

**CANADIAN CONCRETE MASONRY
PRODUCERS ASSOCIATION
LEVY FUND**

**Financial Statements
(Unaudited - See Notice to Reader)
Third Quarter ended September 30, 2012**



**CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION
LEVY FUND
Contents
(Unaudited - See Notice to Reader)
September 30, 2012**

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DIXON, GORDON & CO. LLP

Chartered Accountants

Business Advisors

November 6, 2012

NOTICE TO READER

On the basis of information provided by management, we have compiled the statement of financial position of the Levy Fund of Canadian Concrete Masonry Producers Association as at September 30, 2012 and the statements of revenue and expenses and changes in net assets for the nine months then ended.

We have not performed an audit or a review engagement in respect of these financial statements and accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

Respectfully submitted,

DRAFT

CHARTERED ACCOUNTANTS
Licensed Public Accountants
Toronto, Canada

**CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION
LEVY FUND
Statement of Financial Position
(Unaudited - See Notice to Reader)
September 30, 2012**

	September 30 2012	December 31 2011	September 30 2011
		(Audited)	
Assets			
Cash (a)	\$ 1,260,816	\$ 1,071,878	\$ 857,805
Investment - Guaranteed investment certificates	2,088,328	2,066,677	2,059,503
Accrued levy fees	458,510	434,038	479,534
Prepaid expense	50	202	-
	\$ 3,807,704	\$ 3,572,795	\$ 3,396,842
Liabilities			
Accounts payable	\$ 52,937	\$ 115,597	\$ 63,498
Sales tax payable	50,080	44,857	51,165
	103,017	160,454	114,663
Commitments (pages 6-9)			
Net assets			
Net assets internally restricted (page 3)	3,704,687	3,412,341	3,282,179
	\$ 3,807,704	\$ 3,572,795	\$ 3,396,842

(a) Cash balance in bank account as at September 30, 2012 was \$1,157,640.

See accompanying note

**CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION
LEVY FUND**

**Statement of Changes in Net Assets
(Unaudited - See Notice to Reader)**

For the three and nine months ended September 30, 2012

	Third Quarter		Year-to-date	
	2012	2011	2012	2011
Net assets, beginning of period	\$ 3,377,378	\$ 2,927,614	\$ 3,412,341	\$ 2,770,969
Excess of revenue over expenses (expenses over revenue) (page 4)	327,309	354,565	292,346	511,210
Net assets, end of period	\$ 3,704,687	\$ 3,282,179	\$ 3,704,687	\$ 3,282,179

Draft - Subject to revision

See accompanying note

**CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION
LEVY FUND**

**Statement of Revenue and Expenses
(Unaudited - See Notice to Reader)**

For the three and nine months ended September 30, 2012

	Third Quarter		Year-to-date	
	2012	2011	2012	2011
Revenue				
Levy fees	\$ 456,103	\$ 482,587	\$ 1,296,462	\$ 1,297,075
Interest	8,049	11,566	23,018	20,887
	464,152	494,153	1,319,480	1,317,962
Expenses (page 5)				
Technical programs	105,196	109,177	819,585	650,094
Advertising and promotion	23,265	22,479	184,591	132,093
General and administration	8,382	7,932	22,958	24,565
	136,843	139,588	1,027,134	806,752
Excess of revenue over expenses (expenses over revenue)	\$ 327,309	\$ 354,565	\$ 292,346	\$ 511,210

Draft
Subject to revision

See accompanying note

**CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION
LEVY FUND**

Expenses

(Unaudited - See Notice to Reader)

