

CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION

LEVY FUND

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

Second Quarter ended June 30, 2019



ccmpa.ca

CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION
LEVY FUND
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(Unaudited - See Notice to Reader)
June 30, 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 June 30, 2019 and the statements of revenue and expenses and changes in net assets for the six 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
September 6, 2019

CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION
LEVY FUND
Statement of Financial Position
(Unaudited - See Notice to Reader)
June 30, 2019

	June 30 2019	December 31 2018	June 30 2018
		(Audited)	
Assets			
Cash and cash equivalents	\$ 1,446,686	\$ 1,771,042	\$ 4,343,223
Guaranteed investment certificates	3,154,892	3,120,031	-
Accrued levy fees	419,142	395,429	431,362
Prepaid expense	-	50,000	-
Accounts receivable	73,066	10,861	31,668
Sales tax receivable	2,110	-	-
	\$ 5,095,896	\$ 5,347,363	\$ 4,806,253
Liabilities			
Accounts payable and accrued liabilities	\$ 258,438	\$ 314,318	\$ 96,924
Sales tax payable	-	30,743	12,838
	258,438	345,061	109,762
Projects in-progress (pages 7-10)			
Net assets			
Net assets internally restricted (page 3)	4,837,458	5,002,302	4,696,491
	\$ 5,095,896	\$ 5,347,363	\$ 4,806,253

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 six months ended June 30, 2019

	Second Quarter		Year-to-date	
	2019	2018	2019	2018
Net assets, beginning of period	\$ 4,889,765	\$ 4,650,428	\$ 5,002,302	\$ 4,700,558
Excess of (expenses over revenue) revenue over expenses (page 4)	(52,307)	46,063	(164,844)	(4,067)
Net assets, end of period	\$ 4,837,458	\$ 4,696,491	\$ 4,837,458	\$ 4,696,491

See accompanying note

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

**Statement of Revenue and Expenses
(Unaudited - See Notice to Reader)**

For the three and six months ended June 30, 2019

	Second Quarter		Year-to-date	
	2019	2018	2019	2018
Revenue				
Levy fees	\$ 430,682	\$ 431,362	\$ 732,943	\$ 769,279
Interest income	20,086	6,439	38,994	12,071
	450,768	437,801	771,937	781,350
Expenses (pages 5-6)				
Technical programs	307,420	254,997	611,227	542,121
Advertising and promotion	188,684	130,379	310,907	230,579
General and administration	6,971	6,362	14,647	12,717
	503,075	391,738	936,781	785,417
Excess of (expenses over revenue) revenue over expenses	\$ (52,307)	\$ 46,063	\$ (164,844)	\$ (4,067)

See accompanying note

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

Expenses

(Unaudited - See Notice to Reader)

For the three and six months ended June 30, 2019

	Second Quarter		Year-to-date	
	2019	2018	2019	2018
Technical programs				
Consulting fees	\$ 78,131	\$ 79,669	\$ 101,210	\$ 134,738
Design software support contribution	-	-	100,000	100,000
University sponsorships	40,139	28,750	93,889	53,750
Association des Entrepreneurs en Maçonnerie du Québec (AEMQ) - translation costs	51,812	-	83,936	-
National training fund contribution	25,000	50,000	50,000	75,000
Canadian Masonry Research Council funding	50,000	50,000	50,000	50,000
Cost comparison study - Multi-residential structures	5,546	-	48,813	-
Training Centre block delivery	17,124	14,545	42,872	41,212
Seismic Design Guide	-	-	-	25,000
Masonry Design Awards	-	12,000	-	22,000
Canadian Masonry Contractors Association (CMCA) conference sponsorship	20,000	-	20,000	20,000
Masonry training scholarships	10,000	10,000	10,000	10,000
Consulting expenses	9,668	5,220	9,668	5,608
Apprenticeship Training Textbook	-	4,813	-	4,813
Secondary engineering support	-	-	839	-
	\$ 307,420	\$ 254,997	\$ 611,227	\$ 542,121
Advertising and promotion				
Advertising and marketing programs	\$ 81,441	\$ 8,222	\$ 94,522	\$ 14,662
MasonryWorx Association sponsorship	77,000	75,000	79,000	75,000
MasonryWorx Association membership fees	-	-	50,000	50,000
National Concrete Masonry Association fees	14,356	14,379	24,431	25,643
Masonry Alliance for Codes and Standards membership and contribution	-	-	22,948	22,279
AEMQ sponsorship	-	9,796	10,000	14,745
Website and social media	737	12,711	2,994	13,665
The Masonry Society sponsorship - North American Masonry Conference	-	-	10,324	-
Ontario Masonry Contractors' Association sponsorship	10,000	-	10,000	-
Royal Architectural Institute of Canada sponsorship	-	7,500	-	7,500
Advertisement - Fire and building code	3,912	150	3,912	4,464
Other membership fees	1,238	-	2,776	-
The Masonry Society membership fees	-	2,621	-	2,621
	\$ 188,684	\$ 130,379	\$ 310,907	\$ 230,579

