

CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION

LEVY FUND

Financial Statements

Fourth Quarter and Year ended December 31, 2021



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CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION
LEVY FUND
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December 31, 2021

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COMPILATION ENGAGEMENT REPORT

To Management of Canadian Concrete Masonry Producers' Association

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 December 31, 2021 and the statements of revenue and expenses and changes in net assets for the three months and year then ended, and note 1 ("financial information").

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, *Compilation Engagements*, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

Dixon, Gordon + Co. LLP

Chartered Professional Accountants, Licensed Public Accountants
Toronto, Canada
March 7, 2022

CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION
LEVY FUND
Statement of Financial Position
December 31, 2021

	December 31 2021	December 31 2020
Assets		
Cash and cash equivalents	\$ 4,715,905	\$ 1,508,566
Guaranteed investment certificates	-	3,381,471
Accrued levy fees	406,063	380,906
Accounts receivable	98,551	32,675
Prepaid expense	74,248	50,000
	\$ 5,294,767	\$ 5,353,618
Liabilities		
Accounts payable and accrued liabilities	\$ 427,526	\$ 420,969
Sales tax payable	32,085	33,767
	459,611	454,736
Projects in-progress (note 2)		
Net assets		
Net assets internally restricted (page 3)	4,835,156	4,898,882
	\$ 5,294,767	\$ 5,353,618

The accompanying notes are an integral part of this financial information.

**CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION
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Statement of Changes in Net Assets

For the three months and year ended December 31, 2021

	Fourth Quarter		Total Year	
	2021	2020	2021	2020
Net assets, beginning of period	\$ 4,868,768	\$ 5,142,137	\$ 4,898,882	\$ 5,022,340
Excess of expenses over revenue (page 4)	(33,612)	(243,255)	(63,726)	(123,458)
Net assets, end of period	\$ 4,835,156	\$ 4,898,882	\$ 4,835,156	\$ 4,898,882

The accompanying notes are an integral part of this financial information.

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

For the three months and year ended December 31, 2021

	Fourth Quarter		Total Year	
	2021	2020	2021	2020
Revenue				
Levy fees	\$ 382,723	\$ 360,286	\$ 1,533,764	\$ 1,507,728
Levy fees allocated for contribution	28,782	60,985	97,825	60,985
Interest income	3,621	5,701	20,605	63,608
	415,126	426,972	1,652,194	1,632,321
Expenses (pages 5-6)				
Technical programs	402,347	629,391	1,377,396	1,389,763
Advertising and promotion	29,582	29,663	301,021	332,709
General and administration	16,809	11,173	37,503	33,307
	448,738	670,227	1,715,920	1,755,779
Excess of expenses over revenue	\$ (33,612)	\$ (243,255)	\$ (63,726)	\$ (123,458)

The accompanying notes are an integral part of this financial information.

CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION

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Expenses

For the three months and year ended December 31, 2021

	Fourth Quarter		Total Year	
	2021	2020	2021	2020
Technical programs				
University sponsorships	\$ 147,833	\$ 288,084	\$ 363,657	\$ 428,084
Consulting fees	53,943	67,959	237,881	245,029
Training Centre block delivery	37,638	26,375	178,559	82,716
Association des Entrepreneurs en Maçonnerie du Québec (AEMQ) contribution	34,151	33,200	132,955	146,723
Design software support contribution	-	-	100,000	100,000
National training fund contribution	25,000	25,000	100,000	100,000
Canadian Masonry Research Council funding	50,000	50,000	100,000	100,000
Atlantic Masonry Institute contribution	28,782	60,985	97,825	60,985
Atlantic Canada study - Building structure cost comparison	-	50,000	-	50,000
Secondary engineering support	-	26,204	13,576	26,204
Canadian Masonry Symposium sponsorship	25,000	-	25,000	-
Canadian Masonry Contractors Association (CMCA) conference sponsorship	-	-	-	25,000
Apprenticeship Training Textbook	-	550	-	17,550
Masonry training scholarships	-	-	10,000	-
Environmental product declaration - concrete masonry units (CMUs)	-	-	7,563	-
Consulting expenses	-	34	-	6,472
Cost comparison study - Multi-residential structures	-	-	5,000	-
Other research projects	-	-	4,380	-
Development of the National Building Code Canada (NBCC) - Sound analysis	-	1,000	1,000	1,000
	\$ 402,347	\$ 629,391	\$ 1,377,396	\$ 1,389,763
Advertising and promotion				
Masonry Works sponsorship	\$ 8,100	\$ -	\$ 83,100	\$ 75,000
NCMA levy contribution	12,757	12,010	51,125	50,258
National Concrete Masonry Association ("NCMA") and other membership fees	-	-	50,000	50,000
Masonry Works membership fees	-	-	50,000	50,000
Alberta Masonry Council - Government relations campaign	-	-	-	30,000
Masonry Alliance for Codes and Standards membership	-	-	23,007	23,842
Website and social media	4,363	12,028	18,272	20,442
Advertising and marketing programs	800	625	9,663	12,266
AEMQ sponsorship	-	-	-	10,500
Membership fees - Other	3,562	-	8,354	5,401
Ontario Masonry Contractors' Association sponsorship	-	5,000	7,500	5,000
	\$ 29,582	\$ 29,663	\$ 301,021	\$ 332,709

Continued on next page

The accompanying notes are an integral part of this financial information.

**CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION
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Expenses (continued)

For the three months and year ended December 31, 2021

	Fourth Quarter		Total Year	
	2021	2020	2021	2020
General and administration				
Professional fees	\$ 6,715	\$ 6,665	\$ 27,315	\$ 27,160
Donation	10,000	-	10,000	-
Travel and meetings	-	4,132	-	5,640
Bank charges	11	376	48	408
Postage and courier	83	-	140	99
	\$ 16,809	\$ 11,173	\$ 37,503	\$ 33,307

The accompanying notes are an integral part of this financial information.

CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION
LEVY FUND
Notes to Financial Statements
December 31, 2021

1. Basis of Accounting

The basis of accounting applied in the preparation of the financial information is on the historical cost basis, reflecting cash transactions with the addition of:

- levy fees revenue is recognized when earned, commensurate with the reported volume of concrete masonry block sales as provided by the respective members.
- financial instruments stated at cost or amortized cost, as applicable.
- accounts payable and accrued liabilities.

2. Projects in-progress

	Total to 2020	2021	Expected Expenditures (1)	
			2022	2023
(a) University sponsorships for a total of \$3,600,000 from 2009 to 2022.	\$ 3,063,973	\$ 363,657	\$ 172,370	\$ -
(b) Consulting fees.	245,029 for 2020	237,881	250,000	250,000 + each year after
(c) Materials for apprenticeship training and research.	1,031,991	178,559	150,000	150,000 + each year after
(d) Membership dues of \$50,000 per year to Masonry Works, a marketing group, and additional contributions in 2018 to 2020 totalling \$225,000 and in 2021 for \$83,100.	125,000 for 2020	133,100	50,000	50,000 + each year after
(e) Association des Entrepreneurs en Maçonnerie du Québec (AEMQ) contribution.	146,723 for 2020	132,955	150,000 (2)	150,000 + each year after (2)
(f) Design software-				
(i) Development of the software in partnership with the Canada Masonry Design Centre.	361,734	-	-	-
Subtotals continued on next page	\$ 4,974,450	\$ 1,046,152	\$ 772,370	\$ 600,000

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

**Notes to Financial Statements (continued)
December 31, 2021**

		Total to 2020	2021	Expected Expenditures (1)	
				2022	2023
Subtotals carried forward		\$ 4,974,450	\$ 1,046,152	\$ 772,370	\$ 600,000
(ii)	Funding to National Masonry Design Programs of 50% share of operating costs comprising support for technical assistance and software upgrades.	100,000 for 2020	100,000	100,000	100,000 + each year after
(g)	Ontario Masonry Training Centre (OMTC), with funding of \$1,775,000 over the 13 year period from 2008 to 2020.	1,775,000	100,000	100,000	100,000 + each year after
(h)	Canadian Masonry Research Council funding.	100,000 for 2020	100,000	100,000	100,000 + each year after
(i)	Atlantic Masonry Institute contribution, funded by a levy fee of 5.0 cents per block sold by participant members.	60,985 for 2020	97,825	100,000 (3)	100,000 + each year after (3)
(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.	50,258 for 2020	51,125	55,000 (4)	55,000 (4)
(k)	Canadian Masonry Symposium sponsorship.	- for 2020	25,000	-	-
(l)	Masonry Alliance for Codes and Standards membership and contribution.	23,842 for 2020	23,007	25,000	25,000 + each year after
(m)	Secondary engineering support.	26,204 for 2020	13,576	50,000	50,000 + each year after
(n)	Masonry training scholarships.	- for 2020	10,000	10,000	10,000 + each year after to 2025
(o)	Advertising and marketing programs.	12,266 for 2020	9,663	25,000	25,000 + each year after
(p)	Environmental product declaration - CMUs.	-	7,563	-	-
Subtotals continued on next page		\$ 7,123,005	\$ 1,583,911	\$ 1,337,370	\$ 1,165,000