For the three and nine months ended September 30, 2012

	Third Quarter		Year-to-date	
	2012	2011	2012	2011
Technical programs				
University sponsorships	\$ 15,000	\$ 19,000	\$ 176,000	\$ 125,000
Consulting fees	45,975	46,700	170,500	190,000
Design software development contribution	-	-	100,000	100,750
National training fund contribution	25,000	25,000	75,000	75,000
Development of the National Building Code Canada (NBCC) - sound analysis	-	-	73,599	-
Masonry Design Awards	10,000	-	60,000	-
Centre for Architecture - Athabasca University	-	-	50,000	50,000
Training Centre block delivery	5,484	11,834	47,222	39,548
Consulting expenses	1,293	3,200	20,679	34,775
Canadian Standards Association (CSA) A165 Standard development	-	-	15,000	15,000
National Research Council (NRC) research Wall Drainage Project (NRC)	-	-	-	13,590
Canadian Masonry Contractors Association (CMCA) conference sponsorship	-	-	10,000	-
Foundation Project	2,444	329	4,307	329
Educational tools	-	3,114	3,036	3,114
Leadership in Energy and Environmental Design (LEED) standards development	-	-	2,200	-
	\$ 105,196	\$ 109,177	\$ 819,585	\$ 650,094
Advertising and promotion				
MasonryWorx Association fees	\$ -	\$ -	\$ 50,000	\$ 50,000
General advertising	6,000	6,126	46,092	8,948
National Concrete Masonry Association fees	15,483	16,353	43,719	43,814
MasonryWorx Association sponsorship	-	-	25,000	-
Masonry Alliance for Codes and Standards membership	-	-	12,304	12,029
North American Masonry Conference sponsorship	1,782	-	6,141	10,029
The Masonry Society sponsorship - North American Masonry Conference	-	-	-	4,880
Masonry Executives Council fees	-	-	-	993
The Masonry Society membership fees	-	-	960	1,400
Website	-	-	375	-
	\$ 23,265	\$ 22,479	\$ 184,591	\$ 132,093
General and administration				
Accounting and legal	\$ 5,660	\$ 5,630	\$ 16,860	\$ 18,080
Travel and meetings	2,514	2,281	5,590	5,809
Postage and courier	206	16	470	546
Bank charges	2	5	38	130
	\$ 8,382	\$ 7,932	\$ 22,958	\$ 24,565

See accompanying note

CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION

LEVY FUND

Note to Financial Statements

Commitments

(Unaudited - See Notice to Reader)

September 30, 2012

	Total to 2011	Forecast 2012		Total 2012	2013	(1) 2014
		Actual Q3 YTD	Forecast Q4			
(a) University sponsorships for Dalhousie University, University of Alberta, University of British Columbia, University of Calgary, University of Manitoba, McMaster University, University of New Brunswick and University of Saskatchewan, at \$50,000 each per year for five years for a total of \$2,000,000.	\$ 762,000	\$ 176,000	\$ 462,000 (2)	\$ 638,000 (2)	\$ 400,000 (2)	\$ 150,000 in 2014 + \$50,000 in 2015 (2)
(b) Consulting fees.	246,525 for 2011	170,500	129,500	300,000	300,000	300,000 + each year after
(c) Development of the National Building Code Canada (NBCC), in collaboration with NRC for research and development involving the generation and analysis of apparent airborne and sound insulation in concrete and concrete masonry buildings.	-	73,599	119,401	193,000	42,000	10,000
(d) Design software-						
(i) Development of the software in partnership with the Canada Masonry Design Centre.	361,734	-	-	-	-	-
(ii) Funding to National Masonry Design Programs of 50% share of operating costs comprising support for technical assistance and software upgrades.	100,750	100,000	-	100,000	100,000	100,000 + each year after
(e) Ontario Masonry Training Centre (OMTC) for \$100,000 in 2012 and each year thereafter in addition to \$875,000 funded over four years to 2011.	875,000	75,000	25,000	100,000	100,000	100,000 + each year after
(f) Marketing of Basement concrete masonry unit (CMU).	-	-	100,000	100,000	100,000	100,000 + each year after
Subtotals continued on next page	\$ 2,346,009	\$ 595,099	\$ 835,901	\$ 1,431,000	\$ 1,042,000	\$ 760,000

CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION

LEVY FUND

Note to Financial Statements (continued)

Commitments

(Unaudited - See Notice to Reader)

