

**CANADIAN CONCRETE MASONRY  
PRODUCERS ASSOCIATION**

**LEVY FUND**

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

**Fourth Quarter and Year ended December 31, 2011**



**CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION**  
**LEVY FUND**  
**Contents**  
**(Unaudited - See Notice to Reader)**  
**December 31, 2011**

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**DIXON, GORDON & CO. LLP**  
CHARTERED ACCOUNTANTS

January 20, 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 December 31, 2011 and the statements of revenue and expenses and changes in net assets for the year 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  
DRAFT Statement of Financial Position  
(Unaudited - See Notice to Reader)  
December 31, 2011**

	<b>December 31 2011</b>	<b>December 31 2010</b>
		(Audited)
<b>Assets</b>		
Cash (a)	<b>\$ 1,033,638</b>	\$ 397,808
Investment - Guaranteed investment certificates	<b>2,066,677</b>	2,040,059
Accrued levy fees	<b>485,848</b>	466,926
Prepaid expense	<b>202</b>	2,066
	<b>\$ 3,586,365</b>	\$ 2,906,859
<b>Liabilities</b>		
Accounts payable	<b>\$ 43,147</b>	\$ 39,152
Accrued liabilities	<b>62,878</b>	70,535
Sales tax payable	<b>45,604</b>	26,203
	<b>151,629</b>	135,890
<b>Commitments</b> (pages 7-9)		
<b>Net assets</b>		
Net assets internally restricted (page 3)	<b>3,434,736</b>	2,770,969
	<b>\$ 3,586,365</b>	\$ 2,906,859

(a) Cash balance in bank account as at December 31, 2011 was \$1,056,824.

See accompanying note

**CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION  
LEVY FUND**

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

**For the three months and year ended December 31, 2011**

	<b>Fourth Quarter</b>		<b>Total Year</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
<b>Net assets, beginning of period</b>	<b>\$ 3,282,179</b>	\$ 2,872,857	<b>\$ 2,770,969</b>	\$ 2,377,433
Excess of revenue over expenses (expenses over revenue) (page 4)	<b>152,557</b>	(101,888)	<b>663,767</b>	393,536
<b>Net assets, end of period</b>	<b>\$ 3,434,736</b>	\$ 2,770,969	<b>\$ 3,434,736</b>	\$ 2,770,969

See accompanying note

**CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION****LEVY FUND****DRAFT Statement of Revenue and Expenses****(Unaudited - See Notice to Reader)****For the three months and year ended December 31, 2011**

	<b>Fourth Quarter</b>		<b>Total Year</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
<b>Revenue</b>				
Levy fees	<b>\$ 485,848</b>	\$ 466,926	<b>\$ 1,782,923</b>	\$ 1,889,804
Interest	<b>7,634</b>	5,991	<b>28,521</b>	12,147
	<b>493,482</b>	472,917	<b>1,811,444</b>	1,901,951
<b>Expenses</b> (page 5)				
Technical programs	<b>310,049</b>	546,259	<b>960,143</b>	1,243,716
Advertising and promotion	<b>25,650</b>	18,533	<b>157,743</b>	236,989
General and administration	<b>5,226</b>	10,013	<b>29,791</b>	27,710
	<b>340,925</b>	574,805	<b>1,147,677</b>	1,508,415
<b>Excess of revenue over expenses</b>				
<b>(expenses over revenue)</b>	<b>\$ 152,557</b>	\$ (101,888)	<b>\$ 663,767</b>	\$ 393,536

