

**CANADIAN CONCRETE MASONRY
PRODUCERS ASSOCIATION
LEVY FUND**

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

Third Quarter ended September 30, 2014



**CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION
LEVY FUND
Contents
(Unaudited - See Notice to Reader)
September 30, 2014**

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DIXON, GORDON & CO. LLP

Chartered Accountants

Business Advisors

November 14, 2014

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, 2014 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 PROFESSIONAL ACCOUNTANTS, Licensed Public Accountants
Toronto, Canada

**CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION
LEVY FUND**

**Statement of Financial Position
(Unaudited - See Notice to Reader)
September 30, 2014**

	September 30 2014	December 31 2013	September 30 2013
		(Audited)	
Assets			
Cash (a)	\$ 1,451,477	\$ 1,370,845	\$ 1,228,943
Investments, comprising guaranteed investment certificates and high-interest savings account deposits	2,139,645	2,122,185	2,116,078
Accrued levy fees	464,262	358,867	426,031
Accounts receivable	-	53,997	-
Prepaid expense	-	1,400	1,400
	\$ 4,055,384	\$ 3,907,294	\$ 3,772,452
Liabilities			
Accounts payable and accrued liabilities	\$ 40,827	\$ 188,035	\$ 52,873
Sales tax payable	36,752	23,439	36,735
	77,579	211,474	89,608
Commitments (pages 7-10)			
Net assets			
Net assets internally restricted (page 3)	3,977,805	3,695,820	3,682,844
	\$ 4,055,384	\$ 3,907,294	\$ 3,772,452

(a) Cash balance in bank account as at September 30, 2014 was \$1,379,673.

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, 2014

	Third Quarter		Year-to-date	
	2014	2013	2014	2013
Net assets, beginning of period	\$ 3,791,519	\$ 3,459,936	\$ 3,695,820	\$ 3,595,860
Excess of revenue over expenses (page 4)	186,286	222,908	281,985	86,984
Net assets, end of period	\$ 3,977,805	\$ 3,682,844	\$ 3,977,805	\$ 3,682,844

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, 2014

	Third Quarter		Year-to-date	
	2014	2013	2014	2013
Revenue				
Levy fees	\$ 464,262	\$ 456,102	\$ 1,240,079	\$ 1,203,996
Interest income	6,853	6,502	18,638	21,425
	471,115	462,604	1,258,717	1,225,421
Expenses (pages 5-6)				
Technical programs	258,046	81,781	735,129	749,276
Advertising and promotion	19,936	82,581	221,341	302,667
General and administration	6,847	75,334	20,262	86,494
	284,829	239,696	976,732	1,138,437
Excess of revenue over expenses	\$ 186,286	\$ 222,908	\$ 281,985	\$ 86,984

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, 2014

	Third Quarter		Year-to-date	
	2014	2013	2014	2013
Technical programs				
University sponsorships	\$ 25,000	\$ 31,000	\$ 125,000	\$ 241,000
Consulting fees	35,606	19,631	116,982	99,844
Development of the National Building Code Canada (NBCC) - sound analysis	75,000	-	114,367	4,286
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
Masonry Design Awards	10,000	-	22,200	50,000
Centre for Architecture - Athabasca University	-	-	-	50,000
Training Centre block delivery	6,239	1,150	41,245	23,879
Consulting expenses	-	-	31,311	5,079
Canadian Masonry Contractors Association (CMCA) conference sponsorship	-	-	20,000	-
Canadian Standards Association (CSA) A165 Standard development	-	-	-	15,000
Single Wythe energy study	12,990	-	12,990	-
Development of Canadian Framework and Guide	10,000	-	10,000	10,000
SMART/dynamics of masonry subscriptions	8,211	-	8,211	9,737
Wall Drainage Project (NRC)	-	-	6,823	-
Educational tools	-	-	-	5,851
Converge 2013 Forum sponsorship	-	5,000	-	5,000
Foundation Project	-	-	1,000	3,927
National Research Council (NRC) research	-	-	-	410
Leadership in Energy and Environmental Design (LEED) standards development	-	-	-	263
	\$ 258,046	\$ 81,781	\$ 735,129	\$ 749,276
Advertising and promotion				
Advertisement - Fire and building code changes	\$ -	\$ 44,371	\$ 102,612	\$ 116,125
MasonryWorx Association fees	-	-	50,000	50,000
National Concrete Masonry Association fees	15,511	13,206	41,723	38,431
Commercial production	-	13,750	-	41,250
General advertising	4,425	11,254	10,322	29,502
Masonry Alliance for Codes and Standards membership	-	-	13,804	12,523
Industry lobbying	-	-	-	10,000
Website	-	-	30	2,250
The Masonry Society membership fees	-	-	1,710	1,546
Masonry Executives Council fees	-	-	1,140	1,040
	\$ 19,936	\$ 82,581	\$ 221,341	\$ 302,667

