and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Foundation
7. The investment policies of the Foundation

Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to the programs supported by the endowments. The endowment assets are invested in a manner that

Angus Foundation Notes to Financial Statements *(continued)*

September 30, 2010 and 2009

is intended to produce results similar to the composite index relevant to the investment allocation, while assuming a moderate level of investment risk.

Spending Policy

The Foundation has a policy of appropriating a distribution percent each year of its endowment fund's average balance over the prior three years preceding the fiscal year in which the distribution is budgeted. Because this amount is calculated for a future year, any amount appropriated for the following fiscal years is added to temporarily restricted net assets in the current year.

In establishing this policy, the Foundation considered the long-term expected returns on its endowment investments. Accordingly, over the long term, the Foundation expects the current spending policy will allow its endowment to retain the original corpus of the gift.

Strategies Employed for Achieving Objectives

The Foundation relies on a total return strategy in which investment returns are achieved through capital appreciation and current yield (interest and dividends). The Foundation targets a diversified asset allocation that emphasizes fixed income securities to achieve its long-term objectives within prudent risk constraints.

2010 Endowment Net Asset Composition by Type of Fund as of September 30, 2010:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor restricted endowment funds	\$ (14,037)	\$ 23,656	\$ 596,756	\$ 606,375
Board designated endowment funds	946,178	—	—	946,178
Total funds	<u>\$ 932,141</u>	<u>\$ 23,656</u>	<u>\$ 596,756</u>	<u>\$1,552,553</u>

Changes in Endowment Net Assets for the Fiscal Year Ended September 30, 2010

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Net assets, beginning of year	\$ 824,118	\$ 16,062	\$ 503,183	\$1,343,363
Investment return:				
Investment income	23,172	13,712	—	36,884
Net appreciation:				
Board designated	53,763	—	—	53,763
Donor restricted	—	29,128	—	29,128
Transfer of temporary restricted investment	26,895	(26,895)	—	-
Total	<u>103,830</u>	<u>15,945</u>	<u>—</u>	<u>119,775</u>
Contributions	<u>70,554</u>	<u>15,415</u>	<u>84,743</u>	<u>170,712</u>
Prior year pledges fulfilled	<u>—</u>	<u>—</u>	<u>8,830</u>	<u>8,830</u>
Appropriation of endowment assets of expenditure	<u>(66,361)</u>	<u>(23,766)</u>	<u>—</u>	<u>(90,127)</u>
Net assets, end of year	<u>\$ 932,141</u>	<u>\$ 23,656</u>	<u>\$ 596,756</u>	<u>\$1,552,553</u>

Angus Foundation Notes to Financial Statements

September 30, 2010 and 2009

2009 Endowment Net Asset Composition by Type of Fund as of September 30, 2009:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor restricted endowment funds	\$ (40,931)	\$ 16,062	\$ 503,183	\$ 478,314
Board designated endowment funds	865,049	—	—	865,049
Total funds	<u>\$ 824,118</u>	<u>\$ 16,062</u>	<u>\$ 503,183</u>	<u>\$1,343,363</u>

Changes in Endowment Net Assets for the Fiscal Year Ended September 30, 2009

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Net assets, beginning of year	\$ 783,846	\$ (26,324)	\$ 452,268	\$1,209,790
Investment return:				
Investment income (loss)	(6,120)	(4,250)	—	(10,370)
Net appreciation:				
Board designated	12,764	—	—	12,764
Donor restricted	—	4,593	—	4,593
Transfer of temporary restricted investment	(40,931)	40,931	—	—
Total	<u>(34,287)</u>	<u>41,274</u>	<u>—</u>	<u>6,987</u>
Contributions	<u>111,011</u>	<u>18,000</u>	<u>31,457</u>	<u>160,468</u>
Prior year pledges fulfilled	—	—	19,458	19,458
Appropriation of endowment assets for expenditure	(36,452)	(16,888)	—	(53,340)
Net assets, end of year	<u>\$ 824,118</u>	<u>\$ 16,062</u>	<u>\$ 503,183</u>	<u>\$1,343,363</u>

NOTE 9 – Related Parties

The Foundation paid an affiliated organization \$39,000 for rent of facilities and equipment, and administrative services, for each of the years ended September 30, 2010 and 2009.

The Foundation received a pledge that includes a provision calling for the Foundation to provide certain services to be acquired from affiliated organizations. The expense related to these services was \$31,400 for the year ended September 30, 2010 and \$15,000 for the year ended September 30, 2009.

The Foundation paid affiliated organizations \$65,729 and \$82,393 for sponsorships of events and shows provided during the years ended September 30, 2010 and 2009, respectively.

An affiliated organization contributed \$335,000 and \$300,000 to cover current and future administrative services and donor relations for the years ended September 30, 2010 and 2009, respectively.

The same affiliated organization made a conditional pledge for fiscal year 2011 of \$300,000 earmarked for 2011 administrative and promotional costs. Due to its conditional nature, this pledge has not been reflected in these financial statements.

NOTE 10 – Fluctuation in Investment Values

The Foundation's investment portfolio is subject to significant fluctuations in its value. Because the values of individual investments fluctuate with market conditions, the amount of investment gains or losses that the Foundation will recognize in its future financial statements, if any, cannot be determined.

NOTE 11 – Subsequent Events

Management evaluated subsequent events through October 18, 2010, the date the financial statements were available to be issued. Events or transactions occurring after September 30, 2010, but prior to October 18, 2010, that provided additional evidence about conditions that existed at September 30, 2010, have been recognized in the financial statements for the year ended September 30, 2010. Events or transactions that provided evidence about conditions that did not exist at September 30, 2010, but arose before the financial statements were available to be issued, have not been recognized in the financial statements for the year ended September 30, 2010.

This information is an integral part of the accompanying financial statements.



VISION *of* VALUE

CAMPAIGN FOR ANGUS

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