

**CANADIAN CONCRETE MASONRY
PRODUCERS ASSOCIATION
LEVY FUND**

**Financial Statements
(Unaudited - See Notice to Reader)
Second Quarter ended June 30, 2015**



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

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DIXON, GORDON & CO. LLP

Chartered Accountants

Business Advisors

August 6, 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 June 30, 2015 and the statements of revenue and expenses and changes in net assets for the six 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)
June 30, 2015**

	June 30 2015	December 31 2014	June 30 2014
		(Audited)	
Assets			
Cash and high-interest savings account deposits	\$ 3,565,117	\$ 2,833,322	\$ 1,290,367
Guaranteed investment certificates	-	1,054,979	2,133,190
Accrued levy fees	423,416	408,449	492,463
	\$ 3,988,533	\$ 4,296,750	\$ 3,916,020
Liabilities			
Accounts payable and accrued liabilities	\$ 116,436	\$ 108,293	\$ 99,392
Sales tax payable	8,586	35,738	25,109
	125,022	144,031	124,501
Commitments (pages 6-9)			
Net assets			
Net assets internally restricted (page 3)	3,863,511	4,152,719	3,791,519
	\$ 3,988,533	\$ 4,296,750	\$ 3,916,020

(a) Cash balance in bank account and high-interest savings account as at June 30, 2015 was \$3,513,739.

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 six months ended June 30, 2015

	<u>Second Quarter</u>		<u>Year-to-date</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Net assets, beginning of period	\$ 3,865,231	\$ 3,515,804	\$ 4,152,719	\$ 3,695,820
Excess of expenses over revenue (expenses over revenue) (page 4)	(1,720)	275,715	(289,208)	95,699
Net assets, end of period	\$ 3,863,511	\$ 3,791,519	\$ 3,863,511	\$ 3,791,519

See accompanying note

**CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION
LEVY FUND**

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

For the three and six months ended June 30, 2015

	Second Quarter		Year-to-date	
	2015	2014	2015	2014
Revenue				
Levy fees	\$ 422,107	\$ 492,463	\$ 723,722	\$ 775,817
Interest income	3,912	5,423	10,009	11,785
	426,019	497,886	733,731	787,602
Expenses (page 5)				
Technical programs	279,961	178,011	609,229	477,084
Advertising and promotion	132,596	36,717	392,383	201,405
General and administration	15,182	7,443	21,327	13,414
	427,739	222,171	1,022,939	691,903
Excess of expenses over revenue (expenses over revenue)	\$ (1,720)	\$ 275,715	\$ (289,208)	\$ 95,699

See accompanying note

**CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION
LEVY FUND**

Expenses

(Unaudited - See Notice to Reader)

For the three and six months ended June 30, 2015

	Second Quarter		Year-to-date	
	2015	2014	2015	2014
Technical programs				
University sponsorships	\$ 125,000	\$ 50,000	\$ 175,000	\$ 100,000
Consulting fees	47,475	55,839	63,872	106,970
Training Centre block delivery	20,140	14,568	103,884	35,006
Design software support contribution	-	-	100,000	100,000
National training fund contribution	25,000	25,000	50,000	50,000
Centre for Architecture - Athabasca University	50,000	-	50,000	-
Development of the National Building Code Canada (NBCC) - sound analysis	-	16,000	-	39,367
Research equipment contribution	-	-	20,700	-
Canadian Masonry Contractors Association (CMCA) conference sponsorship	-	-	20,000	20,000
Masonry Design Awards	-	12,200	-	12,200
SMART/dynamics of masonry subscriptions	-	-	9,427	-
Wall Drainage Project (NRC)	-	-	-	6,823
Consulting expenses	6,761	3,404	6,761	5,718
Insurance cost study	5,585	-	5,585	-
Load Bearing Masonry and Innovation Drive Project	-	-	4,000	-
Foundation Project	-	1,000	-	1,000
	\$ 279,961	\$ 178,011	\$ 609,229	\$ 477,084
Advertising and promotion				
Advertisement - Fire and building code changes	\$ 112,784	\$ 15,700	\$ 266,083	\$ 102,612
MasonryWorx Association fees	-	-	50,000	50,000
National Concrete Masonry Association fees	14,083	16,685	24,233	26,212
General advertising	5,699	4,302	19,147	5,897
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	30	30
	\$ 132,596	\$ 36,717	\$ 392,383	\$ 201,405
General and administration				
Accounting and legal	\$ 5,900	\$ 5,880	\$ 11,800	\$ 11,760
Donation	5,000	-	5,000	-
Travel and meetings	4,243	1,400	4,243	1,400
Postage and courier	29	141	97	194
Bank charges	10	22	187	60
	\$ 15,182	\$ 7,443	\$ 21,327	\$ 13,414

See accompanying note

CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION

LEVY FUND

Note to Financial Statements

Commitments

(Unaudited - See Notice to Reader)

