

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

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

**Third Quarter ended September 30, 2018**



**CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION  
LEVY FUND  
Contents  
(Unaudited - See Notice to Reader)  
September 30, 2018**

<b>Notice to Reader</b> .....	1
<b>Financial Statements</b>	
Statement of Financial Position .....	2
Statement of Changes in Net Assets .....	3
Statement of Revenue and Expenses .....	4
Expenses .....	5 - 6
Note to Financial Statements .....	7 - 10
<b>Block Sales Report</b> .....	11 - 12



**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 September 30, 2018 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.

*Dixon, Gordon + Co. LLP*

CHARTERED PROFESSIONAL ACCOUNTANTS, Licensed Public Accountants  
Toronto, Canada  
November 16, 2018

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

**Statement of Financial Position  
(Unaudited - See Notice to Reader)  
September 30, 2018**

	<b>September 30 2018</b>	<b>December 31 2017</b>	<b>September 30 2017</b>
		(Audited)	
<b>Assets</b>			
Cash and cash equivalents	\$ 1,487,730	\$ 4,367,556	\$ 4,410,530
Guaranteed investment certificates	3,102,311	-	-
Accrued levy fees	474,341	381,960	467,376
Prepaid expense	-	72,279	-
Accounts receivable	56,767	24,115	-
	<b>\$ 5,121,149</b>	<b>\$ 4,845,910</b>	<b>\$ 4,877,906</b>
<b>Liabilities</b>			
Accounts payable and accrued liabilities	\$ 232,754	\$ 114,707	\$ 218,337
Sales tax payable	34,268	30,645	25,608
	<b>267,022</b>	145,352	243,945
<b>Projects in-progress</b> (pages 7-10)			
<b>Net assets</b>			
Net assets internally restricted (page 3)	4,854,127	4,700,558	4,633,961
	<b>\$ 5,121,149</b>	<b>\$ 4,845,910</b>	<b>\$ 4,877,906</b>

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, 2018**

	Third Quarter		Year-to-date	
	2018	2017	2018	2017
<b>Net assets, beginning of period</b>	<b>\$ 4,696,491</b>	\$ 4,631,789	<b>\$ 4,700,558</b>	\$ 4,702,577
Excess of revenue over expenses (expenses over revenue) (page 4)	<b>157,636</b>	2,172	<b>153,569</b>	(68,617)
<b>Net assets, end of period</b>	<b>\$ 4,854,127</b>	\$ 4,633,961	<b>\$ 4,854,127</b>	\$ 4,633,961

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, 2018**

	Third Quarter		Year-to-date	
	2018	2017	2018	2017
<b>Revenue</b>				
Levy fees	\$ 484,259	\$ 467,376	\$ 1,253,538	\$ 1,211,342
Interest income	10,670	4,572	22,741	11,576
	<b>494,929</b>	471,948	<b>1,276,279</b>	1,222,918
<b>Expenses (pages 5-6)</b>				
Technical programs	249,141	286,679	790,803	883,630
Advertising and promotion	79,368	166,775	309,947	377,641
General and administration	8,784	16,322	21,960	30,264
	<b>337,293</b>	469,776	<b>1,122,710</b>	1,291,535
<b>Excess of revenue over expenses (expenses over revenue)</b>	<b>\$ 157,636</b>	\$ 2,172	<b>\$ 153,569</b>	\$ (68,617)