Continued on next page

See accompanying note

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

Expenses (continued)

(Unaudited - See Notice to Reader)

For the three and six months ended June 30, 2019

	Second Quarter		Year-to-date	
	2019	2018	2019	2018
General and administration				
Professional fees	\$ 6,730	\$ 6,300	\$ 13,585	\$ 12,600
Travel and meetings	-	-	688	-
Postage and courier	234	39	312	88
Bank charges	7	23	62	29
	\$ 6,971	\$ 6,362	\$ 14,647	\$ 12,717

See accompanying note

CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION
LEVY FUND
Note to Financial Statements
Projects in-progress
(Unaudited - See Notice to Reader)
June 30, 2019

	Total to 2018	Forecast 2019		Total 2019	(1) Expected Expenditures	
		Q2 YTD	Q3-Q4		2020	2021
(a) University sponsorships for a total of \$3,000,000 from 2009 to 2020.	\$ 2,292,000 (2)	\$ 93,889 (2)	\$ 185,111	\$ 279,000	\$ 279,000	\$ 75,000 + \$75,000 in 2022
(b) Consulting fees.	197,457 for 2018	101,210	148,790	250,000	250,000	250,000 + each year after
(c) Materials for apprenticeship training and research.	865,386	42,872	107,128	150,000	150,000	150,000 + each year after
(d) Advertising and marketing programs.	39,141 for 2018	94,522	55,478	150,000	150,000	150,000 + each year after
(e) Association des Entrepreneurs en Maçonnerie du Québec (AEMQ) - translation costs	134,679 for 2018	83,936	51,064	135,000	135,000 (3)	135,000 + each year after (3)
(f) Membership dues of \$50,000 per year to MasonryWorx Association, a marketing group, and additional contributions of \$75,000 in 2018 and \$79,000 in 2019.	125,000 for 2018	129,000	-	129,000	125,000	125,000 + each year after
(g) Canadian Masonry Research Council funding.	100,000 for 2018	50,000	50,000	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	-	-	-	-	-
(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
Subtotals continued on next page	\$ 4,215,397	\$ 695,429	\$ 597,571	\$ 1,293,000	\$ 1,364,000	\$ 1,010,000

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

Note to Financial Statements (continued)

Projects in-progress

(Unaudited - See Notice to Reader)

June 30, 2019

	Total to 2018	Forecast 2019		Total 2019	(1) Expected Expenditures	
		Q2 YTD	Q3-Q4		2020	2021
Subtotals carried forward	\$ 4,215,397	\$ 695,429	\$ 597,571	\$ 1,293,000	\$ 1,364,000	\$ 1,010,000
(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	50,000	50,000	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	24,431	35,569	60,000	60,000 (4)	60,000 (4)
(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.	-	48,813	-	48,813	-	-
(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
(q) Canadian Masonry Contractors Association (CMCA) conference sponsorship.	222,185	20,000	-	20,000	-	-
Subtotals continued on next page	\$ 6,689,455	\$ 862,460	\$ 832,301	\$ 1,694,761	\$ 1,649,000	\$ 1,295,000

CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION

LEVY FUND

Note to Financial Statements (continued)

Projects in-progress

(Unaudited - See Notice to Reader)

