

**CANADIAN CONCRETE MASONRY
PRODUCERS ASSOCIATION
LEVY FUND**

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

Third Quarter ended September 30, 2013



**CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION
LEVY FUND
Contents
(Unaudited - See Notice to Reader)
September 30, 2013**

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DIXON, GORDON & CO. LLP

Chartered Accountants

Business Advisors

November 19, 2013

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, 2013 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, 2013**

	September 30 2013	December 31 2012	September 30 2012
		(Audited)	
Assets			
Cash (a)	\$ 1,228,943	\$ 1,277,901	\$ 1,260,816
Investment - Guaranteed investment certificates	2,116,078	2,095,917	2,088,328
Accrued levy fees	426,031	409,669	458,510
Prepaid expense	1,400	279	50
	\$ 3,772,452	\$ 3,783,766	\$ 3,807,704
Liabilities			
Accounts payable and accrued liabilities	\$ 52,873	\$ 157,721	\$ 62,937
Sales tax payable	36,735	30,185	50,080
	89,608	187,906	113,017
Commitments (pages 7-10)			
Net assets			
Net assets internally restricted (page 3)	3,682,844	3,595,860	3,694,687
	\$ 3,772,452	\$ 3,783,766	\$ 3,807,704

(a) Cash balance in bank account as at September 30, 2013 was \$1,112,249.

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, 2013

	Third Quarter		Year-to-date	
	2013	2012	2013	2012
Net assets, beginning of period	\$ 3,459,936	\$ 3,367,378	\$ 3,595,860	\$ 3,412,341
Excess of revenue over expenses (page 4)	222,908	327,309	86,984	282,346
Net assets, end of period	\$ 3,682,844	\$ 3,694,687	\$ 3,682,844	\$ 3,694,687

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, 2013

	Third Quarter		Year-to-date	
	2013	2012	2013	2012
Revenue				
Levy fees	\$ 456,102	\$ 456,103	\$ 1,203,996	\$ 1,296,462
Interest income	6,502	8,049	21,425	23,018
	462,604	464,152	1,225,421	1,319,480
Expenses (page 5)				
Technical programs	81,781	105,196	749,276	829,585
Advertising and promotion	82,581	23,265	302,667	184,591
General and administration	75,334	8,382	86,494	22,958
	239,696	136,843	1,138,437	1,037,134
Excess of revenue over expenses	\$ 222,908	\$ 327,309	\$ 86,984	\$ 282,346

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, 2013

	Third Quarter		Year-to-date	
	2013	2012	2013	2012
Technical programs				
University sponsorships	\$ 31,000	\$ 15,000	\$ 241,000	\$ 176,000
Design software support contribution	-	-	100,000	100,000
Consulting fees	19,631	45,975	99,844	170,500
Training Centre contribution	25,000	25,000	75,000	75,000
Masonry Design Awards	-	10,000	50,000	60,000
Centre for Architecture - Athabasca University	-	-	50,000	50,000
Canadian Masonry Research Council funding	-	-	50,000	-
Training Centre block delivery	1,150	5,484	23,879	47,222
Canadian Standards Association (CSA) A165 Standard development	-	-	15,000	15,000
Wall Drainage Project (NRC)	-	-	-	12,042
Development of Canadian Framework and Guide	-	-	10,000	-
Masonry Training Scholarships	-	-	-	10,000
Canadian Masonry Contractors Association (CMCA) conference sponsorship	-	-	-	10,000
SMART/dynamics of masonry subscriptions	-	-	9,737	-
Educational tools	-	-	5,851	3,036
Consulting expenses	-	1,293	5,079	20,679
Converge 2013 Forum sponsorship	5,000	-	5,000	-
Development of the National Building Code Canada (NBCC) - sound analysis	-	-	4,286	73,599
Foundation Project	-	2,444	3,927	4,307
National Research Council (NRC) research	-	-	410	-
Leadership in Energy and Environmental Design (LEED) standards development	-	-	263	2,200
	\$ 81,781	\$ 105,196	\$ 749,276	\$ 829,585
Advertising and promotion				
Advertisement - Fire and building code changes	\$ 44,371	\$ -	\$ 116,125	\$ -
MasonryWorx Association fees	-	-	50,000	50,000
Commercial production	13,750	-	41,250	-
National Concrete Masonry Association fees	13,206	15,483	38,431	43,719
General advertising	11,254	6,000	29,502	46,092
MasonryWorx Association sponsorship	-	-	-	25,000
Masonry Alliance for Codes and Standards membership	-	-	12,523	12,304
Industry lobbying	-	-	10,000	-
North American Masonry Conference sponsorship	-	1,782	-	6,141
Website	-	-	2,250	375
The Masonry Society membership fees	-	-	1,546	960
Masonry Executives Council fees	-	-	1,040	-
	\$ 82,581	\$ 23,265	\$ 302,667	\$ 184,591