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

**Notes to Financial Statements (continued)
December 31, 2021**

	Total to 2020	2021	Expected Expenditures (1)	
			2022	2023
Subtotals carried forward	\$ 7,123,005	\$ 1,583,911	\$ 1,337,370	\$ 1,165,000
(q) Ontario Masonry Contractors' Association sponsorship.	15,000	7,500	-	-
(r) Cost comparison study - Multi-residential structures.	48,813	5,000	-	-
(s) Other research projects.	12,707	4,380	-	-
(t) 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.	424,068	1,000	25,000	-
(u) Alberta Masonry Council - Government relations campaign.	88,571	-	30,000	-
(v) Masonry Apprenticeship Training Textbook.	161,838	-	10,000	10,000 + each year after
(w) Canadian Masonry Contractors Association (CMCA) conference sponsorship.	267,185	-	-	-
(x) Creation of the new Royal Architectural Institute of Canada (RAIC) Centre for Architecture at Athabasca University.	250,000	-	-	-
(y) Block machine for McMaster University.	197,735	-	-	-
(z) Masonry Design Awards.	174,200	-	-	-
(aa) Educational tools.	105,884	-	-	-
(ab) Foundation Project - McMaster University.	100,763	-	-	-
(ac) National Research Council (NRC) research.	85,423	-	-	-
(ad) CSA standard from 2009 to 2013.	75,000	-	-	-
(ae) Wall Draining Project (NRC).	62,218	-	-	-
(af) Seismic Design Guide.	55,717	-	-	-
Subtotals continued on next page	\$ 9,248,127	\$ 1,601,791	\$ 1,402,370	\$ 1,175,000

CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION**LEVY FUND****Notes to Financial Statements (continued)****December 31, 2021**

	Total to 2020	2021	Expected Expenditures (1)	
			2022	2023
Subtotals carried forward	\$ 9,248,127	\$ 1,601,791	\$ 1,402,370	\$ 1,175,000
(ag) Development of Canadian Framework and Guide regarding Apparent Sound Insulation in Construction - Phases 1-2.	30,000	-	-	-
(ah) Cement study.	30,000	-	-	-
(ai) AEMQ sponsorship.	20,500	-	-	-
	for 2020			
(aj) Altus/Masonry Works wall costs study.	17,500	-	-	-
(ak) Thermal Performance Guide.	16,000	-	-	-
(al) Unit Strength Method Correlation Study.	15,044	-	-	-
(am) National Sciences and Engineering Research Council (NSERC) funding.	15,000	-	-	-
(an) Single Wythe energy study.	12,990	-	-	-
(ao) Canada-U.S. Standards Summit.	7,257	-	-	-
(ap) Insurance cost study.	5,918	-	-	-
(aq) Leadership in Energy and Environmental Design (LEED) standards development.	4,973	-	-	-
(ar) Load Bearing Masonry and Innovation Drive Project.	4,000	-	-	-
(as) SMART/dynamics of masonry subscriptions.	3,391	-	-	-
Totals	\$ 9,430,700	\$ 1,601,791	\$ 1,402,370	\$ 1,175,000

CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION

LEVY FUND

Notes to Financial Statements (continued)

December 31, 2021

- (1) Annual totals after 2023:
 - 2024 to 2025 \$ 1,175,000
 - 2026 and each year thereafter 1,165,000
- (2) Payment amount based on unit block sales in Québec.
- (3) Payment amount equal to the levy revenues raised by producer members that are also members of the Atlantic Masonry Institute at an incremental 5.0 cents per block.
- (4) Payment amount based on total unit block sales.

CANADIAN CONCRETE MASONRY PRODUCERS' ASSOCIATION**LEVY FUND****Block Sales Report****For the three months and year ended December 31, 2021**

	Q1	Q2	Q3	Q4
BLOCK SALES (1)				
Quarter totals				
Standard	5,475,305	7,289,561	7,542,064	6,687,373
Lightweight	1,257,801	1,398,940	1,335,752	1,374,085
Architectural	271,594	484,345	523,330	443,501
Total	7,004,700	9,172,846	9,401,146	8,504,959
Year-to-date totals				
Standard	5,475,305	12,764,866	20,306,930	26,994,303
Lightweight	1,257,801	2,656,741	3,992,493	5,366,578
Architectural	271,594	755,939	1,279,269	1,722,770
Total	7,004,700	16,177,546	25,578,692	34,083,651
LEVY FEES (1)				
Quarter totals				
Gross amount	\$ 350,235	\$ 458,642	\$ 470,058	\$ 425,247
Less: Administration	(35,024)	(45,864)	(47,006)	(42,524)
Net Levy fees	\$ 315,211	\$ 412,778	\$ 423,052	\$ 382,723
Year-to-date totals				
Gross amount	\$ 350,235	\$ 808,877	\$ 1,278,935	\$ 1,704,182
Less: Administration	(35,024)	(80,888)	(127,894)	(170,418)
Net Levy fees	\$ 315,211	\$ 727,989	\$ 1,151,041	\$ 1,533,764

