

**CANADIAN CONCRETE MASONRY  
PRODUCERS' ASSOCIATION  
LEVY FUND**

**Financial Statements  
(Unaudited - See Notice to Reader)  
First Quarter ended March 31, 2018**



**CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION  
LEVY FUND  
Contents  
(Unaudited - See Notice to Reader)  
March 31, 2018**

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**DIXON, GORDON & CO. LLP**  
Chartered Professional Accountants  
Business Advisors

## 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 March 31, 2018 and the statements of revenue and expenses and changes in net assets for the three 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.

*Dixon, Gordon + Co. LLP*

CHARTERED PROFESSIONAL ACCOUNTANTS, Licensed Public Accountants  
Toronto, Canada  
May 3, 2018

**CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION  
LEVY FUND  
Statement of Financial Position  
(Unaudited - See Notice to Reader)  
March 31, 2018**

	<b>March 31 2018</b>	<b>December 31 2017</b>	<b>March 31 2017</b>
		(Audited)	
<b>Assets</b>			
Cash and high-interest savings account deposits	<b>\$ 4,466,911</b>	\$ 4,367,556	\$ 4,351,347
Accrued levy fees	<b>337,917</b>	381,960	322,321
Prepaid expense	-	72,279	-
Accounts receivable	<b>16,393</b>	24,115	19,773
	<b>\$ 4,821,221</b>	\$ 4,845,910	\$ 4,693,441
<b>Liabilities</b>			
Accounts payable and accrued liabilities	<b>\$ 147,572</b>	\$ 114,707	\$ 120,632
Sales tax payable	<b>23,221</b>	30,645	13,055
	<b>170,793</b>	145,352	133,687
<b>Projects in-progress</b> (pages 6-9)			
<b>Net assets</b>			
Net assets internally restricted (page 3)	<b>4,650,428</b>	4,700,558	4,559,754
	<b>\$ 4,821,221</b>	\$ 4,845,910	\$ 4,693,441

(a) Cash balance in bank account and high-interest savings account as at March 31, 2018 was \$4,477,656.

See accompanying note

**CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION  
LEVY FUND**

**Statement of Changes in Net Assets**

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

**For the three months ended March 31, 2018**

	<b>Year-to-date</b>	
	<b>2018</b>	<b>2017</b>
<b>Net assets, beginning of period</b>	<b>\$ 4,700,558</b>	\$ 4,702,577
<b>Excess of expenses over revenue (page 4)</b>	<b>(50,130)</b>	(142,824)
<b>Net assets, end of period</b>	<b>\$ 4,650,428</b>	\$ 4,559,754

See accompanying note

**CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION  
LEVY FUND**

**Statement of Revenue and Expenses**

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

**For the three months ended March 31, 2018**

	<b>Year-to-date</b>	
	<b>2018</b>	<b>2017</b>
<b>Revenue</b>		
Levy fees	\$ 337,917	\$ 318,740
Interest income	5,632	4,195
	<b>343,549</b>	322,935
<b>Expenses (page 5)</b>		
Technical programs	287,124	357,692
Advertising and promotion	100,200	101,783
General and administration	6,355	6,284
	<b>393,679</b>	465,759
<b>Excess of expenses over revenue</b>	\$ (50,130)	\$ (142,824)

See accompanying note

**CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION  
LEVY FUND**

**Expenses**

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

**For the three months ended March 31, 2018**

	Year-to-date	
	2018	2017
<b>Technical programs</b>		
Design software support contribution	\$ 100,000	\$ 100,000
Consulting fees	55,069	46,100
Canadian Masonry Symposium sponsorship	-	50,000
Training Centre block delivery	26,667	29,873
National training fund contribution	25,000	25,000
University sponsorships	25,000	25,000
Seismic Design Guide	25,000	-
Canadian Masonry Contractors Association (CMCA) conference sponsorship	20,000	24,000
Apprenticeship Training Textbook	-	20,588
Thermal Performance Guide	-	16,000
Development of the National Building Code Canada (NBCC) - sound analysis	-	15,500
Masonry Design Awards	10,000	-
SMART/dynamics of masonry subscriptions	-	3,391
Consulting expenses	388	2,240
	<b>\$ 287,124</b>	<b>\$ 357,692</b>
<b>Advertising and promotion</b>		
MasonryWorx Association membership fees	\$ 50,000	\$ 50,000
Masonry Alliance for Codes and Standards membership and contribution	22,279	17,007
Cement Association of Canada - Seminar series sponsorship	-	18,166
National Concrete Masonry Association fees	11,264	10,625
Advertising and marketing programs	6,440	171
L'Association des Entrepreneurs en Maçonnerie du Québec (AEMQ) sponsorship	4,949	-
Advertisement - Fire and building code	4,314	-
Website and social media	954	2,360
The Masonry Society membership fees	-	2,051
Masonry Executives Council fees	-	1,403
	<b>\$ 100,200</b>	<b>\$ 101,783</b>
<b>General and administration</b>		
Accounting and legal	\$ 6,300	\$ 6,055
Bank charges	6	171
Postage and courier	49	58
	<b>\$ 6,355</b>	<b>\$ 6,284</b>