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, 2013

	Third Quarter		Year-to-date	
	2013	2012	2013	2012
General and administration				
Bad debts	\$ 68,572	\$ -	\$ 68,572	\$ -
Accounting and legal	6,380	5,660	17,180	16,860
Postage and courier	102	206	353	470
Travel and meetings	271	2,514	344	5,590
Bank charges	9	2	45	38
	\$ 75,334	\$ 8,382	\$ 86,494	\$ 22,958

See accompanying note

CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION

LEVY FUND

Note to Financial Statements

Commitments

(Unaudited - See Notice to Reader)

September 30, 2013

	Total to 2012	Forecast 2013		Total 2013	2014	(1) 2015
		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.	\$ 988,000	\$ 241,000	\$ 159,000 (2)	\$ 400,000 (2)	\$ 400,000 (2)	\$ 212,000 (2)
(b) Consulting fees.	235,000 for 2012	99,844	50,156	150,000	100,000	100,000 + 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.	100,000 for 2012	100,000	-	100,000	100,000	100,000 + each year after
(d) Ontario Masonry Training Centre (OMTC) for \$100,000 in 2013 and each year thereafter in addition to \$975,000 funded over six years to 2012.	975,000	75,000	25,000	100,000	100,000	100,000 + each year after
(e) Marketing of Concrete Masonry Unit (CMU).	-	-	100,000	100,000	100,000	100,000 + each year after
(f) Canadian Masonry Research Council funding.	-	50,000	50,000	100,000	100,000	-
(g) Secondary engineering support.	-	-	100,000	100,000	100,000	100,000 + each year after
Subtotals continued on next page	\$ 2,659,734	\$ 565,844	\$ 484,156	\$ 1,050,000	\$ 1,000,000	\$ 712,000

CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION

LEVY FUND

Note to Financial Statements (continued)

Commitments

(Unaudited - See Notice to Reader)

September 30, 2013

	Total to 2012	Forecast 2013		Total 2013	2014	(1) 2015
		Actual Q3 YTD	Forecast Q4			
Subtotals carried forward	\$ 2,659,734	\$ 565,844	\$ 484,156	\$ 1,050,000	\$ 1,000,000	\$ 712,000
(h) Membership dues of \$50,000 per year and sponsorships of \$25,000 (also in 2010 and 2012) to MasonryWorx Association, a marketing group sponsored in part by the Masonry Contractors of Metropolitan Toronto.	75,000 for 2012	50,000	25,000	75,000	50,000	50,000 + each year after
(i) Materials for Apprenticeship Training and Research for \$75,000 in 2013 and each year thereafter, with \$326,137 funded in 2008-12.	326,137	23,879	51,121	75,000	75,000	75,000 + each year after
(j) 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.	166,643	4,286	15,714	20,000	88,000	-
(k) 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.	57,901 for 2012	38,431	16,569	55,000	55,000 (3)	55,000 (3)
(l) Masonry Design Awards, payable to Ontario Masonry Contractors.	60,000 for 2012	50,000	-	50,000	-	-
(m) Creation of the new Royal Architectural Institute of Canada (RAIC) Centre for Architecture at Athabasca University.	150,000	50,000	-	50,000	50,000	-
(n) Canadian Masonry Symposium, in addition to \$50,000 funded in 2009.	-	-	50,000	50,000	-	-
(o) Altus/MasonryWorx wall costs study.	17,500	-	17,500	17,500	-	-
Subtotals continued on next page	\$ 3,512,915	\$ 782,440	\$ 660,060	\$ 1,442,500	\$ 1,318,000	\$ 892,000

CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION

LEVY FUND

Note to Financial Statements (continued)

Commitments

(Unaudited - See Notice to Reader)

