

**CANADIAN CONCRETE MASONRY
PRODUCERS ASSOCIATION
LEVY FUND**

**Financial Statements
(Unaudited - See Notice to Reader)**

Third Quarter ended September 30, 2015



**CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION
LEVY FUND
Contents
(Unaudited - See Notice to Reader)
September 30, 2015**

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DIXON, GORDON & CO. LLP

Chartered Accountants

Business Advisors

October 30, 2015

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, 2015 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,

Dixon, Gordon + Co. LLP

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, 2015**

	September 30 2015	December 31 2014	September 30 2014
		(Audited)	
Assets			
Cash and high-interest savings account deposits	\$ 3,738,135	\$ 2,833,322	\$ 1,451,477
Guaranteed investment certificates	-	1,054,979	2,139,645
Accrued levy fees	476,041	408,449	464,262
	\$ 4,214,176	\$ 4,296,750	\$ 4,055,384
Liabilities			
Accounts payable and accrued liabilities	\$ 55,202	\$ 108,293	\$ 40,827
Sales tax payable	31,907	35,738	36,752
	87,109	144,031	77,579
Commitments (pages 7-10)			
Net assets			
Net assets internally restricted (page 3)	4,127,067	4,152,719	3,977,805
	\$ 4,214,176	\$ 4,296,750	\$ 4,055,384

(a) Cash balance in bank account and high-interest savings account as at September 30, 2015 was \$3,624,958.

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, 2015

	Third Quarter		Year-to-date	
	2015	2014	2015	2014
Net assets, beginning of period	\$ 3,863,511	\$ 3,791,519	\$ 4,152,719	\$ 3,695,820
Excess of revenue over expenses (expenses over revenue) (page 4)	263,556	186,286	(25,652)	281,985
Net assets, end of period	\$ 4,127,067	\$ 3,977,805	\$ 4,127,067	\$ 3,977,805

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, 2015

	Third Quarter		Year-to-date	
	2015	2014	2015	2014
Revenue				
Levy fees	\$ 482,448	\$ 464,262	\$ 1,206,170	\$ 1,240,079
Interest income	5,017	6,853	15,026	18,638
	487,465	471,115	1,221,196	1,258,717
Expenses (pages 5-6)				
Technical programs	165,639	258,046	774,868	735,130
Advertising and promotion	49,289	19,936	441,672	221,341
General and administration	8,981	6,847	30,308	20,261
	223,909	284,829	1,246,848	976,732
Excess of revenue over expenses (expenses over revenue)	\$ 263,556	\$ 186,286	\$ (25,652)	\$ 281,985

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, 2015

	Third Quarter		Year-to-date	
	2015	2014	2015	2014
Technical programs				
University sponsorships	\$ -	\$ 25,000	\$ 175,000	\$ 125,000
Consulting fees	53,606	35,606	117,478	142,576
Development of the National Building Code Canada (NBCC) - sound analysis	-	75,000	-	114,367
Training Centre block delivery	9,233	6,239	113,117	41,245
Design software support contribution	-	-	100,000	100,000
National training fund contribution	25,000	25,000	75,000	75,000
Canadian Masonry Research Council funding	50,000	50,000	50,000	50,000
Centre for Architecture - Athabasca University	-	-	50,000	-
Masonry Design Awards	-	10,000	-	22,200
Research equipment contribution	-	-	20,700	-
Canadian Masonry Contractors Association (CMCA) conference sponsorship	-	-	20,000	20,000
Apprenticeship Training Textbook	19,313	-	19,313	-
Single Wythe energy study	-	12,990	-	12,990
Consulting expenses	5,977	-	12,738	5,718
Development of Canadian Framework and Guide	-	10,000	-	10,000
SMART/dynamics of masonry subscriptions	-	8,211	9,427	8,211
Wall Drainage Project (NRC)	-	-	-	6,823
Insurance cost study	-	-	5,585	-
Load Bearing Masonry and Innovation Drive Project	-	-	4,000	-
Leadership in Energy and Environmental Design (LEED) standards development	2,510	-	2,510	-
Foundation Project	-	-	-	1,000
	\$ 165,639	\$ 258,046	\$ 774,868	\$ 735,130

