

CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION

LEVY FUND

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

First Quarter ended March 31, 2019



ccmpa.ca

CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION
LEVY FUND
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(Unaudited - See Notice to Reader)
March 31, 2019

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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, 2019 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 28, 2019

CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION
LEVY FUND
Statement of Financial Position
(Unaudited - See Notice to Reader)
March 31, 2019

	March 31 2019	December 31 2018	March 31 2018
		(Audited)	
Assets			
Cash and cash equivalents	\$ 1,602,043	\$ 1,771,042	\$ 4,466,911
Guaranteed investment certificates	3,137,365	3,120,031	-
Accrued levy fees	290,720	395,429	337,917
Prepaid expense	-	50,000	-
Accounts receivable	35,021	10,861	16,393
	\$ 5,065,149	\$ 5,347,363	\$ 4,821,221
Liabilities			
Accounts payable and accrued liabilities	\$ 163,083	\$ 314,318	\$ 147,572
Sales tax payable	12,301	30,743	23,221
	175,384	345,061	170,793
Projects in-progress (pages 6-9)			
Net assets			
Net assets internally restricted (page 3)	4,889,765	5,002,302	4,650,428
	\$ 5,065,149	\$ 5,347,363	\$ 4,821,221

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, 2019

	Year-to-date	
	2019	2018
Net assets, beginning of period	\$ 5,002,302	\$ 4,700,558
Excess of expenses over revenue (page 4)	(112,537)	(50,130)
Net assets, end of period	\$ 4,889,765	\$ 4,650,428

See accompanying note

**CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION
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Statement of Revenue and Expenses

(Unaudited - See Notice to Reader)

For the three months ended March 31, 2019

	Year-to-date	
	2019	2018
Revenue		
Levy fees	\$ 302,261	\$ 337,917
Interest income	18,908	5,632
	321,169	343,549
Expenses (page 5)		
Technical programs	303,807	287,124
Advertising and promotion	122,223	100,200
General and administration	7,676	6,355
	433,706	393,679
Excess of expenses over revenue	\$ (112,537)	\$ (50,130)

See accompanying note

**CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION
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Expenses

(Unaudited - See Notice to Reader)

For the three months ended March 31, 2019

	Year-to-date	
	2019	2018
Technical programs		
Design software support contribution	\$ 100,000	\$ 100,000
Consulting fees	23,079	55,069
University sponsorships	53,750	25,000
Cost comparison study - Multi-residential structures	43,267	-
Association des Entrepreneurs en Maçonnerie du Québec (AEMQ) - translation costs	32,124	-
Training Centre block delivery	25,748	26,667
National training fund contribution	25,000	25,000
Seismic Design Guide	-	25,000
Canadian Masonry Contractors Association (CMCA) conference sponsorship	-	20,000
Masonry Design Awards	-	10,000
Secondary engineering support	839	-
Consulting expenses	-	388
	\$ 303,807	\$ 287,124
Advertising and promotion		
MasonryWorx Association membership fees	\$ 50,000	\$ 50,000
Masonry Alliance for Codes and Standards membership and contribution	22,948	22,279
Advertising and marketing programs	13,081	6,440
National Concrete Masonry Association fees	10,075	11,264
The Masonry Society sponsorship - North American Masonry Conference	10,324	-
AEMQ sponsorship	10,000	4,949
Advertisement - Fire and building code	-	4,314
Website and social media	2,257	954
MasonryWorx Association sponsorship	2,000	-
Other membership fees	1,538	-
	\$ 122,223	\$ 100,200
General and administration		
Professional fees	\$ 6,855	\$ 6,300
Travel and meetings	688	-
Postage and courier	78	49
Bank charges	55	6
	\$ 7,676	\$ 6,355

See accompanying note

CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION

LEVY FUND

Note to Financial Statements

Projects in-progress

(Unaudited - See Notice to Reader)

March 31, 2019

	Total to 2018	Forecast 2019		Total 2019	Expected Expenditures	
		Q1	Q2-Q4		2020	2021
(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, University of Saskatchewan, University of Waterloo, Carleton University and York University, for a total of \$3,000,000 from 2009 to 2020.	\$ 2,292,000	\$ 53,750	\$ 225,250	\$ 279,000	\$ 279,000	\$ 75,000 + \$75,000 in 2022
(b) Consulting fees.	197,457 for 2018	23,079	226,921	250,000	250,000	250,000 + each year after
(c) Materials for apprenticeship training and research.	865,386	25,748	124,252	150,000	150,000	150,000 + each year after
(d) Advertising and marketing programs.	39,141 for 2018	13,081	136,919	150,000	150,000	150,000 + each year after
(e) Association des Entrepreneurs en Maçonnerie du Québec (AEMQ) - translation costs	134,679 for 2018	32,124	102,876	135,000	135,000 (2)	135,000 (2)
(f) Membership dues of \$50,000 per year to MasonryWorx Association, a marketing group sponsored in part by the Masonry Contractors of Metropolitan Toronto, and additional contributions of \$75,000 in 2018 and \$77,000 in 2019.	125,000 for 2018	52,000	75,000	127,000	125,000	125,000 + each year after
(g) Canadian Masonry Research Council funding.	100,000 for 2018	-	100,000	100,000	100,000	100,000 + each year after
(h) Design software-						
(i) Development of the software in partnership with the Canada Masonry Design Centre.	361,734	-	-	-	-	-
Subtotals continued on next page	\$ 4,115,397	\$ 199,782	\$ 991,218	\$ 1,191,000	\$ 1,264,000	\$ 910,000