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, 2018**

	Third Quarter		Year-to-date	
	2018	2017	2018	2017
<b>Technical programs</b>				
Consulting fees	\$ 19,350	\$ 101,418	\$ 154,088	\$ 222,806
University sponsorships	120,000	125,000	173,750	150,000
Design software support contribution	-	-	100,000	100,000
Training Centre block delivery	14,991	3,152	55,744	95,703
Association des Entrepreneurs en Maçonnerie du Québec (AEMQ) - translation costs	84,945	-	84,945	-
National training fund contribution	-	25,000	75,000	75,000
Canadian Masonry Research Council funding	-	-	50,000	50,000
Canadian Masonry Symposium sponsorship	-	-	-	50,000
Apprenticeship Training Textbook	-	9,125	4,813	29,713
Seismic Design Guide	-	-	25,000	-
Canadian Masonry Contractors Association (CMCA) conference sponsorship	-	-	20,000	24,000
Masonry Design Awards	-	-	22,000	-
Research projects - universities	-	17,450	-	19,250
Consulting expenses	9,855	5,534	15,463	16,167
Thermal Performance Guide	-	-	-	16,000
Development of the National Building Code Canada (NBCC) - sound analysis	-	-	-	15,500
Masonry training scholarships	-	-	10,000	10,000
Secondary engineering support	-	-	-	6,100
SMART/dynamics of masonry subscriptions	-	-	-	3,391
	<b>\$ 249,141</b>	<b>\$ 286,679</b>	<b>\$ 790,803</b>	<b>\$ 883,630</b>
<b>Advertising and promotion</b>				
Advertisement - Fire and building code	\$ -	\$ 117,615	\$ 4,464	\$ 180,657
MasonryWorx Association sponsorship	-	-	75,000	-
MasonryWorx Association membership fees	-	-	50,000	50,000
National Concrete Masonry Association fees	16,142	15,579	41,785	40,378
Advertising and marketing programs	20,257	28,664	34,919	40,794
Alberta Masonry Council - Infrastructure Alberta Government Relations Campaign	28,571	-	28,571	-
Website and social media	10,398	3,479	24,063	10,248
Masonry Alliance for Codes and Standards membership and contribution	-	-	22,279	17,007
Cement Association of Canada - Seminar series sponsorship	-	1,438	-	19,604
AEMQ sponsorship	-	-	14,745	5,499
National Concrete Masonry Association sponsorship	-	-	-	10,000
Royal Architectural Institute of Canada sponsorship	-	-	7,500	-
Mason recruitment	4,000	-	4,000	-
The Masonry Society membership fees	-	-	2,621	2,051
Masonry Executives Council fees	-	-	-	1,403
	<b>\$ 79,368</b>	<b>\$ 166,775</b>	<b>\$ 309,947</b>	<b>\$ 377,641</b>

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, 2018**

	Third Quarter		Year-to-date	
	2018	2017	2018	2017
<b>General and administration</b>				
Accounting and legal	\$ 6,300	\$ 6,055	\$ 18,900	\$ 18,165
Travel and meetings	1,404	10,035	1,404	11,438
Postage and courier	1,080	59	1,627	174
Bank charges	-	173	29	487
	<b>\$ 8,784</b>	<b>\$ 16,322</b>	<b>\$ 21,960</b>	<b>\$ 30,264</b>

See accompanying note



# CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION

## LEVY FUND

### Note to Financial Statements

#### Projects in-progress

(Unaudited - See Notice to Reader)

September 30, 2018

	Total to 2017	Forecast 2018		Total 2018	Expected Expenditures	
		Actual Q3 YTD	Q4		2019	2020
(a) Consulting fees.	\$ 259,313 for 2017	\$ 154,088	\$ 95,912	\$ 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	173,750	88,000	261,750	270,000	270,000 + \$50,000 in 2021 and 2022
(c) Materials for apprenticeship training and research.	785,667	55,744	94,256	150,000	150,000	150,000 + each year after
(d) Advertising and marketing programs.	51,439 for 2017	34,919	115,081	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	125,000	-	125,000	50,000	50,000 + each year after
(f) Association des Entrepreneurs en Maçonnerie du Québec (AEMQ) - translation costs	-	84,945	25,055	110,000	100,000 (2)	100,000 (2)
(g) 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
Subtotals continued on next page	\$ 3,706,403	\$ 728,446	\$ 418,304	\$ 1,146,750	\$ 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)**

**September 30, 2018**

	Total to 2017	Forecast 2018		Total 2018	Expected Expenditures	
		Actual Q3 YTD	Q4		2019	2020
Subtotals carried forward	\$ 3,706,403	\$ 728,446	\$ 418,304	\$ 1,146,750	\$ 1,070,000	\$ 1,070,000
(h) Canadian Masonry Research Council funding.	100,000 for 2017	50,000	50,000	100,000	100,000	100,000 + each year after
(i) 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	75,000	25,000	100,000	100,000	100,000 + each year after
(j) 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	41,785	18,215	60,000	60,000 (3)	60,000 (3)
(k) Research projects - universities.	35,851 for 2017	-	50,000	50,000	50,000	50,000 + each year after
(l) Secondary engineering support.	9,368 for 2017	-	50,000	50,000	50,000	50,000 + each year after
(m) Thermal Performance Guide.	16,000	-	35,000	35,000	-	-
(n) Seismic Design Guide.	30,717	25,000	-	25,000	-	-
(o) 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	-	-
(p) Masonry Alliance for Codes and Standards membership and contribution.	17,007 for 2017	22,279	-	22,279	25,000	25,000 + each year after
Subtotals continued on next page	\$ 5,860,518	\$ 942,510	\$ 671,519	\$ 1,614,029	\$ 1,455,000	\$ 1,455,000

# CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION

## LEVY FUND

Note to Financial Statements (continued)