June 30, 2015

	Total to 2014	Forecast 2015		Total 2015	2016	(1) 2017
		Actual Q2 YTD	Forecast Q3-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 and University of Saskatchewan, 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	63,872	86,128	150,000	150,000	150,000 + each year after
(c) 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 and \$100,000 for an industry lobbyist in 2015.	50,000 for 2014	50,000	100,000	150,000	50,000	50,000 + each year after
(d) Materials for Apprenticeship Training and Research.	461,796	103,884	46,116	150,000	150,000	150,000 + each year after
(e) 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
(f) 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	50,000	50,000	100,000	100,000	100,000 + each year after
Subtotals continued on next page	\$ 3,760,364	\$ 542,756	\$ 414,494	\$ 957,250	\$ 800,000	\$ 550,000

CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION
LEVY FUND
Note to Financial Statements (continued)
Commitments
(Unaudited - See Notice to Reader)
June 30, 2015

	Total to 2014	Forecast 2015		Total 2015	2016	(1) 2017
		Actual Q2 YTD	Forecast Q3-Q4			
Subtotals carried forward	\$ 3,760,364	\$ 542,756	\$ 414,494	\$ 957,250	\$ 800,000	\$ 550,000
(g) Canadian Masonry Research Council funding.	100,000 for 2014	-	100,000	100,000	100,000	-
(h) Marketing of Concrete Masonry Unit (CMU).	-	-	100,000	100,000	100,000	100,000 + each year after
(i) 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	-	-
(j) 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	24,233	30,767	55,000	55,000 (3)	55,000 (3)
(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 Alliance for Codes and Standards membership.	13,804 for 2014	14,585	-	14,585	14,500	14,500 + each year after
Subtotals continued on next page	\$ 4,562,987	\$ 672,274	\$ 775,261	\$ 1,447,535	\$ 1,119,500	\$ 769,500

**CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION
LEVY FUND
Note to Financial Statements (continued)
Commitments
(Unaudited - See Notice to Reader)
June 30, 2015**

	Total to 2014	Forecast 2015		Total 2015	2016	(1) 2017
		Actual Q2 YTD	Forecast Q3-Q4			
Subtotals carried forward	\$ 4,562,987	\$ 672,274	\$ 775,261	\$ 1,447,535	\$ 1,119,500	\$ 769,500
(p) 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	-	-
(q) Masonry Training Scholarships.	-	-	10,000	10,000	10,000	10,000 each year to 2020
(r) SMART/dynamics of masonry subscriptions.	8,211 for 2014	9,427	-	9,427	-	-
(s) Converge 2015 Forum sponsorship.	-	-	5,000	5,000	-	-
(t) Load Bearing Masonry and Innovation Drive Project.	-	4,000	-	4,000	-	-
(u) Block machine for McMaster University.	197,735	-	-	-	-	-
(v) Masonry Design Awards.	132,200 for 2012-14	-	-	-	-	-
(w) Educational tools.	105,884	-	-	-	-	-
(x) Foundation Project - McMaster University.	100,763	-	-	-	-	-
(y) National Research Council (NRC) research.	85,423	-	-	-	-	-
(z) Wall Draining Project (NRC).	62,218	-	-	-	-	-
(aa) Canadian Masonry Symposium.	50,000	-	-	-	-	-
(ab) Funding to Dr. Svetlana Brzev and Dr. Don Anderson for a Seismic Design Guide.	30,717	-	-	-	-	-
Subtotals continued on next page	\$ 5,411,138	\$ 685,701	\$ 802,261	\$ 1,487,962	\$ 1,129,500	\$ 779,500

CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION
LEVY FUND
Note to Financial Statements (continued)
Commitments
(Unaudited - See Notice to Reader)
June 30, 2015

	Total to 2014	Forecast 2015		Total 2015	2016	(1) 2017
		Actual Q2 YTD	Forecast Q3-Q4			
Subtotals carried forward	\$ 5,411,138	\$ 685,701	\$ 802,261	\$ 1,487,962	\$ 1,129,500	\$ 779,500
(ac) Development of Canadian Framework and Guide regarding Apparent Sound Insulation in Construction - Phases 1 and 2.	30,000	-	-	-	-	-
(ad) Cement study.	30,000	-	-	-	-	-
(ae) Masonry Apprenticeship Training Textbook.	25,000	-	-	-	-	-
(af) Altus/MasonryWorx wall costs study.	17,500	-	-	-	-	-
(ag) Unit Strength Method Correlation Study.	15,044	-	-	-	-	-
(ah) National Sciences and Engineering Research Council (NSERC) funding.	15,000	-	-	-	-	-
(ai) Single Wythe energy study.	12,990	-	-	-	-	-
(aj) Leadership in Energy and Environmental Design (LEED) standards development.	2,463	-	-	-	-	-
Totals	\$ 5,559,135	\$ 685,701	\$ 802,261	\$ 1,487,962	\$ 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 six months ended June 30, 2015**

	Q1	Q2
BLOCK SALES		
Quarter totals		
Standard	4,423,828	6,888,038
Lightweight	2,078,296	1,875,304
Architectural	264,336	625,648
Total	6,766,460	9,388,990
Year-to-date totals		
Standard	4,423,828	11,311,866
Lightweight	2,078,296	3,953,600
Architectural	264,336	889,984
Total	6,766,460	16,155,450
LEVY FEES		
	(1)	
Quarter totals		
Gross amount	\$ 335,447	\$ 469,052
Less: Administration	(33,832)	(46,945)
Net Levy fees	\$ 301,615	\$ 422,107
Year-to-date totals		
Gross amount	\$ 335,447	\$ 804,499
Less: Administration	(33,832)	(80,777)
Net Levy fees	\$ 301,615	\$ 723,722

(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.