Advertising and promotion

Advertisement - Fire and building code changes	\$ 25,806	\$ -	\$ 291,889	\$ 102,612
MasonryWorx Association fees	-	-	50,000	50,000
National Concrete Masonry Association fees	16,153	15,511	40,386	41,723
General advertising	7,330	4,425	26,477	10,322
Masonry Alliance for Codes and Standards membership	-	-	14,585	13,804
Prompt Payment Ontario membership contribution	-	-	8,850	-
The Masonry Society sponsorship - North American Masonry Conference	-	-	6,445	-
The Masonry Society membership fees	-	-	1,806	1,710
Masonry Executives Council fees	-	-	1,204	1,140
Website	-	-	30	30
	\$ 49,289	\$ 19,936	\$ 441,672	\$ 221,341

Continued on next page

See accompanying note

**CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION
LEVY FUND**

Expenses (continued)

(Unaudited - See Notice to Reader)

For the three and nine months ended September 30, 2015

	Third Quarter		Year-to-date	
	2015	2014	2015	2014
General and administration				
Accounting and legal	\$ 5,900	\$ 6,631	\$ 17,700	\$ 18,391
Travel and meetings	2,990	100	7,233	1,500
Donation	-	-	5,000	-
Postage and courier	90	94	187	288
Bank charges	1	22	188	82
	\$ 8,981	\$ 6,847	\$ 30,308	\$ 20,261

See accompanying note

CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION

LEVY FUND

Note to Financial Statements

Commitments

(Unaudited - See Notice to Reader)

September 30, 2015

	Total to 2014	Forecast 2015		Total 2015	2016	(1) 2017
		Actual Q3 YTD	Forecast Q4			
(a) University sponsorships for Dalhousie University, University of Alberta, University of British Columbia, University of Calgary, Concordia University, University of Manitoba, McMaster University, University of New Brunswick, University of Saskatchewan and Carleton University, for a total of \$2,000,000 over the years 2009 to 2016.	\$ 1,442,750	\$ 175,000	\$ 132,250 (2)	\$ 307,250 (2)	\$ 250,000 (2)	\$ -
(b) Consulting fees.	169,084 for 2014	117,478	32,522	150,000	150,000	150,000 + each year after
(c) Materials for Apprenticeship Training and Research.	461,796	113,117	36,883	150,000	150,000	150,000 + each year after
(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.	100,000 for 2014	100,000	-	100,000	100,000	100,000 + each year after
(e) Ontario Masonry Training Centre (OMTC) for \$100,000 in 2015 and each year thereafter in addition to \$1,175,000 funded over seven years to 2014.	1,175,000	75,000	25,000	100,000	100,000	100,000 + each year after
(f) Canadian Masonry Research Council funding.	100,000 for 2014	50,000	50,000	100,000	100,000	-
(g) Marketing of Concrete Masonry Unit (CMU).	-	-	100,000	100,000	100,000	100,000 + each year after
Subtotals continued on next page	\$ 3,810,364	\$ 630,595	\$ 376,655	\$ 1,007,250	\$ 950,000	\$ 600,000

CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION

LEVY FUND

Note to Financial Statements (continued)

Commitments

(Unaudited - See Notice to Reader)

September 30, 2015

	Total to 2014	Forecast 2015		Total 2015	2016	(1) 2017
		Actual Q3 YTD	Forecast Q4			
Subtotals carried forward	\$ 3,810,364	\$ 630,595	\$ 376,655	\$ 1,007,250	\$ 950,000	\$ 600,000
(h) 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.	285,296	-	80,000	80,000	-	-
(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.	55,338 for 2014	40,386	14,614	55,000	55,000 (3)	55,000 (3)
(j) Membership dues of \$50,000 per year to MasonryWorx Association, a marketing group sponsored in part by the Masonry Contractors of Metropolitan Toronto, as well as sponsorships of \$25,000 in 2010 and 2012.	50,000 for 2014	50,000	-	50,000	50,000	50,000 + each year after
(k) Creation of the new Royal Architectural Institute of Canada (RAIC) Centre for Architecture at Athabasca University.	200,000	50,000	-	50,000	-	-
(l) Secondary engineering support.	-	-	50,000	50,000	50,000	50,000 + each year after
(m) Research equipment contribution.	10,000	20,700	-	20,700	-	-
(n) Canadian Masonry Contractors Association (CMCA) conference sponsorship.	138,185	20,000	-	20,000	-	-
(o) Masonry Apprenticeship Training Textbook.	25,000	19,313	-	19,313	-	-
Subtotals continued on next page	\$ 4,574,183	\$ 830,994	\$ 521,269	\$ 1,352,263	\$ 1,105,000	\$ 755,000

CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION

LEVY FUND

Note to Financial Statements (continued)