Projects in-progress

(Unaudited - See Notice to Reader)

September 30, 2018

	Total to 2017	Forecast 2018		Total 2018	Expected Expenditures	
		Actual Q3 YTD	Q4		2019	2020
Subtotals carried forward	\$ 5,860,518	\$ 942,510	\$ 671,519	\$ 1,614,029	\$ 1,455,000	\$ 1,455,000
(q) Masonry Design Awards.	142,200	22,000	-	22,000	25,000	-
(r) Canadian Masonry Contractors Association (CMCA) conference sponsorship.	202,185	20,000	-	20,000	-	-
(s) Masonry training scholarships.	10,000 for 2017	10,000	-	10,000	10,000	10,000
(t) Masonry Apprenticeship Training Textbook.	106,858	4,813	5,187	10,000	10,000	10,000 + each year after
(u) Creation of the new Royal Architectural Institute of Canada (RAIC) Centre for Architecture at Athabasca University.	250,000	-	-	-	-	-
(v) Block machine for McMaster University.	197,735	-	-	-	-	-
(w) Educational tools.	105,884	-	-	-	-	-
(x) Foundation Project - McMaster University.	100,763	-	-	-	-	-
(y) National Research Council (NRC) research.	85,423	-	-	-	-	-
(z) CSA standard at \$15,000 per year for five years from 2009 to 2013.	75,000	-	-	-	-	-
(aa) Wall Draining Project (NRC).	62,218	-	-	-	-	-
(ab) Canadian Masonry Symposium sponsorship.	50,000 for 2017	-	-	-	-	-
(ac) Development of Canadian Framework and Guide regarding Apparent Sound Insulation in Construction - Phases 1-2.	30,000	-	-	-	-	-
(ad) Cement study.	30,000	-	-	-	-	-
Subtotals continued on next page	\$ 7,308,784	\$ 999,323	\$ 676,706	\$ 1,676,029	\$ 1,500,000	\$ 1,475,000

**CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION**

**LEVY FUND**

**Note to Financial Statements (continued)**

**Projects in-progress**

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

**September 30, 2018**

	Total to 2017	Forecast 2018		Total 2018	Expected Expenditures	
		Actual Q3 YTD	Q4		2019	2020
Subtotals carried forward	\$ 7,308,784	\$ 999,323	\$ 676,706	\$ 1,676,029	\$ 1,500,000	\$ 1,475,000
(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) Single Wythe energy study.	12,990	-	-	-	-	-
(ai) Insurance cost study.	5,918	-	-	-	-	-
(aj) Leadership in Energy and Environmental Design (LEED) standards development.	4,973	-	-	-	-	-
(ak) Load Bearing Masonry and Innovation Drive Project.	4,000	-	-	-	-	-
(al) SMART/dynamics of masonry subscriptions.	3,391	-	-	-	-	-
<b>Totals</b>	<b>\$ 7,387,600</b>	<b>\$ 999,323</b>	<b>\$ 676,706</b>	<b>\$ 1,676,029</b>	<b>\$ 1,500,000</b>	<b>\$ 1,475,000</b>

- (1) Annual totals after 2020:
  - 2021 - 2022 \$ 1,245,000
  - 2023 and each year thereafter 1,195,000
- (2) Payment amount based on unit block sales in Québec.
- (3) Payment amount based on total 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, 2018**