September 30, 2013

	Total to 2012	Forecast 2013		Total 2013	2014	(1) 2015
		Actual Q3 YTD	Forecast Q4			
Subtotals carried forward	\$ 3,512,915	\$ 782,440	\$ 660,060	\$ 1,442,500	\$ 1,318,000	\$ 892,000
(p) CSA standard at \$15,000 per year for five years from 2009 to 2013.	60,000	15,000	-	15,000	-	-
(q) Unit Strength Method Correlation Study.	15,044	-	15,000	15,000	-	-
(r) Masonry Alliance for Codes and Standards membership. for 2012	12,304	12,523	-	12,523	12,000	12,000 + each year after
(s) Wall Draining Project (NRC).	42,537	-	11,000	11,000	-	-
(t) Masonry Training Scholarships. for 2012	10,000	-	10,000	10,000	10,000	-
(u) Canadian Masonry Contractors Association (CMCA) conference sponsorship.	118,185	-	10,000	10,000	10,000	-
(v) Development of Canadian Framework and Guide regarding Apparent Sound Insulation in Construction - Phase 1 (2012) and Phase 2 (2013).	10,000	10,000	-	10,000	-	-
(w) Single Wythe energy study.	-	-	10,000	10,000	-	-
(x) SMART/dynamics of masonry subscriptions.	-	9,737	-	9,737	10,000	-
(y) Educational tools.	100,033	5,851	-	5,851	-	-
(z) Converge 2013 Forum sponsorship.	-	5,000	-	5,000	5,000	5,000
(aa) Foundation Project - McMaster University.	94,791	3,927	-	3,927	-	-
(ab) National Research Council (NRC) research.	85,013	410	-	410	-	-
Subtotals continued on next page	\$ 4,060,822	\$ 844,888	\$ 716,060	\$ 1,560,948	\$ 1,365,000	\$ 909,000

CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION

LEVY FUND

Note to Financial Statements (continued)

Commitments

(Unaudited - See Notice to Reader)

September 30, 2013

	Total to 2012	Forecast 2013		Total 2013	2014	(1) 2015
		Actual Q3 YTD	Forecast Q4			
Subtotals carried forward	\$ 4,060,822	\$ 844,888	\$ 716,060	\$ 1,560,948	\$ 1,365,000	\$ 909,000
(ac) Leadership in Energy and Environmental Design (LEED) standards development.	2,200	263	-	263	-	-
(ad) Block machine for McMaster University.	197,735	-	-	-	-	-
(ae) Funding to Dr. Svetlana Brzev and Dr. Don Anderson for a Seismic Design Guide.	30,717	-	-	-	-	-
(af) Cement study.	30,000	-	-	-	-	-
(ag) Masonry Apprenticeship Training Textbook.	25,000	-	-	-	-	-
(ah) National Sciences and Engineering Research Council (NSERC) funding.	15,000	-	-	-	-	-
(ai) Research equipment contribution to British Columbia Institute of Technology.	10,000	-	-	-	-	-
Totals	\$ 4,371,474	\$ 845,151	\$ 716,060	\$ 1,561,211	\$ 1,365,000	\$ 909,000

(1)

(1) Annual totals after 2015:

2016 \$692,000

2017 and each year thereafter \$692,000

(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, 2013**

	Q1	Q2	Q3
BLOCK SALES			
Quarter totals			
Standard	4,790,023	7,100,391	7,638,378
Lightweight	1,890,128	2,218,298	1,972,819
Architectural	315,324	502,327	716,758
Total	6,995,475	9,821,016	10,327,955
Year-to-date totals			
Standard	4,790,023	11,890,414	19,528,792
Lightweight	1,890,128	4,108,426	6,081,245
Architectural	315,324	817,651	1,534,409
Total	6,995,475	16,816,491	27,144,446
LEVY FEES			
	(1)		
Quarter totals			
Gross amount	\$ 345,035	\$ 486,942	\$ 507,741
Less: Administration	(34,977)	(49,106)	(51,639)
Net Levy fees	\$ 310,058	\$ 437,836	\$ 456,102
Year-to-date totals			
Gross amount	\$ 345,035	\$ 831,977	\$ 1,339,718
Less: Administration	(34,977)	(84,083)	(135,722)
Net Levy fees	\$ 310,058	\$ 747,894	\$ 1,203,996

(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.