Commitments

(Unaudited - See Notice to Reader)

September 30, 2015

	Total to 2014	Forecast 2015		Total 2015	2016	(1) 2017
		Actual Q3 YTD	Forecast Q4			
Subtotals carried forward	\$ 4,574,183	\$ 830,994	\$ 521,269	\$ 1,352,263	\$ 1,105,000	\$ 755,000
(p) Masonry Alliance for Codes and Standards membership.	13,804 for 2014	14,585	-	14,585	14,500	14,500 + each year after
(q) CSA standard at \$15,000 per year for five years from 2009 to 2013, plus \$12,000 for purchase in 2015 facilitating distribution to members.	75,000	-	12,000	12,000	-	-
(r) Masonry Training Scholarships.	-	-	10,000	10,000	10,000	10,000 each year to 2020
(s) SMART/dynamics of masonry subscriptions.	8,211 for 2014	9,427	-	9,427	-	-
(t) Insurance cost study.	-	5,585	-	5,585	-	-
(u) Leadership in Energy and Environmental Design (LEED) standards development.	2,463	2,510	2,510	5,020	-	-
(v) Converge 2015 Forum sponsorship.	-	-	5,000	5,000	-	-
(w) Load Bearing Masonry and Innovation Drive Project.	-	4,000	-	4,000	-	-
(x) Block machine for McMaster University.	197,735	-	-	-	-	-
(y) Masonry Design Awards.	132,200 for 2012-14	-	-	-	-	-
(z) Educational tools.	105,884	-	-	-	-	-
(aa) Foundation Project - McMaster University.	100,763	-	-	-	-	-
(ab) National Research Council (NRC) research.	85,423	-	-	-	-	-
Subtotals continued on next page	\$ 5,295,666	\$ 867,101	\$ 550,779	\$ 1,417,880	\$ 1,129,500	\$ 779,500

CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION

LEVY FUND

Note to Financial Statements (continued)

Commitments

(Unaudited - See Notice to Reader)

September 30, 2015

	Total to 2014	Forecast 2015		Total 2015	2016	(1) 2017
		Actual Q3 YTD	Forecast Q4			
Subtotals carried forward	\$ 5,295,666	\$ 867,101	\$ 550,779	\$ 1,417,880	\$ 1,129,500	\$ 779,500
(ac) Wall Draining Project (NRC).	62,218	-	-	-	-	-
(ad) Canadian Masonry Symposium.	50,000	-	-	-	-	-
(ae) Funding to Dr. Svetlana Brzev and Dr. Don Anderson for a Seismic Design Guide.	30,717	-	-	-	-	-
(af) Development of Canadian Framework and Guide regarding Apparent Sound Insulation in Construction - Phases 1 and 2.	30,000	-	-	-	-	-
(ag) Cement study.	30,000	-	-	-	-	-
(ah) Altus/MasonryWorx wall costs study.	17,500	-	-	-	-	-
(ai) Unit Strength Method Correlation Study.	15,044	-	-	-	-	-
(aj) National Sciences and Engineering Research Council (NSERC) funding.	15,000	-	-	-	-	-
(ak) Single Wythe energy study.	12,990	-	-	-	-	-
Totals	\$ 5,559,135	\$ 867,101	\$ 550,779	\$ 1,417,880	\$ 1,129,500	\$ 779,500

(1) Annual totals after 2017:

2018 - 2020 \$779,500

2021 and each year thereafter \$769,500

(2) Not all of the listed 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, 2015**

	Q1	Q2	Q3
BLOCK SALES			
Quarter totals			
Standard	4,423,828	6,888,038	7,938,404
Lightweight	2,078,296	1,875,304	1,959,244
Architectural	264,336	625,648	871,219
Total	6,766,460	9,388,990	10,768,867
Year-to-date totals			
Standard	4,423,828	11,311,866	19,250,270
Lightweight	2,078,296	3,953,600	5,912,844
Architectural	264,336	889,984	1,761,203
Total	6,766,460	16,155,450	26,924,317
LEVY FEES			
	(1)		
Quarter totals			
Gross amount	\$ 335,447	\$ 469,052	\$ 536,293
Less: Administration	(33,832)	(46,945)	(53,845)
Net Levy fees	\$ 301,615	\$ 422,107	\$ 482,448
Year-to-date totals			
Gross amount	\$ 335,447	\$ 804,499	\$ 1,340,792
Less: Administration	(33,832)	(80,777)	(134,622)
Net Levy fees	\$ 301,615	\$ 723,722	\$ 1,206,170

(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.