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, 2014

	Third Quarter		Year-to-date	
	2014	2013	2014	2013
General and administration				
Bad debts	\$ -	\$ 68,572	\$ -	\$ 68,572
Accounting and legal	6,631	6,380	18,391	17,180
Travel and meetings	100	271	1,500	344
Postage and courier	94	102	288	353
Bank charges	22	9	83	45
	\$ 6,847	\$ 75,334	\$ 20,262	\$ 86,494

See accompanying note

CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION

LEVY FUND

Note to Financial Statements

Commitments

(Unaudited - See Notice to Reader)

September 30, 2014

	Total to 2013	Forecast 2014		Total 2014	2015	(1) 2016
		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 and University of Saskatchewan, for a total of \$2,000,000 over the years 2009 to 2016.	\$ 1,279,000	\$ 125,000	\$ 39,000 (2)	\$ 164,000 (2)	\$ 307,000 (2)	\$ 250,000
(b) Consulting fees.	145,317 for 2013	116,982	33,018	150,000	150,000	150,000 + 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.	170,929	114,367	633	115,000	80,000	-
(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.	100,000 for 2013	100,000	-	100,000	100,000	100,000 + each year after
(e) Ontario Masonry Training Centre (OMTC) for \$100,000 in 2014 and each year thereafter in addition to \$1,075,000 funded over seven years to 2013.	1,075,000	75,000	25,000	100,000	100,000	100,000 + each year after
(f) Marketing of Concrete Masonry Unit (CMU).	-	-	100,000	100,000	100,000	100,000 + each year after
Subtotals continued on next page	\$ 3,131,980	\$ 531,349	\$ 197,651	\$ 729,000	\$ 837,000	\$ 700,000

CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION

LEVY FUND

Note to Financial Statements (continued)

Commitments

(Unaudited - See Notice to Reader)

September 30, 2014

	Total to 2013	Forecast 2014		Total 2014	2015	(1) 2016
		Actual Q3 YTD	Forecast Q4			
Subtotals carried forward	\$ 3,131,980	\$ 531,349	\$ 197,651	\$ 729,000	\$ 837,000	\$ 700,000
(g) Canadian Masonry Research Council funding.	100,000 for 2013	50,000	50,000	100,000	100,000	100,000
(h) Materials for Apprenticeship Training and Research.	392,800	41,245	33,755	75,000	75,000	75,000 + 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.	50,727 for 2013	41,723	13,277	55,000	55,000 (3)	55,000 (3)
(j) Secondary engineering support.	-	-	50,000	50,000	50,000	50,000 + each year after
(k) Membership dues of \$50,000 per year and sponsorships of \$25,000 in 2010 and 2012 to MasonryWorx Association, a marketing group sponsored in part by the Masonry Contractors of Metropolitan Toronto.	50,000 for 2013	50,000	-	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.	200,000	-	50,000	50,000	-	-
(m) Canadian Masonry Contractors Association (CMCA) conference sponsorship.	118,185	20,000	-	20,000	-	-
(n) Masonry Alliance for Codes and Standards membership.	12,523 for 2013	13,804	-	13,804	13,800	13,800 + each year after
(o) Single Wythe energy study.	-	12,990	-	12,990	-	-
Subtotals continued on next page	\$ 4,056,215	\$ 761,111	\$ 394,683	\$ 1,155,794	\$ 1,180,800	\$ 1,043,800

CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION

LEVY FUND

Note to Financial Statements (continued)

Commitments

(Unaudited - See Notice to Reader)