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

Note to Financial Statements (continued)

Projects in-progress

(Unaudited - See Notice to Reader)

March 31, 2019

	Total to 2018	Forecast 2019		Total 2019	Expected Expenditures	
		Q1	Q2-Q4		2020	2021
Subtotals carried forward	\$ 4,115,397	\$ 199,782	\$ 991,218	\$ 1,191,000	\$ 1,264,000	\$ 910,000
(ii) Funding to National Masonry Design Programs of 50% share of operating costs comprising support for technical assistance and software upgrades.	100,000 for 2018	100,000	-	100,000	100,000	100,000 + each year after
(i) Ontario Masonry Training Centre (OMTC) for \$100,000 in 2019 and each year thereafter in addition to \$1,575,000 funded over 11 years to 2018.	1,575,000	25,000	75,000	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.	56,326 for 2018	10,075	49,925	60,000	60,000 (3)	60,000 (3)
(k) Secondary engineering support.	-	839	49,161	50,000	50,000	50,000 + each year after
(l) Research projects - universities.	12,000 for 2018	-	50,000	50,000	50,000	50,000 + each year after
(m) Cost comparison study - Multi-residential structures.	-	43,267	-	43,267	-	-
(n) Masonry Design Awards.	164,200	-	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.	422,068	-	25,000	25,000	-	-
(p) Masonry Alliance for Codes and Standards membership and contribution.	22,279 for 2018	22,948	-	22,948	25,000	25,000 + each year after
Subtotals continued on next page	\$ 6,467,270	\$ 401,911	\$ 1,265,304	\$ 1,667,215	\$ 1,649,000	\$ 1,295,000

CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION

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Note to Financial Statements (continued)

Projects in-progress

(Unaudited - See Notice to Reader)

March 31, 2019

	Total to 2018	Forecast 2019		Total 2019	Expected Expenditures	
		Q1	Q2-Q4		2020	2021
Subtotals carried forward	\$ 6,467,270	\$ 401,911	\$ 1,265,304	\$ 1,667,215	\$ 1,649,000	\$ 1,295,000
(q) Masonry Apprenticeship Training Textbook.	120,233	-	10,000	10,000	10,000	10,000 + each year after
(r) Masonry training scholarships.	10,000 for 2018	-	10,000	10,000	10,000	-
(s) Creation of the new Royal Architectural Institute of Canada (RAIC) Centre for Architecture at Athabasca University.	250,000	-	-	-	-	-
(t) Canadian Masonry Contractors Association (CMCA) conference sponsorship.	222,185	-	-	-	-	-
(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) Seismic Design Guide.	55,717	-	-	-	-	-
(ab) Canadian Masonry Symposium sponsorship.	50,000 for 2018	-	-	-	-	-
(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	\$ 7,862,428	\$ 401,911	\$ 1,285,304	\$ 1,687,215	\$ 1,669,000	\$ 1,305,000

CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION

LEVY FUND

Note to Financial Statements (continued)

Projects in-progress

(Unaudited - See Notice to Reader)

March 31, 2019

	Total to 2018	Forecast 2019		Total 2019	Expected Expenditures	
		Q1	Q2-Q4		2020	2021
Subtotals carried forward	\$ 7,862,428	\$ 401,911	\$ 1,285,304	\$ 1,687,215	\$ 1,669,000	\$ 1,305,000
(ae) Altus/MasonryWorx wall costs study.	17,500	-	-	-	-	-
(af) Thermal Performance Guide.	16,000	-	-	-	-	-
(ag) Unit Strength Method Correlation Study.	15,044	-	-	-	-	-
(ah) National Sciences and Engineering Research Council (NSERC) funding.	15,000	-	-	-	-	-
(ai) Single Wythe energy study.	12,990	-	-	-	-	-
(aj) Insurance cost study.	5,918	-	-	-	-	-
(ak) Wildlands League contribution - "Wood Product Carbon: the inconvenient questions", two-year project, investigating regrowth rates in legacy clear cut forests.	5,000 for 2018	-	-	-	-	-
(al) Leadership in Energy and Environmental Design (LEED) standards development.	4,973	-	-	-	-	-
(am) Load Bearing Masonry and Innovation Drive Project.	4,000	-	-	-	-	-
(an) SMART/dynamics of masonry subscriptions.	3,391	-	-	-	-	-
Totals	\$ 7,962,244	\$ 401,911	\$ 1,285,304	\$ 1,687,215	\$ 1,594,000	\$ 1,380,000