See accompanying note

# CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION

## LEVY FUND

### Note to Financial Statements

#### Projects in-progress

(Unaudited - See Notice to Reader)

March 31, 2018

	Total to 2017	Forecast 2018		Total 2018	Expected Expenditures	
		Actual Q1	Q2-Q4		2019	2020
(a) Consulting fees.	\$ 259,313 for 2017	\$ 55,069	\$ 194,931	\$ 250,000	\$ 250,000	\$ 250,000 + each year after
(b) 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, University of Waterloo, Carleton University and York University, for a total of \$3,000,000 from 2009 to 2020.	2,098,250	25,000	236,750	261,750	270,000	270,000 + \$50,000 in 2021 and 2022
(c) Materials for apprenticeship training and research.	785,667	26,667	123,333	150,000	150,000	150,000 + each year after
(d) Advertising and marketing programs.	51,439 for 2017	6,440	143,560	150,000	150,000	150,000 + each year after
(e) Membership dues of \$50,000 per year to MasonryWorx Association, a marketing group sponsored in part by the Masonry Contractors of Metropolitan Toronto, and an additional contribution of \$75,000 in 2018.	50,000 for 2017	50,000	75,000	125,000	50,000	50,000 + each year after
(f) 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 2017	100,000	-	100,000	100,000	100,000 + each year after
(g) Canadian Masonry Research Council funding.	100,000 for 2017	-	100,000	100,000	100,000	100,000 + each year after
Subtotals continued on next page	\$ 3,806,403	\$ 263,176	\$ 873,574	\$ 1,136,750	\$ 1,070,000	\$ 1,070,000



# CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION

## LEVY FUND

Note to Financial Statements (continued)

Projects in-progress

(Unaudited - See Notice to Reader)

March 31, 2018

	Total to 2017	Forecast 2018		Total 2018	Expected Expenditures	
		Actual Q1	Q2-Q4		2019	2020
Subtotals carried forward	\$ 3,806,403	\$ 263,176	\$ 873,574	\$ 1,136,750	\$ 1,070,000	\$ 1,070,000
(h) Ontario Masonry Training Centre (OMTC) for \$100,000 in 2018 and each year thereafter in addition to \$1,475,000 funded over ten years to 2017.	1,475,000	25,000	75,000	100,000	100,000	100,000 + 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 net 1.5 cent per unit levy.	53,104 for 2017	11,264	48,736	60,000	60,000 (2)	60,000 (2)
(j) Research projects - universities.	35,851 for 2017	-	50,000	50,000	50,000	50,000 + each year after
(k) Secondary engineering support.	9,368 for 2017	-	50,000	50,000	50,000	50,000 + each year after
(l) Thermal Performance Guide.	16,000	-	35,000	35,000	-	-
(m) Seismic Design Guide.	30,717	25,000	-	25,000	-	-
(n) Development of the National Building Code Canada (NBCC), in collaboration with NRC for research and development involving sound transmission analysis and measurement of the vibration reduction index, with additional funding of \$20,000 from the Canadian Precast Prestressed Concrete Institute.	417,068	-	25,000	25,000	-	-
(o) Masonry Alliance for Codes and Standards membership and contribution.	17,007 for 2017	22,279	-	22,279	25,000	25,000 + each year after
(p) Masonry Design Awards.	142,200	10,000	12,000	22,000	25,000	-
(q) Canadian Masonry Contractors Association (CMCA) conference sponsorship.	202,185	20,000	-	20,000	-	-
Subtotals continued on next page	\$ 6,204,903	\$ 376,719	\$ 1,169,310	\$ 1,546,029	\$ 1,380,000	\$ 1,355,000

**CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION**

**LEVY FUND**

**Note to Financial Statements (continued)**

**Projects in-progress**

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

**March 31, 2018**

	Total to 2017	Forecast 2018		Total 2018	Expected Expenditures	
		Actual Q1	Q2-Q4		2019	2020
Subtotals carried forward	\$ 6,204,903	\$ 376,719	\$ 1,169,310	\$ 1,546,029	\$ 1,380,000	\$ 1,355,000
(r) Masonry training scholarships.	10,000 for 2017	-	10,000	10,000	10,000	10,000
(s) Masonry Apprenticeship Training Textbook.	106,858	-	10,000	10,000	10,000	10,000 + each year after
(t) Creation of the new Royal Architectural Institute of Canada (RAIC) Centre for Architecture at Athabasca University.	250,000	-	-	-	-	-
(u) Block machine for McMaster University.	197,735	-	-	-	-	-
(v) Educational tools.	105,884	-	-	-	-	-
(w) Foundation Project - McMaster University.	100,763	-	-	-	-	-
(x) National Research Council (NRC) research.	85,423	-	-	-	-	-
(y) CSA standard at \$15,000 per year for five years from 2009 to 2013.	75,000	-	-	-	-	-
(z) Wall Draining Project (NRC).	62,218	-	-	-	-	-
(aa) Canadian Masonry Symposium sponsorship.	50,000 for 2017	-	-	-	-	-
(ab) Development of Canadian Framework and Guide regarding Apparent Sound Insulation in Construction - Phases 1-2.	30,000	-	-	-	-	-
(ac) Cement study.	30,000	-	-	-	-	-
(ad) Altus/MasonryWorx wall costs study.	17,500	-	-	-	-	-
(ae) Unit Strength Method Correlation Study.	15,044	-	-	-	-	-
Subtotals continued on next page	\$ 7,341,328	\$ 376,719	\$ 1,189,310	\$ 1,566,029	\$ 1,400,000	\$ 1,375,000

**CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION  
LEVY FUND  
Note to Financial Statements (continued)  
Projects in-progress  
(Unaudited - See Notice to Reader)  
March 31, 2018**

	Total to 2017	Forecast 2018			Expected Expenditures	
		Actual Q1	Q2-Q4	Total 2018	2019	2020
Subtotals carried forward	\$ 7,341,328	\$ 376,719	\$ 1,189,310	\$ 1,566,029	\$ 1,400,000	\$ 1,375,000
(af) National Sciences and Engineering Research Council (NSERC) funding.	15,000	-	-	-	-	-
(ag) Single Wythe energy study.	12,990	-	-	-	-	-
(ah) Insurance cost study.	5,918	-	-	-	-	-
(ai) Leadership in Energy and Environmental Design (LEED) standards development.	4,973	-	-	-	-	-
(aj) Load Bearing Masonry and Innovation Drive Project.	4,000	-	-	-	-	-
(ak) SMART/dynamics of masonry subscriptions.	3,391	-	-	-	-	-
<b>Totals</b>	<b>\$ 7,387,600</b>	<b>\$ 376,719</b>	<b>\$ 1,189,310</b>	<b>\$ 1,566,029</b>	<b>\$ 1,400,000</b>	<b>\$ 1,375,000</b>

- (1) Annual totals after 2020:  
2021 - 2022 \$ 1,145,000  
2023 and each year thereafter 1,095,000
- (2) 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 months ended March 31, 2018**