See accompanying note

**CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION  
LEVY FUND**

**DRAFT Expenses**

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

**For the three months and year ended December 31, 2011**

	<b>Fourth Quarter</b>		<b>Total Year</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
<b>Technical programs</b>				
University sponsorships	\$ 135,000	\$ 46,000	\$ 260,000	\$ 252,000
Consulting fees	56,525	74,125	246,525	250,250
Design software development contribution	-	268,568	100,750	293,161
National training fund contribution	25,000	25,000	100,000	100,000
Training Centre block delivery	52,499	11,397	92,047	57,087
Masonry Design Awards	-	50,000	-	60,000
Centre for Architecture - Athabasca University	-	-	50,000	50,000
Consulting expenses	9,993	9,841	44,768	31,388
Canadian Masonry Contractors Association (CMCA) conference sponsorship	-	-	-	43,185
Wall Drainage Project (NRC)	12,402	3,147	15,390	3,147
Unit Strength Method Correlation Study	-	15,044	-	15,044
Canadian Standards Association (CSA) A165 Standard development	-	-	15,000	15,000
National Sciences and Engineering Research Council (NSERC) funding	-	15,000	-	15,000
National Research Council (NRC) research	-	-	13,590	5,600
Research equipment contribution	10,000	-	10,000	-
Cement study	-	-	-	10,000
Masonry Training Scholarships	-	10,000	-	10,000
Educational tools	5,707	12,699	8,821	22,231
Foundation Project	2,923	2,288	3,252	7,473
National Energy Code of Canada Report	-	3,150	-	3,150
	<b>\$ 310,049</b>	<b>\$ 546,259</b>	<b>\$ 960,143</b>	<b>\$ 1,243,716</b>
<b>Advertising and promotion</b>				
MasonryWorx Association fees	\$ -	\$ -	\$ 50,000	\$ 50,000
National Concrete Masonry Association fees	16,492	15,887	60,306	64,009
MasonryWorx Association sponsorship	-	-	-	25,000
North American Masonry Conference sponsorship	5,190	-	15,219	10,384
Commercial production (recovery)	-	-	-	15,000
General advertising	3,968	471	12,916	50,189
Masonry Alliance for Codes and Standards membership	-	-	12,029	12,945
Website	-	2,175	-	8,325
The Masonry Society sponsorship - North American Masonry Conference	-	-	4,880	-
The Masonry Society membership fees	-	-	1,400	-
Masonry Executives Council fees	-	-	993	1,137
	<b>\$ 25,650</b>	<b>\$ 18,533</b>	<b>\$ 157,743</b>	<b>\$ 236,989</b>

Continued on next page

See accompanying note

**CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION  
LEVY FUND**

**DRAFT Expenses (continued)**

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

**For the three months and year ended December 31, 2011**

	<b>Fourth Quarter</b>		<b>Total Year</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
<b>General and administration</b>				
Accounting and legal	\$ 5,000	\$ 9,250	\$ 23,080	\$ 24,210
Travel and meetings	-	270	5,809	1,978
Postage and courier	218	443	764	1,446
Bank charges	8	50	138	76
	<b>\$ 5,226</b>	<b>\$ 10,013</b>	<b>\$ 29,791</b>	<b>\$ 27,710</b>

See accompanying note



**CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION**  
**LEVY FUND**  
**DRAFT Note to Financial Statements**  
**Commitments**  
**(Unaudited - See Notice to Reader)**  
**December 31, 2011**

	<b>Total to 2010</b>	<b>Total 2011</b>	<b>2012</b>	<b>After 2012</b>
(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, with eight sponsorships of \$50,000 each per year for five years for a total of \$2,000,000.	\$ 502,000	\$ 260,000	\$ 638,000	\$ 400,000 in 2013 + \$150,000 in 2014 + \$50,000 in 2015
(b) Consulting fees.	250,250 for 2010	246,525	300,000	300,000 + each year after
(c) 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 + each year after
(d) 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.	775,000	100,000	100,000	100,000 + each year after
(e) Marketing of Basement CMU.	-	-	100,000	100,000 + each year after
(f) Membership dues to MasonryWorx Association, a marketing group sponsored in part by the Masonry Contractors of Metropolitan Toronto.	50,000 for 2010	50,000	75,000	75,000 + each year after
(g) Prolevy fee of 10% payable to the NCMA calculated on the levy fees that would be collected by the Association based on a 1.5 cent per unit levy.	64,009 for 2010	60,306	65,000 (i)	65,000 (i)
Subtotals continued on next page	\$ 2,002,993	\$ 817,581	\$ 1,378,000	\$ 1,140,000

**CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION****LEVY FUND****DRAFT Note to Financial Statements (continued)****Commitments****(Unaudited - See Notice to Reader)****December 31, 2011**

	<b>Total to 2010</b>	<b>Total 2010</b>	<b>2012</b>	<b>After 2012</b>
Subtotals carried forward	\$ 2,002,993	\$ 817,581	\$ 1,378,000	\$ 1,140,000
(h) Materials for Apprenticeship Training and Research for \$50,000 in 2012 and each year thereafter, with \$247,708 funded from 2008 to 2011.	155,661	92,047	50,000	50,000 + each year after
(i) Creation of the new Royal Architectural Institute of Canada (RAIC) Centre for Architecture at Athabasca University.	50,000	50,000	50,000	50,000 in both 2013 and 2014
(j) Educational tools.	82,352	8,821	-	-
(k) Wall Draining Project (NRC).	3,147	15,390	40,000	-
(l) CSA standard at \$15,000 per year for five years from 2009 to 2013.	30,000	15,000	15,000	15,000
(m) Unit Strength Method Corelation Study.	15,044	-	15,000	-
(n) National Sciences and Engineering Research Council (NSERC) funding.	15,000	-	15,000	-
(o) National Research Council (NRC) research.	71,423	13,590	-	-
(p) Masonry Alliance for Codes and Standards membership	12,945 for 2010	12,029	12,000	12,000 + each year after
(q) Research equipment contribution to British Columbia Institute of Technology.	-	10,000	-	-
(r) Masonry Training Scholarships.	10,000 for 2010	-	10,000	10,000 per year
(s) Cement study.	30,000	-	-	-
(t) Foundation Project - McMaster University.	87,232	3,252	-	-
(u) Block machine for McMaster University.	197,735	-	-	-
Subtotals continued on next page	\$ 2,763,532	\$ 1,037,710	\$ 1,585,000	\$ 1,277,000

**CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION****LEVY FUND****DRAFT Note to Financial Statements (continued)****Commitments****(Unaudited - See Notice to Reader)****December 31, 2011**

	<b>Total to 2010</b>	<b>Total 2010</b>	<b>2012</b>	<b>After 2012</b>
Subtotals carried forward	\$ 2,763,532	\$ 1,037,710	\$ 1,585,000	\$ 1,277,000
(v) Canadian Masonry Contractors Association (CMCA) fundraiser for Canadian Standards Association (CSA) standards.	93,185	-	-	-
(w) Masonry Design Awards, payable to Ontario Masonry Contractors.	71,000	-	50,000	50,000
(x) Canadian Masonry Symposium Sponsorship.	50,000	-	-	-
(y) Secondary engineering support.	38,872 for 2010	-	-	-
(z) Funding to Dr. Svetlana Brzev and Dr. Don Anderson for a Seismic Design Guide.	30,717	-	-	-
(aa) Masonry Apprenticeship Training Textbook.	25,000	-	-	-
<b>Totals</b>	<b>\$ 3,072,306</b>	<b>\$ 1,037,710</b>	<b>\$ 1,635,000</b>	<b>\$ 1,327,000</b>

(ii)

(i) Payment amount based on unit block sales.

(ii) Excluding items (a), (i), (l) and (w), each of which have a specified commitment end year, the commitment payments total to \$812,000 per year.

**CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION****LEVY FUND****Block Sales Report****(Unaudited - See Notice to Reader)****For the three months and year ended December 31, 2011**

	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>
<b>BLOCK SALES</b>				
<b>Quarter totals</b>				
Standard	5,352,189	7,508,931	8,051,578	6,673,855
Lightweight	2,362,596	2,821,552	2,431,963	2,654,116
Architectural	324,753	691,112	658,599	672,750
Total	8,039,538	11,021,595	11,142,140	10,000,721