June 30, 2019

	Total to 2018	Forecast 2019		Total 2019	(1) Expected Expenditures	
		Q2 YTD	Q3-Q4		2020	2021
Subtotals carried forward	\$ 6,689,455	\$ 862,460	\$ 832,301	\$ 1,694,761	\$ 1,649,000	\$ 1,295,000
(r) Masonry Apprenticeship Training Textbook.	120,233	-	10,000	10,000	10,000	10,000 + each year after
(s) Masonry training scholarships.	10,000 for 2018	10,000	-	10,000	10,000	-
(t) AEMQ sponsorship	-	10,000	-	10,000	-	-
(u) Ontario Masonry Contractors' Association sponsorship	-	10,000	-	10,000	-	-
(v) Creation of the new Royal Architectural Institute of Canada (RAIC) Centre for Architecture at Athabasca University.	250,000	-	-	-	-	-
(w) Block machine for McMaster University.	197,735	-	-	-	-	-
(x) Educational tools.	105,884	-	-	-	-	-
(y) Foundation Project - McMaster University.	100,763	-	-	-	-	-
(z) National Research Council (NRC) research.	85,423	-	-	-	-	-
(aa) CSA standard from 2009 to 2013.	75,000	-	-	-	-	-
(ab) Wall Draining Project (NRC).	62,218	-	-	-	-	-
(ac) Seismic Design Guide.	55,717	-	-	-	-	-
(ad) Canadian Masonry Symposium sponsorship.	50,000 for 2018	-	-	-	-	-
(ae) Development of Canadian Framework and Guide regarding Apparent Sound Insulation in Construction - Phases 1-2.	30,000	-	-	-	-	-
(af) Cement study.	30,000	-	-	-	-	-
Subtotals continued on next page	\$ 7,862,428	\$ 892,460	\$ 842,301	\$ 1,734,761	\$ 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)

June 30, 2019

	Total to 2018	Forecast 2019		Total 2019	(1) Expected Expenditures	
		Q2 YTD	Q3-Q4		2020	2021
Subtotals carried forward	\$ 7,862,428	\$ 892,460	\$ 842,301	\$ 1,734,761	\$ 1,669,000	\$ 1,305,000
(ag) Altus/MasonryWorx wall costs study.	17,500	-	-	-	-	-
(ah) Thermal Performance Guide.	16,000	-	-	-	-	-
(ai) Unit Strength Method Correlation Study.	15,044	-	-	-	-	-
(aj) National Sciences and Engineering Research Council (NSERC) funding.	15,000	-	-	-	-	-
(ak) Single Wythe energy study.	12,990	-	-	-	-	-
(al) Insurance cost study.	5,918	-	-	-	-	-
(am) Wildlands League contribution - "Wood Product Carbon: the inconvenient questions", two-year project, investigating regrowth rates in legacy clear cut forests.	5,000 for 2018	-	-	-	-	-
(an) Leadership in Energy and Environmental Design (LEED) standards development.	4,973	-	-	-	-	-
(ao) Load Bearing Masonry and Innovation Drive Project.	4,000	-	-	-	-	-
(ap) SMART/dynamics of masonry subscriptions.	3,391	-	-	-	-	-
Totals	\$ 7,962,244	\$ 892,460	\$ 842,301	\$ 1,734,761	\$ 1,594,000	\$ 1,380,000

(1) Annual totals after 2021:

2022 \$ 1,380,000

2023 and each year thereafter 1,305,000

(2) Participants include Conestoga College Institute of Technology & Advanced Learning, 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.

(3) Payment amount based on unit block sales in Québec.

(4) Payment amount based on total unit block sales.