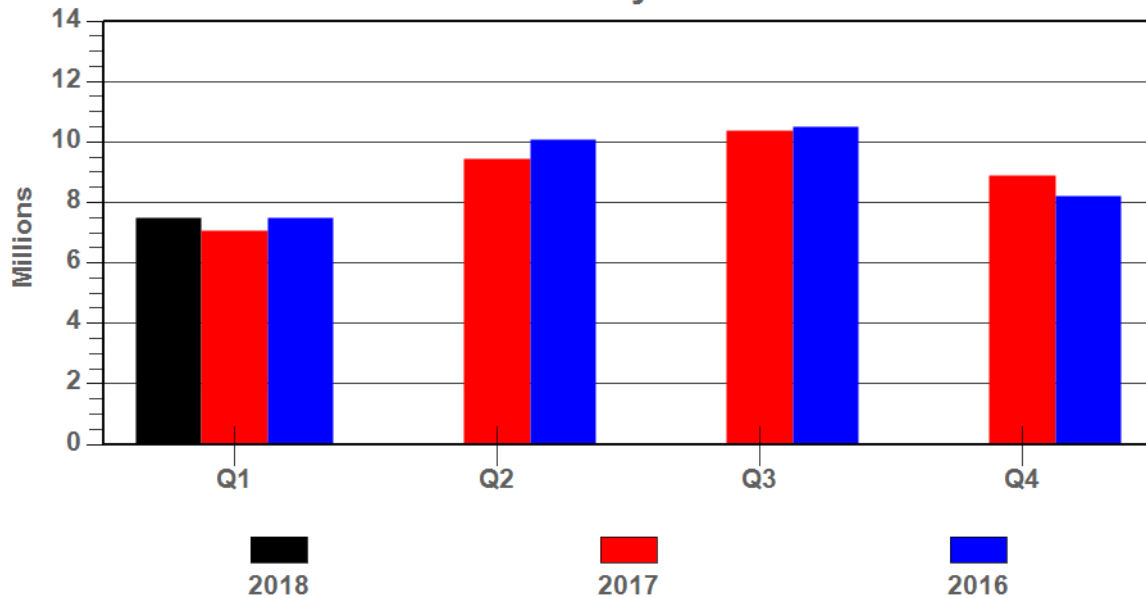
	<b>Q1</b>
<b>BLOCK SALES</b>	(1)
<b>Quarter totals</b>	
Standard	5,569,824
Lightweight	1,465,543
Architectural	473,898
<b>Total</b>	<b>7,509,265</b>
<b>LEVY FEES</b>	(1)
<b>Quarter totals</b>	
Gross amount	(2) \$ 375,463
Less: Administration	(37,546)
<b>Net Levy fees</b>	<b>\$ 337,917</b>

(1) Block sales and associated levy fees revenue in 2018 includes amounts arising from initial membership expansion into Québec.

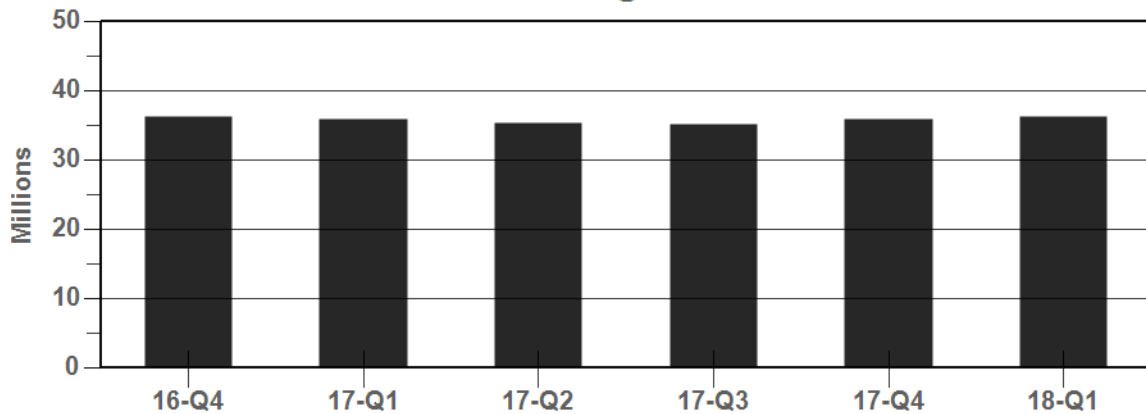
(2) Levy fees are based on a flat per block rate of 5.0¢ less 0.5¢ for administration.

**CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION  
LEVY FUND**  
Block Sales Report (continued)  
(Unaudited - See Notice to Reader)  
For the three months ended March 31, 2018

**Block Sales by Quarter**



**Block Sales - Trailing Twelve Months**



(000's)	Q1	Q2	Q3	Q4
<b>Quarter totals</b>				
2018	7,509	N/A	N/A	N/A
2017	7,083	9,450	10,386	8,907
2016	7,472	10,061	10,514	8,219
<b>Year-to-date totals</b>				
2018	7,509	N/A	N/A	N/A
2017	7,083	16,533	26,919	35,826
2016	7,472	17,533	28,047	36,266