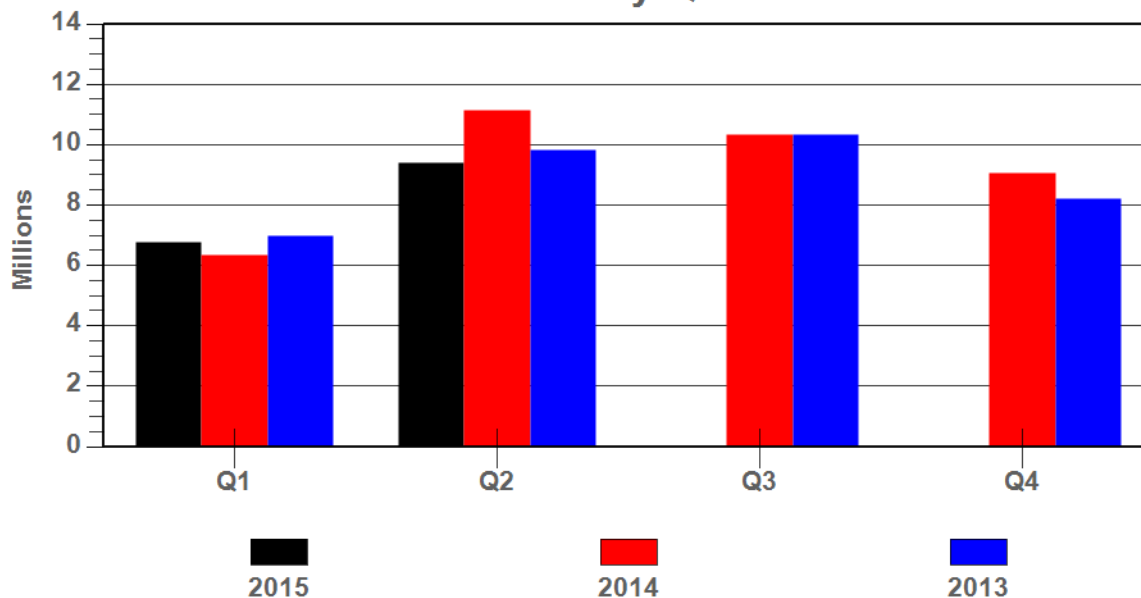
**CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION
LEVY FUND**

Block Sales Report (continued)

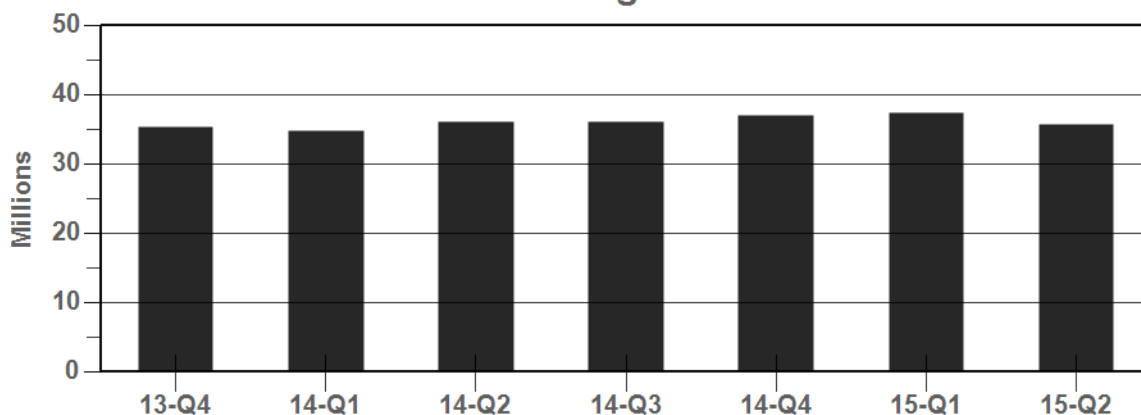
(Unaudited - See Notice to Reader)

For the three and six months ended June 30, 2015

Block Sales by Quarter



Block Sales - Trailing Twelve Months



(000's)	Q1	Q2	Q3	Q4
Quarter totals				
2015	6,766	9,389	N/A	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	N/A	N/A
2014	6,351	17,475	27,816	36,892
2013	6,995	16,816	27,144	35,342