September 30, 2014

	Total to 2013	Forecast 2014		Total 2014	2015	(1) 2016
		Actual Q3 YTD	Forecast Q4			
Subtotals carried forward	\$ 4,056,215	\$ 761,111	\$ 394,683	\$ 1,155,794	\$ 1,180,800	\$ 1,043,800
(p) Masonry Design Awards.	110,000	22,200	-	22,200	-	-
	for 2012-13					
(q) CSA standard at \$15,000 per year for five years from 2009 to 2013, plus \$12,000 for purchase in 2014 facilitating distribution to members.	75,000	-	12,000	12,000	-	-
(r) Masonry Training Scholarships.	10,000	-	10,000	10,000	10,000	10,000
	for 2013					
(s) SMART/dynamics of masonry subscriptions.	9,737	8,211	1,789	10,000	-	-
	for 2013					
(t) Development of Canadian Framework and Guide regarding Apparent Sound Insulation in Construction - Phases 1 and 2.	20,000	10,000	-	10,000	-	-
(u) Wall Draining Project (NRC).	55,395	6,823	-	6,823	-	-
(v) Converge 2014 Forum sponsorship.	5,000	-	5,000	5,000	5,000	-
	for 2013					
(w) Foundation Project - McMaster University.	99,763	1,000	-	1,000	-	-
(x) Block machine for McMaster University.	197,735	-	-	-	-	-
(y) Educational tools.	105,884	-	-	-	-	-
(z) National Research Council (NRC) research.	85,423	-	-	-	-	-
(aa) Canadian Masonry Symposium, in addition to \$50,000 funded in 2009.	50,000	-	-	-	-	-
(ab) Funding to Dr. Svetlana Brzev and Dr. Don Anderson for a Seismic Design Guide.	30,717	-	-	-	-	-
Subtotals continued on next page	\$ 4,910,869	\$ 809,345	\$ 423,472	\$ 1,232,817	\$ 1,195,800	\$ 1,053,800

**CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION
LEVY FUND
Note to Financial Statements (continued)
Commitments
(Unaudited - See Notice to Reader)
September 30, 2014**

	Total to 2013	Forecast 2014		Total 2014	2015	(1) 2016
		Actual Q3 YTD	Forecast Q4			
Subtotals carried forward	\$ 4,910,869	\$ 809,345	\$ 423,472	\$ 1,232,817	\$ 1,195,800	\$ 1,053,800
(ac) Cement study.	30,000	-	-	-	-	-
(ad) Masonry Apprenticeship Training Textbook.	25,000	-	-	-	-	-
(ae) Altus/MasonryWorx wall costs study.	17,500	-	-	-	-	-
(af) Unit Strength Method Correlation Study.	15,044	-	-	-	-	-
(ag) National Sciences and Engineering Research Council (NSERC) funding.	15,000	-	-	-	-	-
(ah) Research equipment contribution to British Columbia Institute of Technology.	10,000	-	-	-	-	-
(ai) Leadership in Energy and Environmental Design (LEED) standards development.	2,463	-	-	-	-	-
Totals	\$ 5,025,876	\$ 809,345	\$ 423,472	\$ 1,232,817	\$ 1,195,800	\$ 1,053,800

(1) Annual totals after 2016:

2017 \$693,800

2018 and each year thereafter \$693,800

(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, 2014**

	Q1	Q2	Q3
BLOCK SALES			
Quarter totals			
Standard	4,623,162	8,028,027	7,386,180
Lightweight	1,508,697	2,537,499	2,500,932
Architectural	219,177	558,003	453,895
Total	6,351,036	11,123,529	10,341,007
Year-to-date totals			
Standard	4,623,162	12,651,189	20,037,369
Lightweight	1,508,697	4,046,196	6,547,128
Architectural	219,177	777,180	1,231,075
Total	6,351,036	17,474,565	27,815,572
LEVY FEES			
	(1)		
Quarter totals			
Gross amount	\$ 315,109	\$ 548,081	\$ 515,967
Less: Administration	(31,755)	(55,618)	(51,705)
Net Levy fees	\$ 283,354	\$ 492,463	\$ 464,262
Year-to-date totals			
Gross amount	\$ 315,109	\$ 863,190	\$ 1,379,157
Less: Administration	(31,755)	(87,373)	(139,078)
Net Levy fees	\$ 283,354	\$ 775,817	\$ 1,240,079

(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.