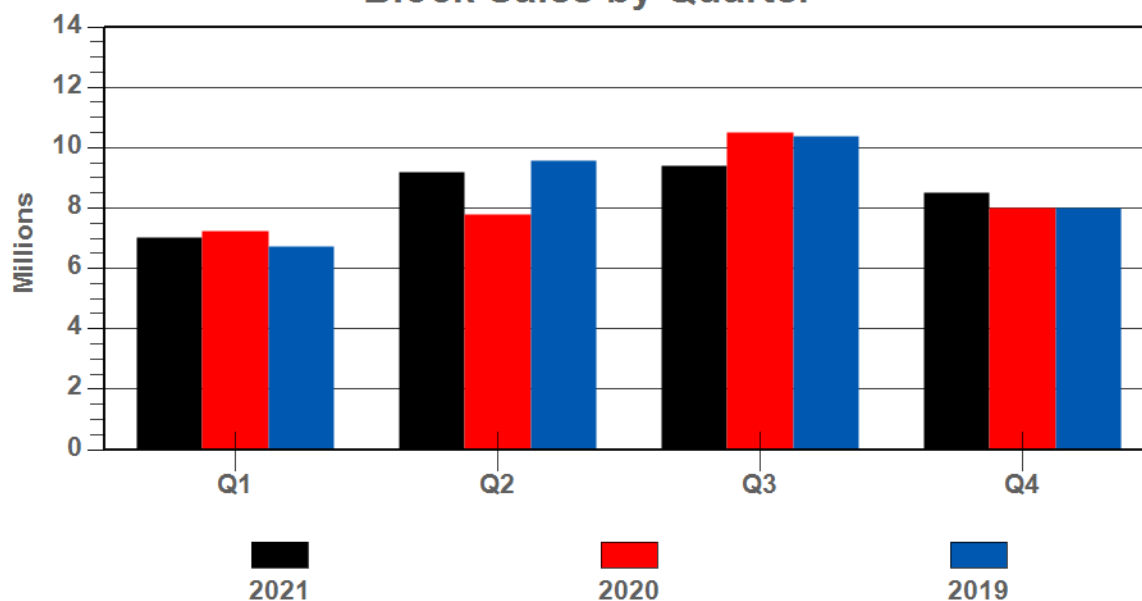
(1) Levy fees are based on a flat per block rate of 5.0¢ less 0.5¢ for administration.

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

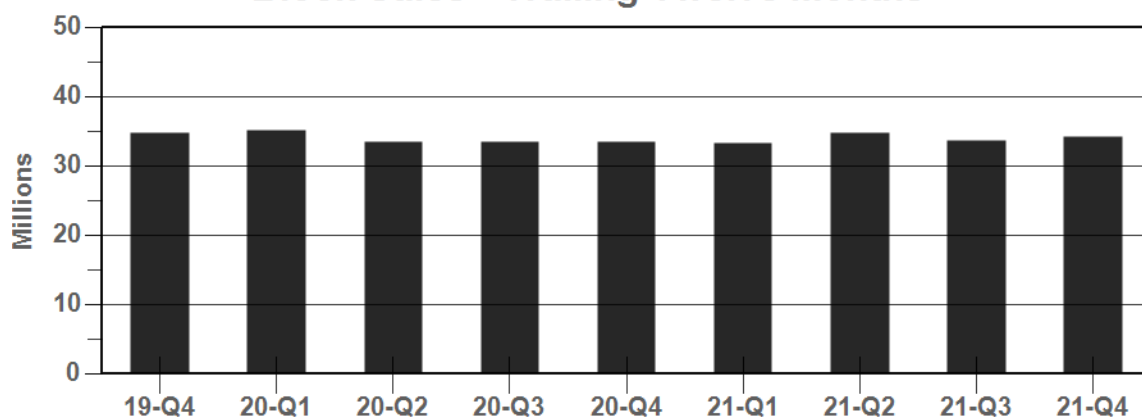
Block Sales Report (continued)

For the three months and year ended December 31, 2021

Block Sales by Quarter



Block Sales - Trailing Twelve Months



(000's)	Q1	Q2	Q3	Q4
Quarter totals				
2021	7,005	9,173	9,401	8,505
2020	7,235	7,783	10,481	8,006
2019	6,717	9,571	10,361	8,000
Year-to-date totals				
2021	7,005	16,178	25,579	34,084
2020	7,235	15,018	25,499	33,505
2019	6,717	16,288	26,649	34,649