- (1) Annual totals after 2021:

2022	\$ 1,380,000
2023 and each year thereafter	1,305,000
- (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 months ended March 31, 2019

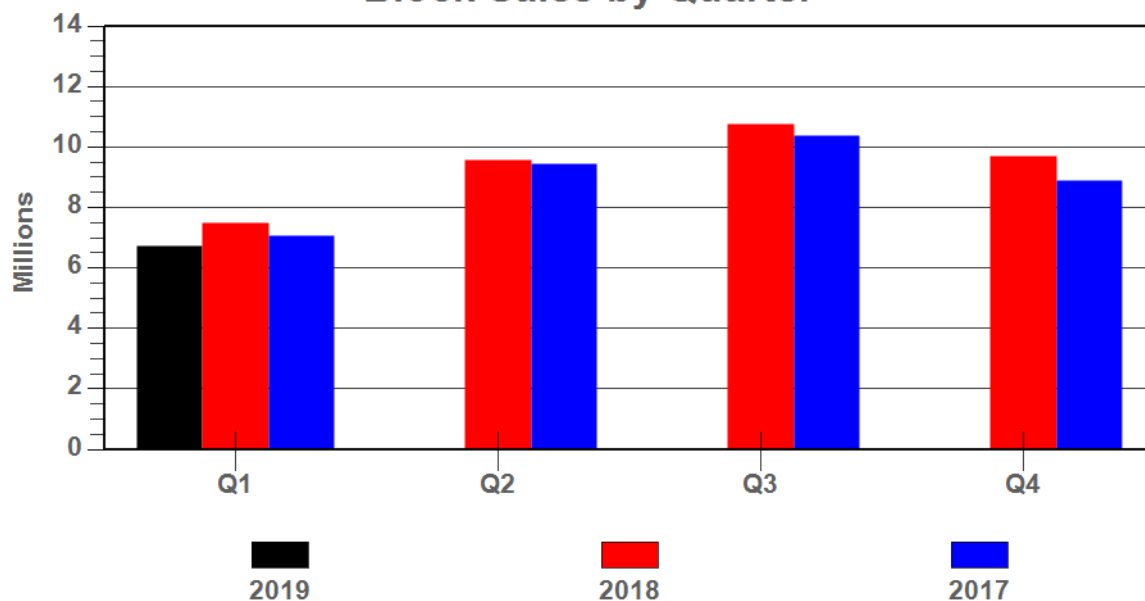
			Q1
BLOCK SALES	(1)		
Quarter totals			
Standard			5,164,035
Lightweight			1,395,043
Architectural			157,827
Total			6,716,905
 LEVY FEES	(1)		
Quarter totals			
Gross amount	(2)	\$	335,845
Less: Administration			(33,584)
Net Levy fees		\$	302,261

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

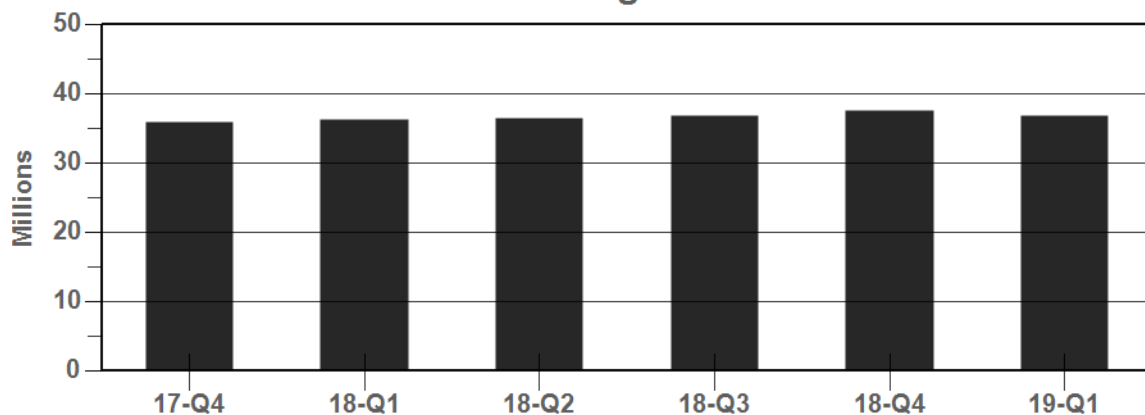
(2) Levy fees are based on a flat per block rate of 5.0¢ less 0.5¢ for administration.

**CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION
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Block Sales Report (continued)
(Unaudited - See Notice to Reader)
For the three months ended March 31, 2019

Block Sales by Quarter



Block Sales - Trailing Twelve Months



(000's)	Q1	Q2	Q3	Q4
Quarter totals				
2019	6,717	N/A	N/A	N/A
2018	7,509	9,586	10,761	9,695
2017	7,083	9,450	10,386	8,907
Year-to-date totals				
2019	6,717	N/A	N/A	N/A
2018	7,509	17,095	27,856	37,551
2017	7,083	16,533	26,919	35,826