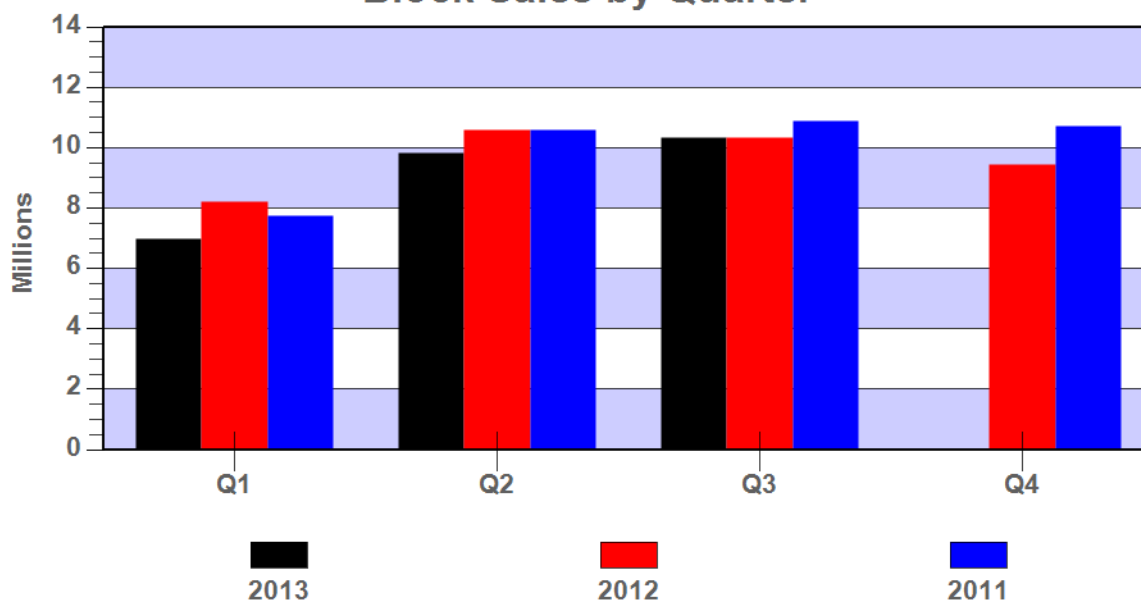
**CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION
LEVY FUND**

Block Sales Report (continued)

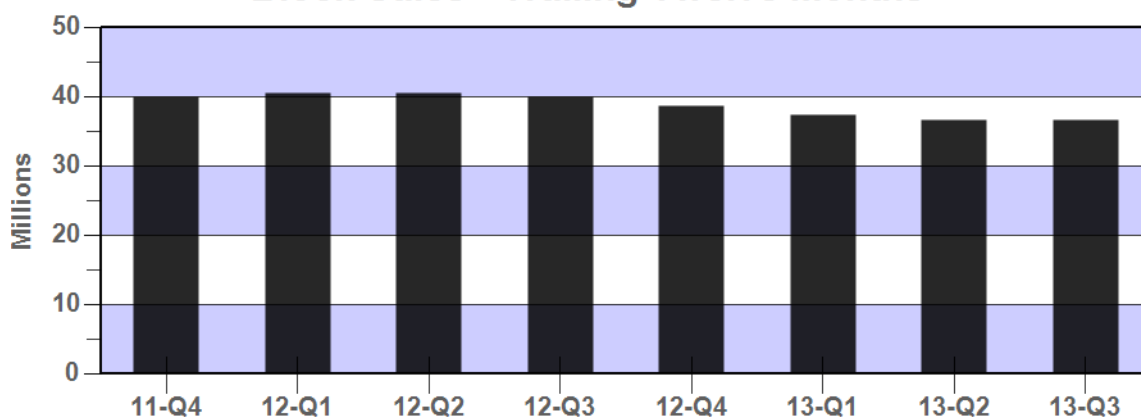
(Unaudited - See Notice to Reader)

For the three and nine months ended September 30, 2013

Block Sales by Quarter



Block Sales - Trailing Twelve Months



(000's)	Q1	Q2	Q3	Q4
Quarter totals				
2013	6,995	9,821	10,328	N/A
2012	8,229	10,595	10,322	9,455
2011	7,730	10,578	10,901	10,710
Year-to-date totals				
2013	6,995	16,816	27,144	N/A
2012	8,229	18,824	29,146	38,601
2011	7,730	18,308	29,209	39,919