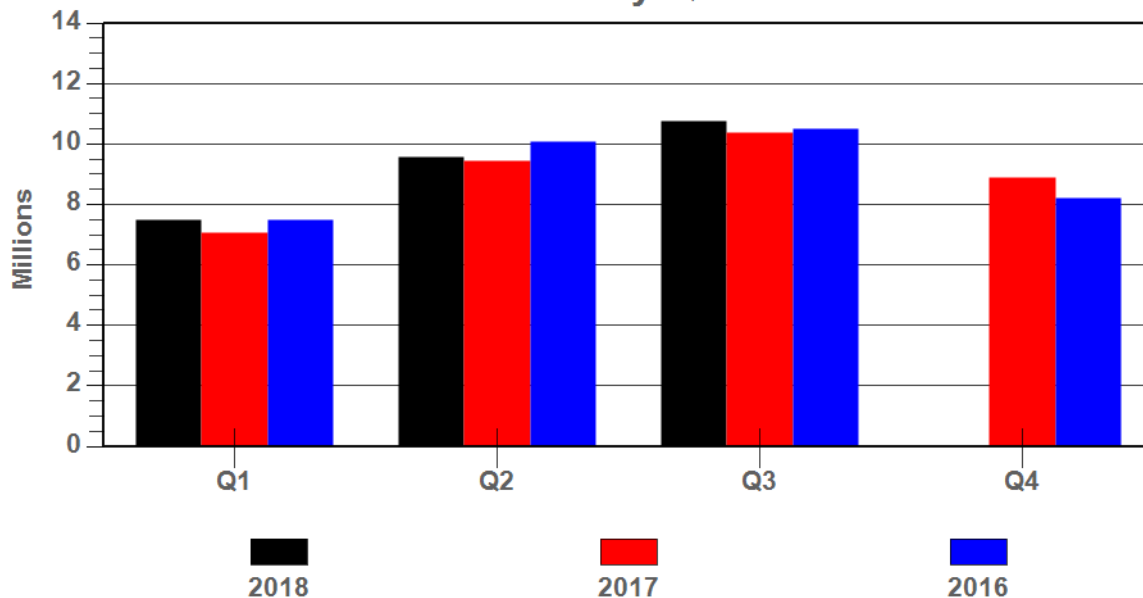
		Q1	Q2	Q3
<b>BLOCK SALES</b>	(1)			
<b>Quarter totals</b>				
Standard		5,569,824	7,125,759	7,974,747
Lightweight		1,465,543	1,621,141	1,958,616
Architectural		473,898	838,917	827,957
<b>Total</b>		<b>7,509,265</b>	<b>9,585,817</b>	<b>10,761,320</b>
<b>Year-to-date totals</b>				
Standard		5,569,824	12,695,583	20,670,330
Lightweight		1,465,543	3,086,684	5,045,300
Architectural		473,898	1,312,815	2,140,772
<b>Total</b>		<b>7,509,265</b>	<b>17,095,082</b>	<b>27,856,402</b>
<b>LEVY FEES</b>	(1)			
<b>Quarter totals</b>				
Gross amount	(2)	\$ 375,463	\$ 479,291	\$ 538,066
Less: Administration		(37,546)	(47,929)	(53,807)
<b>Net Levy fees</b>		<b>\$ 337,917</b>	<b>\$ 431,362</b>	<b>\$ 484,259</b>
<b>Year-to-date totals</b>				
Gross amount	(2)	\$ 375,463	\$ 854,754	\$ 1,392,820
Less: Administration		(37,546)	(85,475)	(139,282)
<b>Net Levy fees</b>		<b>\$ 337,917</b>	<b>\$ 769,279</b>	<b>\$ 1,253,538</b>

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

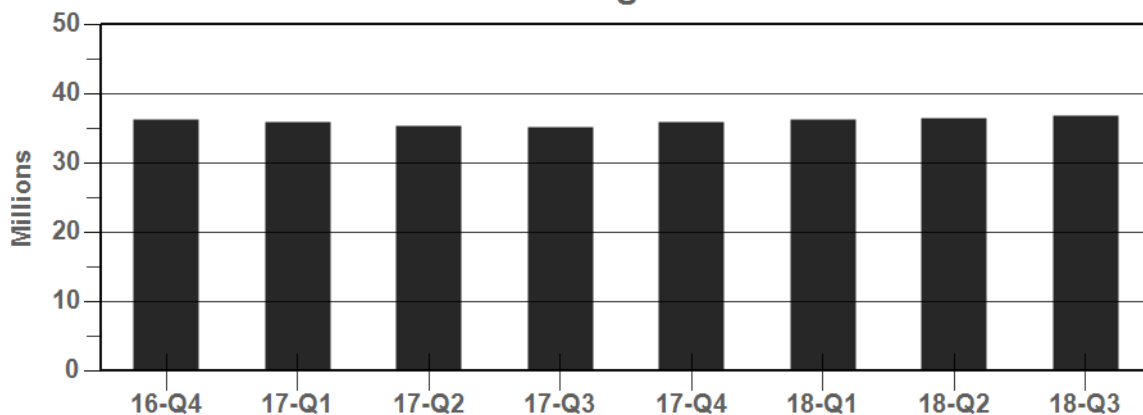
(2) Levy fees are based on a flat per block rate of 5.0¢ less 0.5¢ for administration.

**CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION  
LEVY FUND**  
Block Sales Report (continued)  
(Unaudited - See Notice to Reader)  
For the three and nine months ended September 30, 2018

**Block Sales by Quarter**



**Block Sales - Trailing Twelve Months**



(000's)	Q1	Q2	Q3	Q4
<b>Quarter totals</b>				
2018	7,509	9,586	10,761	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	17,095	27,856	N/A
2017	7,083	16,533	26,919	35,826
2016	7,472	17,533	28,047	36,266