September 30, 2012

	Total to 2011	Forecast 2012		Total 2012	2013	(1) 2014
		Actual Q3 YTD	Forecast Q4			
Subtotals carried forward	\$ 2,346,009	\$ 595,099	\$ 835,901	\$ 1,431,000	\$ 1,042,000	\$ 760,000
(g) Canadian Masonry Research Council funding.	-	-	100,000	100,000	100,000	100,000
(h) Membership dues of \$50,000 per year and sponsorships of \$25,000 for each of 2012 and 2013 (also in 2010) to MasonryWorx Association, a marketing group sponsored in part by the Masonry Contractors of Metropolitan Toronto.	50,000 for 2011	75,000	-	75,000	75,000	50,000 + each year after
(i) Prolevy fee payable to NCMA at 10% of the levy fees that would be collected by the Association based on a 1.5 cent per unit levy.	59,879 for 2011	43,719	21,281	65,000	65,000 (3)	65,000 (3)
(j) Masonry Design Awards, payable to Ontario Masonry Contractors.	71,000	60,000	-	60,000	50,000	-
(k) Materials for Apprenticeship Training and Research for \$50,000 in 2012 and each year thereafter, with \$247,708 funded in 2008-11.	247,708	47,222	2,778	50,000	50,000	50,000 + each year after
(l) Creation of the new Royal Architectural Institute of Canada (RAIC) Centre for Architecture at Athabasca University.	100,000	50,000	-	50,000	50,000	50,000
(m) Canadian Masonry Symposium - 2013.	-	-	-	-	50,000	-
(n) Wall Draining Project (NRC).	18,537	12,042	22,958	35,000	-	-
(o) Altus/MasonryWorx wall costs study.	-	-	17,500	17,500	17,500	-
Subtotals continued on next page	\$ 2,893,133	\$ 883,082	\$ 1,000,418	\$ 1,883,500	\$ 1,499,500	\$ 1,075,000

CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION

LEVY FUND

Note to Financial Statements (continued)

Commitments

(Unaudited - See Notice to Reader)

September 30, 2012

	Total to 2011	Forecast 2012		Total 2012	2013	(1) 2014
		Actual Q3 YTD	Forecast Q4			
Subtotals carried forward	\$ 2,893,133	\$ 883,082	\$ 1,000,418	\$ 1,883,500	\$ 1,499,500	\$ 1,075,000
(p) CSA standard at \$15,000 per year for five years from 2009 to 2013.	45,000	15,000	-	15,000	15,000	-
(q) Unit Strength Method Correlation Study.	15,044	-	15,000	15,000	-	-
(r) Masonry Alliance for Codes and Standards membership.	24,974	12,304	-	12,304	12,000	12,000 + each year after
(s) Masonry Training Scholarships.	10,000 for 2011	-	10,000	10,000	10,000	10,000
(t) Canadian Masonry Contractors Association (CMCA) conference sponsorship.	93,185	10,000	-	10,000	15,000	-
(u) Single Wythe energy study.	-	-	10,000	10,000	-	-
(v) Development of Canadian Framework and Guide regarding Apparent Sound Insulation in Construction - Phase 1.	-	-	10,000	10,000	-	-
(w) Educational tools.	91,173	3,036	-	3,036	-	-
(x) Leadership in Energy and Environmental Design (LEED) standards development.	-	2,200	-	2,200	-	-
(y) Foundation Project - McMaster University.	90,484	4,307	-	4,307	-	-
(z) Block machine for McMaster University.	197,735	-	-	-	-	-
(aa) National Research Council (NRC) research.	85,013	-	-	-	-	-
(ab) Canadian Masonry Symposium Sponsorship.	50,000	-	-	-	-	-
Subtotals continued on next page	\$ 3,595,741	\$ 929,929	\$ 1,045,418	\$ 1,975,347	\$ 1,551,500	\$ 1,097,000

CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION

LEVY FUND

Note to Financial Statements (continued)

Commitments

(Unaudited - See Notice to Reader)

September 30, 2012

	Total to 2011	Forecast 2012		Total 2012	2013	(1) 2014
		Actual Q3 YTD	Forecast Q4			
Subtotals carried forward	\$ 3,595,741	\$ 929,929	\$ 1,045,418	\$ 1,975,347	\$ 1,551,500	\$ 1,097,000
(ac) Funding to Dr. Svetlana Brzev and Dr. Don Anderson for a Seismic Design Guide.	30,717	-	-	-	-	-
(ad) Cement study.	30,000	-	-	-	-	-
(ae) Masonry Apprenticeship Training Textbook.	25,000	-	-	-	-	-
(af) National Sciences and Engineering Research Council (NSERC) funding.	15,000	-	-	-	-	-
(ag) Research equipment contribution to British Columbia Institute of Technology.	10,000	-	-	-	-	-
Totals	\$ 3,706,458	\$ 929,929	\$ 1,045,418	\$ 1,975,347	\$ 1,551,500	\$ 1,097,000

(1)

(1) Annual totals after 2014:

2015 \$827,000

2016 and each year thereafter \$777,000

(2) Not all universities have applied or will meet the criteria for funds to be released.

(3) Payment amount based on unit block sales.

CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION**LEVY FUND****Block Sales Report****(Unaudited - See Notice to Reader)****For the three and nine months ended September 30, 2012**

	Q1	Q2	Q3
BLOCK SALES			
Quarter totals			
Standard	5,261,385	7,593,786	7,920,529
Lightweight	2,510,190	2,406,294	1,799,488
Architectural	457,021	595,171	602,348
Total	8,228,596	10,595,251	10,322,365
Year-to-date totals			
Standard	5,261,385	12,855,171	20,775,700
Lightweight	2,510,190	4,916,484	6,715,972
Architectural	457,021	1,052,192	1,654,540
Total	8,228,596	18,823,847	29,146,212
LEVY FEES			
	(1)		
Quarter totals			
Gross amount	\$ 407,824	\$ 526,654	\$ 507,715
Less: Administration	(41,143)	(52,976)	(51,612)
Net Levy fees	\$ 366,681	\$ 473,678	\$ 456,103
Year-to-date totals			
Gross amount	\$ 407,824	\$ 934,478	\$ 1,442,193
Less: Administration	(41,143)	(94,119)	(145,731)
Net Levy fees	\$ 366,681	\$ 840,359	\$ 1,296,462

(1) Levy fees are based on a flat per block rate of 5.0¢ less 0.5¢ for administration. Final total levy amounts include certain levy balances at the pre-2008 net rate of 1.5¢ (2.0¢ less 0.5¢) reflecting charges to respective member customers at the former 2.0¢ per block rate.

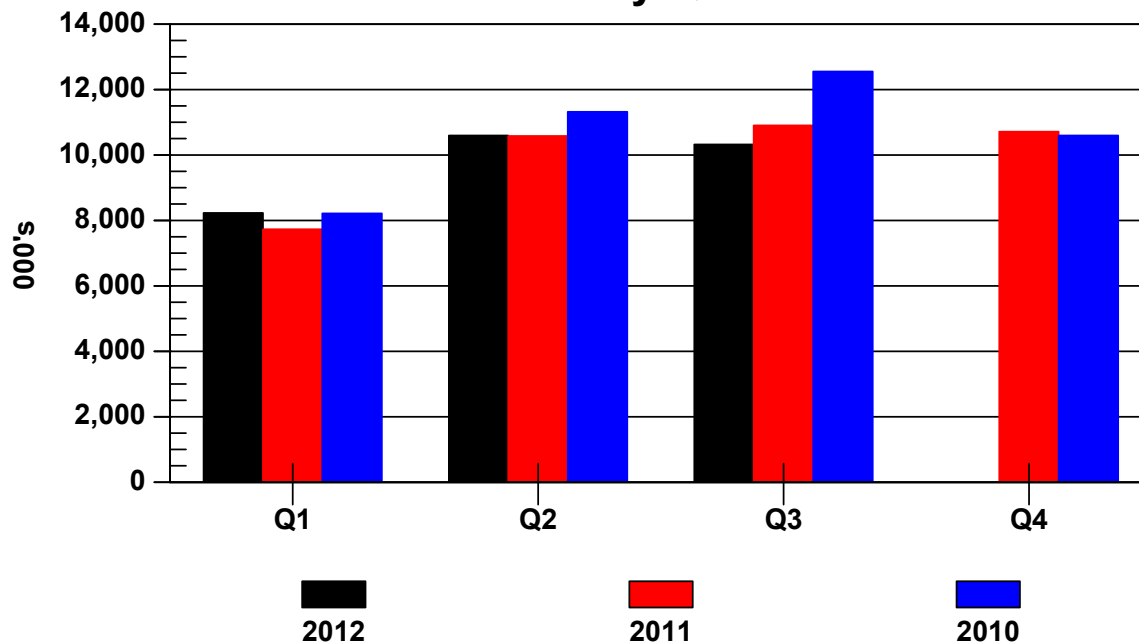
**CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION
LEVY FUND**

Block Sales Report (continued)

(Unaudited - See Notice to Reader)

For the three and nine months ended September 30, 2012

Block Sales by Quarter



(000's)	Q1	Q2	Q3	Q4
Quarter totals				
2012	8,229	10,595	10,322	N/A
2011	7,730	10,578	10,901	10,710
2010	8,214	11,319	12,548	10,592
Year-to-date totals				
2012	8,229	18,824	29,146	N/A
2011	7,730	18,308	29,209	39,919
2010	8,214	19,533	32,081	42,673