**Year-to-date totals**

Standard	5,352,189	12,861,120	20,912,698	27,586,553
Lightweight	2,362,596	5,184,148	7,616,111	10,270,227
Architectural	324,753	1,015,865	1,674,464	2,347,214
Total	8,039,538	19,061,133	30,203,273	40,203,994

**LEVY FEES****(1)****Quarter totals**

Gross amount	\$ 398,903	\$ 544,800	\$ 549,126	\$ 491,114
Less: Administration	(40,198)	(55,108)	(55,710)	(50,004)
Net Levy fees	\$ 358,705	\$ 489,692	\$ 493,416	\$ 441,110

**Year-to-date totals**

Gross amount	\$ 398,903	\$ 943,703	\$ 1,492,829	\$ 1,983,943
Less: Administration	(40,198)	(95,306)	(151,016)	(201,020)
Net Levy fees	\$ 358,705	\$ 848,397	\$ 1,341,813	\$ 1,782,923

(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.

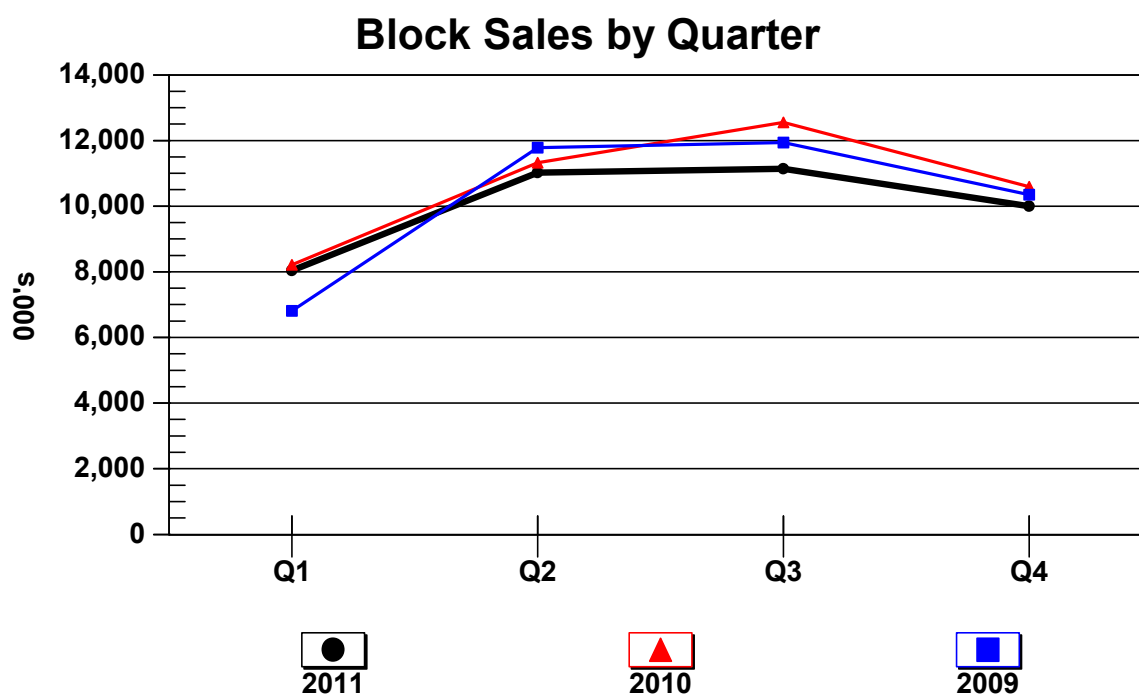
# CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION

## LEVY FUND

### Block Sales Report (continued)

(Unaudited - See Notice to Reader)

For the three months and year ended December 31, 2011



(000's)	Q1	Q2	Q3	Q4
<b>Quarter totals</b>				
2011	8,040	11,021	11,142	10,001
2010	8,214	11,319	12,548	10,592
2009	6,810	11,783	11,938	10,353
<b>Year-to-date totals</b>				
2011	8,040	19,061	30,203	40,204
2010	8,214	19,533	32,081	42,673
2009	6,810	18,593	30,531	40,884