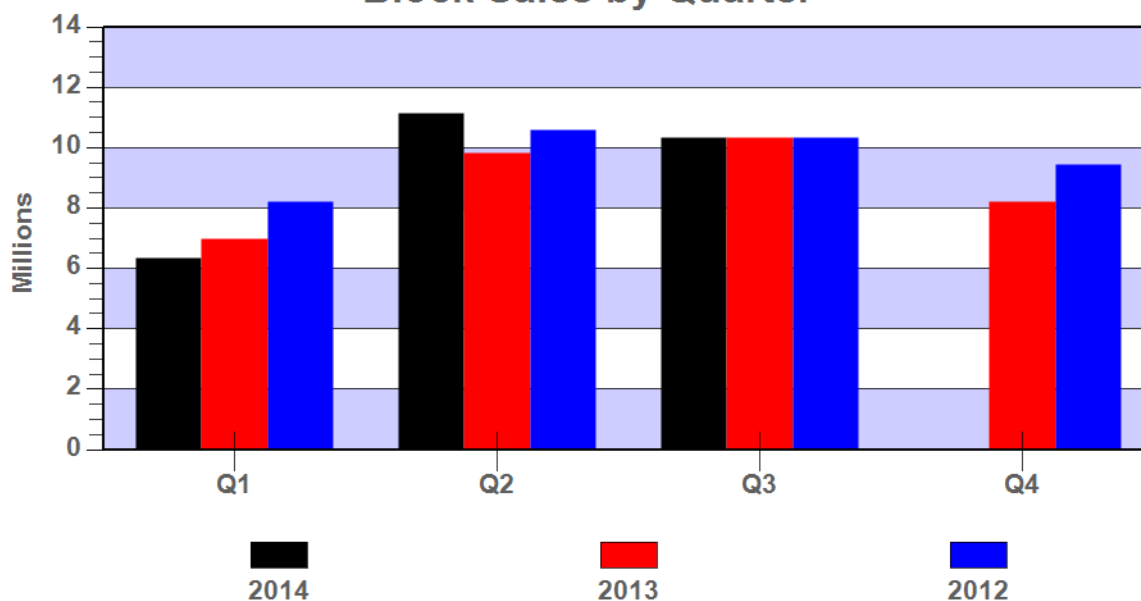
**CANADIAN CONCRETE MASONRY PRODUCERS ASSOCIATION
LEVY FUND**

Block Sales Report (continued)

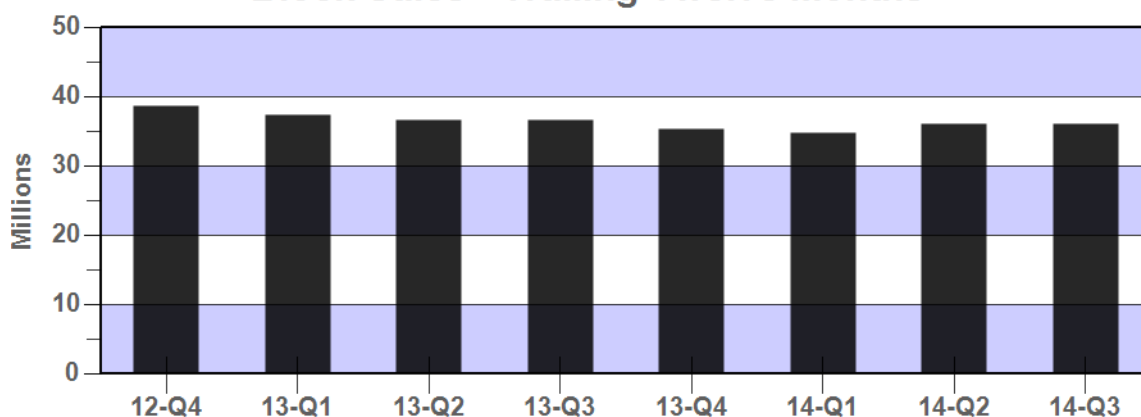
(Unaudited - See Notice to Reader)

For the three and nine months ended September 30, 2014

Block Sales by Quarter



Block Sales - Trailing Twelve Months



(000's)	Q1	Q2	Q3	Q4
Quarter totals				
2014	6,351	11,124	10,341	N/A
2013	6,995	9,821	10,328	8,198
2012	8,229	10,595	10,322	9,455
Year-to-date totals				
2014	6,351	17,475	27,816	N/A
2013	6,995	16,816	27,144	35,342
2012	8,229	18,824	29,146	38,601