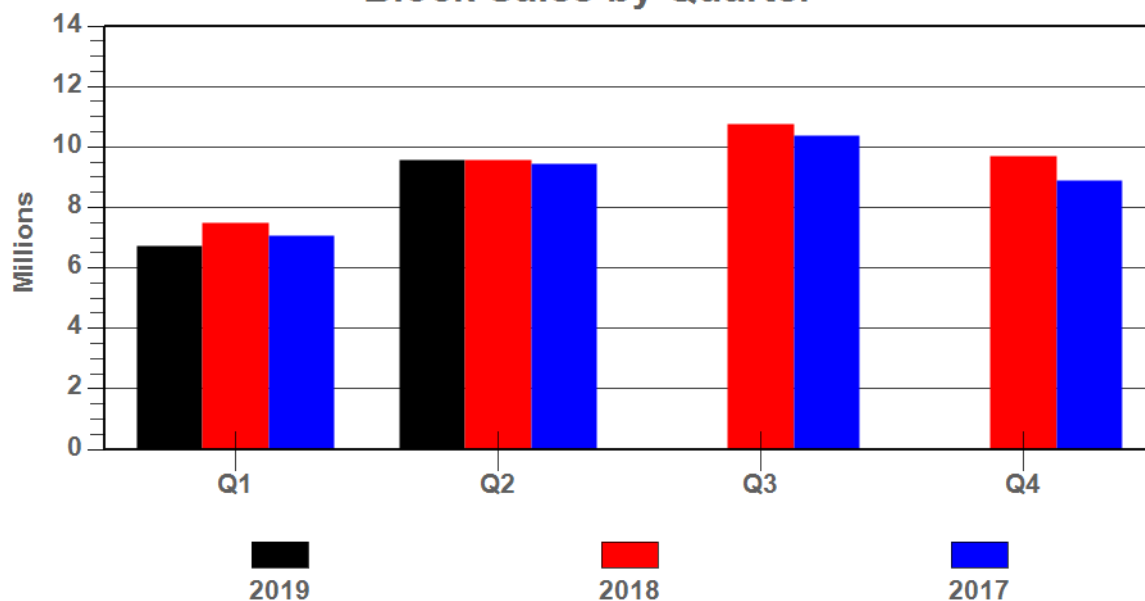
CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION
LEVY FUND
Block Sales Report
(Unaudited - See Notice to Reader)
For the three and six months ended June 30, 2019

	Q1	Q2
BLOCK SALES		
Quarter totals		
Standard	5,164,035	7,254,572
Lightweight	1,395,043	1,315,192
Architectural	157,827	1,000,961
Total	6,716,905	9,570,725
Year-to-date totals		
Standard	5,164,035	12,418,607
Lightweight	1,395,043	2,710,235
Architectural	157,827	1,158,788
Total	6,716,905	16,287,630
LEVY FEES		
Quarter totals		
Gross amount	(1) \$ 335,845	\$ 478,536
Less: Administration	(33,584)	(47,854)
Net Levy fees	\$ 302,261	\$ 430,682
Year-to-date totals		
Gross amount	(1) \$ 335,845	\$ 814,381
Less: Administration	(33,584)	(81,438)
Net Levy fees	\$ 302,261	\$ 732,943

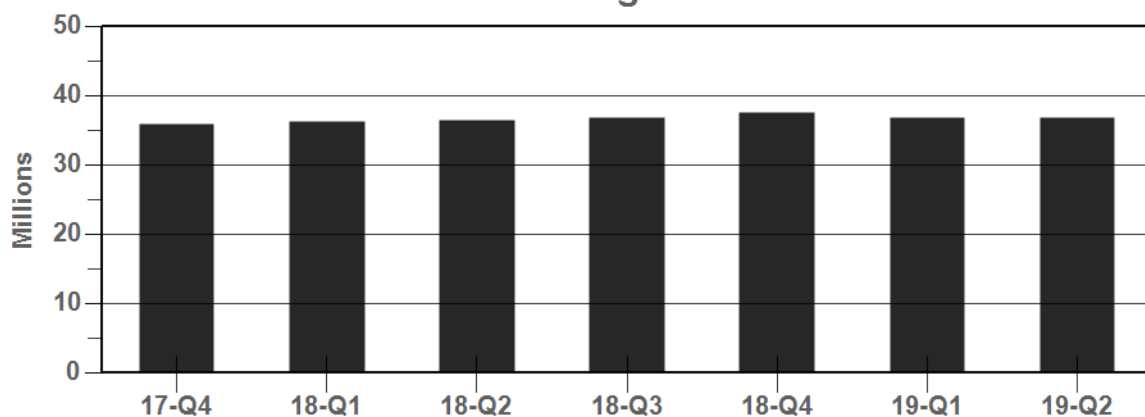
(1) Levy fees are based on a flat per block rate of 5.0¢ less 0.5¢ for administration.

**CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION
LEVY FUND**
Block Sales Report (continued)
(Unaudited - See Notice to Reader)
For the three and six months ended June 30, 2019

Block Sales by Quarter



Block Sales - Trailing Twelve Months



(000's)	Q1	Q2	Q3	Q4
Quarter totals				
2019	6,717	9,571	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	16,288	N/A	N/A
2018	7,509	17,095	27,856	37,551
2017	7,083	16,533	26,919	35,826