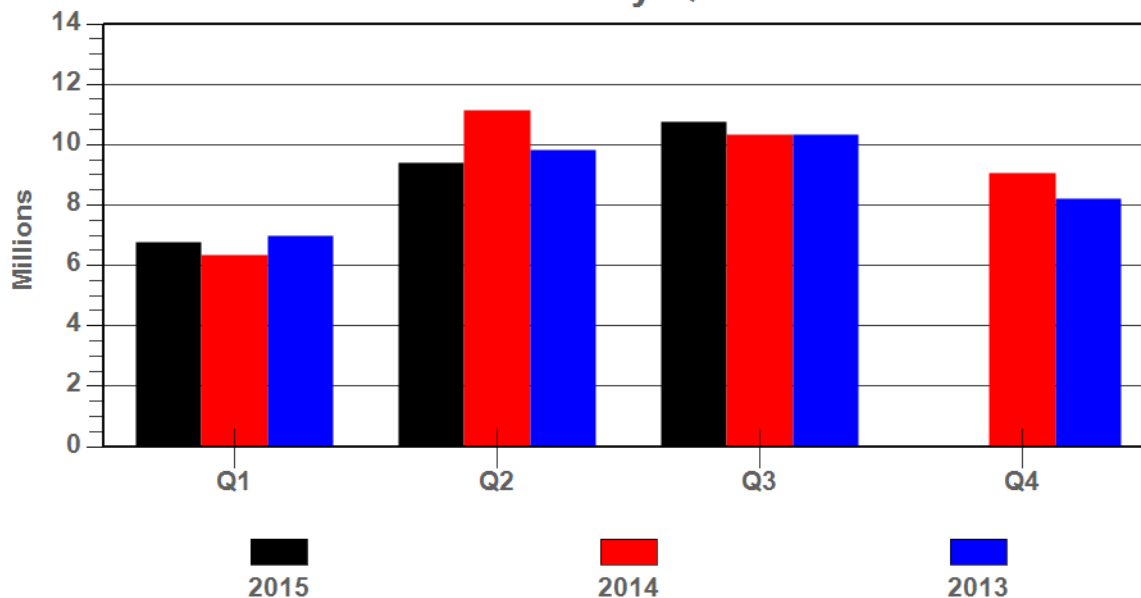
**CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION
LEVY FUND**

Block Sales Report (continued)

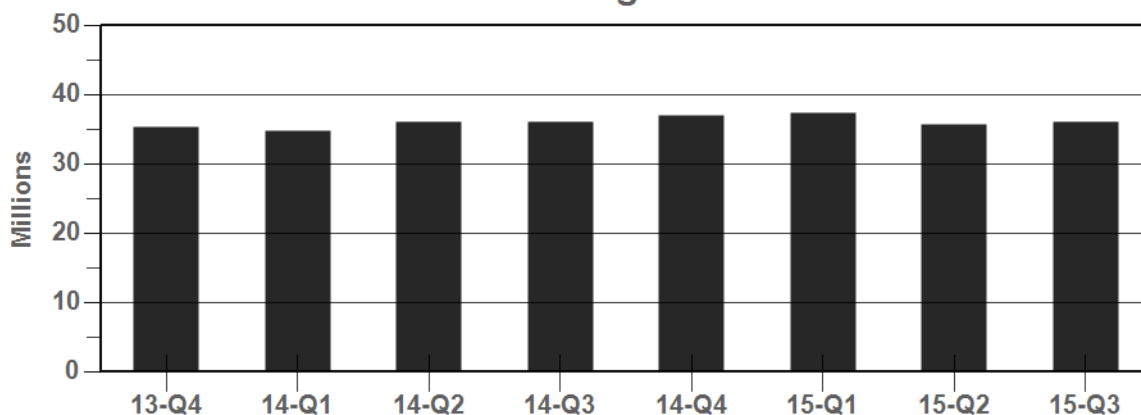
(Unaudited - See Notice to Reader)

For the three and nine months ended September 30, 2015

Block Sales by Quarter



Block Sales - Trailing Twelve Months



(000's)	Q1	Q2	Q3	Q4
Quarter totals				
2015	6,766	9,389	10,769	N/A
2014	6,351	11,124	10,341	9,076
2013	6,995	9,821	10,328	8,198
Year-to-date totals				
2015	6,766	16,155	26,924	N/A
2014	6,351	17,475	27,816	36,892
2013	6,995	16,816	27,144	35,342